Companies House

LI-COR BIOSCIENCES UK LIMITED

FINANCIAL STATEMENTS

FOR

31ST OCTOBER 2002

Company Registration Number 4154721



KINNAIRD HILL
Chartered Accountants & Registered Auditors
Anglia House
285 Milton Road
Cambridge
CB4 1XQ

LI-COR BIOSCIENCES UK LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31ST OCTOBER 2002

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LI-COR BIOSCIENCES UK LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	Mr G L Biggs Mr L A Middendorf
Company secretary	Mr G L Biggs
Registered office	St Johns nnovation Centre Cambridge CB4 0WS
Auditors	Kinnaird Hill Charterec Accountants & Registered Auditors Anglia House 285 Milton Road Cambridge CB4 1XQ

LI-COR BIOSCIENCES UK LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31ST OCTOBER 2002

The directors present their report and the financial statements of the company for the year ended 31st October 2002.

PRINCIPAL ACTIVITIES
The principal activity of the company during the year was the sale of instrument systems for biotechnology.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY
The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

		Ordinary Shares of £1 each	
		At 31 October 2002	At 1 November 2001
Mr G L Biggs		–	–
Mr L A Middendorf		–	–
Mr S Nyikos	**(Resigned 23 August 2002)**		

DIRECTORS' RESPONSIBILITIES
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on pages 7 to 8, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS
A resolution to re-appoint Kinnaird Hill as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

LI-COR BIOSCIENCES UK LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST OCTOBER 2002

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
St Johns Innovation Centre
Cambridge
CB4 0WS

Signed by order of the directors

Gregory L Biggs

MR G L BIGGS
Company Secretary

Approved by the directors on January 8, 2003

LI-COR BIOSCIENCES UK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 31ST OCTOBER 2002

We have audited the financial statements on pages 5 to 10 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out on pages 7 to 8.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS
The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

BASIS OF AUDIT OPINION
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION
In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st October 2002 and of the loss of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Kinnaird Hill

KINNAIRD HILL
Chartered Accountants
& Registered Auditors

Anglia House
285 Milton Road
Cambridge
CB4 1XQ

08 JAN 2003

LI-COR BIOSCIENCES UK LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST OCTOBER 2002

	Note	Year to 31 Oct 02 £	Period from 15 Mar 01 to 31 Oct 01 £
TURNOVER		**489,377**	60,414
Cost of sales		**243,261**	44,144
GROSS PROFIT		**246,116**	16,270
Administrative expenses		**524,820**	263,429
Other operating income		**(1,778)**	–
OPERATING LOSS	3	**(276,926)**	(247,159)
Interest receivable		**209**	–
Interest payable		–	(4,012)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		**(276,717)**	(251,171)
Tax on loss on ordinary activities		–	–
LOSS FOR THE FINANCIAL YEAR		**(276,717)**	(251,171)
Balance brought forward		**(251,168)**	–
Balance carried forward		**(527,885)**	(251,171)

LI-COR BIOSCIENCES UK LIMITED

BALANCE SHEET

31ST OCTOBER 2002

	Note	2002 £	2002 £	2001 £	2001 £
FIXED ASSETS					
Tangible assets	4		24,128		18,616
CURRENT ASSETS					
Stocks		125,803		93,952	
Debtors	5	182,912		76,868	
Cash at bank and in hand		11,038		45,475	
		319,753		216,295	
CREDITORS: Amounts falling due within one year	6	188,066		69,732	
NET CURRENT ASSETS			131,687		146,563
TOTAL ASSETS LESS CURRENT LIABILITIES			155,815		165,179
CREDITORS: Amounts falling due after more than one year	7		682,700		415,350
			(526,885)		(250,171)
CAPITAL AND RESERVES					
Called-up equity share capital	11		1,000		1,000
Profit and Loss Account			(527,885)		(251,171)
DEFICIENCY			(526,885)		(250,171)

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved by the directors on the 1st January 2003 and are signed on their behalf by:

Gregory L Biggs

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MR G L BIGGS

LI-COR BIOSCIENCES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST OCTOBER 2002

1. FUNDAMENTAL ACCOUNTING CONCEPT

The company has incurred trading losses and the company's holding company, LI-COR Inc, has agreed to provide sufficient resources to allow the company to meet its debts as they fall due for at least one year from the date these accounts were approved as they feel that the company has a viable long term future.

2. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computers	-	33.33% Straight line
Fixtures & Fittings	-	20% Straight line
Equipment	-	33.33% Straight line

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company makes defined contributions to personal pension schemes on behalf of the director and employees. The assets of these schemes are held separately from those of the company. The annual contributions payable are charged to the Profit and Loss Account.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

LI-COR BIOSCIENCES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST OCTOBER 2002

2. ACCOUNTING POLICIES *(continued)*

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

3. OPERATING LOSS

Operating loss is stated after charging:

	Year to 31 Oct 02 £	Period from 15 Mar 01 to 31 Oct 01 £
Directors' emoluments	–	–
Staff pension contributions	5,119	1,392
Depreciation	7,612	1,925
Auditors' fees	5,713	6,000
Net loss on foreign currency translation	204	–

4. TANGIBLE FIXED ASSETS

	Computers £	Fixtures & Fittings £	Equipment £	Total £
COST				
At 1st November 2001	976	16,030	3,535	20,541
Additions	–	8,199	4,925	13,124
At 31st October 2002	976	24,229	8,460	33,665
DEPRECIATION				
At 1st November 2001	136	1,612	177	1,925
Charge for the year	325	6,200	1,087	7,612
At 31st October 2002	461	7,812	1,264	9,537
NET BOOK VALUE				
At 31st October 2002	515	16,417	7,196	24,128
At 31st October 2001	840	14,418	3,358	18,616

LI-COR BIOSCIENCES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST OCTOBER 2002

5. DEBTORS

	2002	2001
	£	£
Trade debtors	162,696	57,205
VAT recoverable	2,032	8,803
Other debtors	7,091	4,000
Prepayments and accrued income	11,093	6,860
	182,912	76,868

6. CREDITORS: Amounts falling due within one year

		2002		2001
		£		£
Trade creditors		12,681		8,765
Amounts owed to group undertakings		98,819		16,605
Other creditors including taxation and social security:				
PAYE and social security	9,812		10,151	
Other creditors	2,859		2,388	
Accruals and deferred income	63,895		31,823	
		76,566		44,362
		188,066		69,732

7. CREDITORS: Amounts falling due after more than one year

	2002	2001
	£	£
Amounts owed to group undertakings	682,700	415,350

8. COMMITMENTS UNDER OPERATING LEASES

At 31st October 2002 the company had aggregate annual commitments under non-cancellable operating leases as set out below.

	2002	2001
	£	£
Operating leases which expire:		
Within 1 year	3,435	8,770
Within 2 to 5 years	22,671	15,379
	26,106	24,149

9. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemptions conferred by the Financial Reporting Standard for Smaller Entities (effective June 2002) not to disclose transactions with other group companies, being a greater than 90% owned subsidiary of LI-COR Inc.

LI-COR BIOSCIENCES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST OCTOBER 2002

10. SHARE CAPITAL

Authorised share capital:

	2002	2001
	£	£
10,000 Ordinary shares of £1 each	**10,000**	10,000

Allotted, called up and fully paid:

	2002	2001
	£	£
Ordinary share capital	1,000	–
Issue of ordinary shares	–	1,000
	1,000	1,000

11. ULTIMATE PARENT COMPANY

The ultimate parent company is LI-COR Inc, a company registered in the United States of America. LI-COR Inc owns 100% of the issued share capital of the company

LI-COR Inc prepare consolidated accounts which include LI-COR Biosciences UK Limited. Copies of the consolidated accounts can be obtained from LI-COR Inc, 4421 Superior Street, Lincoln, Nebraska 68504, USA.