



**REGISTRAR
OF
COMPANIES**

**STERILE SERVICES INTERNATIONAL
LIMITED**

Report and Financial Statements

31 December 1999



**Deloitte & Touche
Blenheim House
Fitzalan Court
Newport Road
Cardiff CF24 0TS**



REPORT AND FINANCIAL STATEMENTS 1999

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REPORT AND FINANCIAL STATEMENTS 1999

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

C Morello Mosto (appointed 19 October 1999)
L Locatelli

SECRETARY

L Locatelli

REGISTERED OFFICE

9 Columbus Walk
Brigantine Place
Cardiff
CF10 4YY

BANKERS

Julian Hodge Bank
10 Windsor Place
Cardiff
CF1 3BX

SOLICITORS

Edwards Geldard
Dumfries House
Dumfries Place
Cardiff

Eversheds
Fitzalan House
Fitzalan Road
Cardiff

AUDITORS

Deloitte & Touche
Blenheim House
Fitzalan Court
Newport Road
Cardiff
CF24 0TS



DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 1999.

ACTIVITIES

The company is principally engaged in providing management services to its operating subsidiary, which is engaged in providing sterilisation services to the University Hospital of Wales.

REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

Results for the year are set out on page 5, and the company's position at the year end is set out on page 6.

DIVIDENDS

The directors do not recommend the payment of a dividend (1998 - £Nil).

DIRECTORS

The present membership of the board is set out on page 1.

The directors who were in office throughout the year, and their beneficial interests in the company's issued ordinary share capital were as follows:

		Ordinary shares of £1 each	
		1999	1998
P Bagnati	(resigned 11 October 1999)	-	-
R Corti	(resigned 11 October 1999)	-	-
G Ortolani	(resigned 18 October 1999)	-	-
P Sandioui	(resigned 18 October 1999)	-	-
C Morello Mosto	(appointed 19 October 1999)	-	-
L Locatelli	(appointed 19 October 1999)	-	-

YEAR 2000

Following their initial review, the directors continue to be alert to the potential risks and uncertainties surrounding the year 2000 issue. As at the date of this report, the directors are not aware of any significant factors which have arisen, or that may arise, which will affect the activities of the business, however the situation is still being monitored. Any future costs associated with this issue cannot be quantified but are not anticipated to be significant.

AUDITORS

Deloitte & Touche were appointed auditors of the company in the year, and have expressed their willingness to continue in office as auditors.

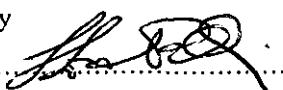
A resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board

L Locatelli

Secretary

Date


20.3.2000

**STATEMENT OF 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 as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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. They 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' REPORT TO THE MEMBERS OF STERILE SERVICES INTERNATIONAL LIMITED

We have audited the financial statements on pages 5 to 10 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with 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 at 31 December 1999 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche

Chartered Accountants and
Registered Auditors

Date 24 March 2000


PROFIT AND LOSS ACCOUNT
Year ended 31 December 1999

	Note	1999 £	1998 £
TURNOVER	2	17,444	125,000
Cost of sales		(94,474)	(82,191)
GROSS (LOSS)/PROFIT		(77,030)	42,809
Administrative expenses		(81,788)	(100,543)
OPERATING LOSS		(158,818)	(57,734)
Interest payable		(7)	(1)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	3	(158,825)	(57,735)
Tax on loss on ordinary activities	5	35,218	-
LOSS FOR THE FINANCIAL YEAR	11	(123,607)	(57,735)

There are no recognised gains or losses or movements in shareholders' funds for the current or preceding year other than as shown above.

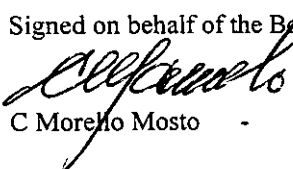


BALANCE SHEET
31 December 1999

	Note	£	1999 £	£	1998 £
FIXED ASSETS					
Tangible assets	6		180		279
Investments	7		215,402		2
			<u>215,582</u>		<u>281</u>
CURRENT ASSETS					
Debtors	8	129,856		401,958	
Cash at bank and in hand		4,565		69,409	
Group relief		35,218			
		<u>169,639</u>		<u>471,367</u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR					
	9	(66,563)		(29,383)	
NET CURRENT ASSETS					
			<u>103,076</u>		<u>441,984</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
			<u>318,658</u>		<u>442,265</u>
CAPITAL AND RESERVES					
Called up share capital	10		500,000		500,000
Profit and loss account	11		(181,342)		(57,735)
TOTAL EQUITY SHAREHOLDERS' FUNDS					
			<u>318,658</u>		<u>442,265</u>

These financial statements were approved by the Board of Directors on 20/3/00

Signed on behalf of the Board of Directors


C Morelio Mosto - Director

NOTES TO THE ACCOUNTS
Year ended 31 December 1999

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The accounting policies adopted are described below:

Accounting convention

The financial statements are prepared under the historical cost convention.

The company is exempt from preparing consolidated financial statements on the grounds that, taken together with its subsidiaries, it qualifies as a small or medium sized group under Section 248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Depreciation

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets annual instalments over their expected useful lives. The rates applicable are:

Computer equipment - 33%

Investments

Investments are included at cost, less provision for impairment.

2. TURNOVER

Turnover is the total amount receivable by the company for services provided net of VAT and trade discounts.

3. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

	1999	1998
	£	£
Loss on ordinary activities before taxation is after charging:		
Auditors remuneration	1,000	1,500
Depreciation of tangible assets		
- owned assets	99	16
	<u> </u>	<u> </u>

4. DIRECTORS AND EMPLOYEES

The directors were the only employees in the year. They did not receive any remuneration in the year (1998 - £nil). The directors are remunerated by the parent company Impregilo UK Limited. It is not possible to allocate their remuneration between their services as directors of Sterile Services International Limited and their services of other group companies.

NOTES TO THE ACCOUNTS
Year ended 31 December 1999

5. TAX ON LOSS ON ORDINARY ACTIVITIES

	1999 £	1998 £
Group relief	(35,218)	-

6. TANGIBLE FIXED ASSETS

	Office equipment, fixtures and fittings £
Cost	
At 1 January 1999 and 31 December 1999	295
Depreciation	
At 1 January 1999	16
Charge for year	99
At 31 December 1999	115
Net book value	
At 31 December 1999	180
At 31 December 1998	279

7. INVESTMENTS HELD AS FIXED ASSETS

	Shares in group undertakings £
Cost	
At 1 January 1999	2
Additions	215,400
At 31 December 1999	215,402

Additions in the year relates to the acquisition of additional share capital in Sterile Services International (Cardiff) Limited, a company incorporated in the United Kingdom. At 31 December 1999, and 31 December 1998, the company held 100% of the ordinary share capital of this company.

At 31 December 1999, this company had capital and reserves of £230,011 and had a profit for the year then ended of £22,720.

NOTES TO THE ACCOUNTS
Year ended 31 December 1999

8. DEBTORS

	1999 £	1998 £
Amounts owed by group undertakings	129,856	143,043
Other debtors	-	13,915
Called up share capital not paid	-	245,000
	<u>129,856</u>	<u>401,958</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1999 £	1998 £
Trade creditors	12,352	27,883
Amounts owed to parent undertaking	10,893	-
Other creditors including taxation and social security	22,735	-
Accruals and deferred income	20,583	1,500
	<u>66,563</u>	<u>29,383</u>

10. SHARE CAPITAL AND RESERVES

	1999 £	1998 £
Authorised		
Ordinary shares of £1 each	<u>800,000</u>	<u>800,000</u>
Allotted and fully paid		
Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>

Unpaid share capital totalling £245,000 at 31 December 1998 was paid during the year.

11. RESERVES

	Profit and loss account £
At 1 January 1999	(57,735)
Loss for the year	(123,607)
	<u>(181,342)</u>
At 31 December 1999	

**NOTES TO THE ACCOUNTS**
Year ended 31 December 1999**12. RELATED PARTY TRANSACTIONS**

Transactions with related parties were as follows:

- (i) During the year, the company invoiced its subsidiary undertaking (Sterile Services International (Cardiff) Limited £30,000 (1998 - £125,000) in respect of management services.
At 31 December 1999, a balance of £129,856 (1998 - £143,043) is owing from Sterile Services International (Cardiff) Limited included as a debtor in note 8.
- (ii) During the year, the company incurred charges from its parent company (Impregilo UK Limited) of £43,757 (1998 - £179,909) in respect of sundry recharges. At 31 December 1999, the company owed £10,893 (1998 - £Nil) to Impregilo UK Limited including as a creditor in note 9.

13. ULTIMATE CONTROLLING PARTY

The company became a wholly owned subsidiary of Impregilo UK Limited on 19 October 1999.

The directors thus consider that the parent undertaking of this company is its parent company Impregilo UK Limited.

The ultimate parent and controlling party is Impregilo SpA, a company incorporated in Italy, as a result of its 100% holding of the equity share capital of Impregilo UK Limited.

Copies of financial statements for the above companies are available from Impregilo UK Limited, 9 Columbus Walk, Brigantine Place, Cardiff, CF10 4YY.