

## **Biachem Limited**

Directors' Report and Unaudited

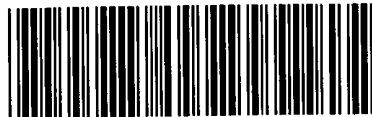
Financial Statements

Year Ended

30 November 2017

Company Number 1934652

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# **Biachem Limited**

## **Company Information**

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<b>Directors</b>	R W H Beaumont S Raven A W Beaumont K Beaumont
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<b>Company secretary</b>	A W Beaumont
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<b>Registered number</b>	1934652
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<b>Registered office</b>	30-32 Ludgate Hill London EC4M 7DR
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<b>Accountants</b>	BDO LLP 31 Chertsey Street Guildford Surrey GU1 4HD
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# **Biachem Limited**

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# Biachem Limited

## Directors' Report For the Year Ended 30 November 2017

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The directors present their report and the financial statements for the year ended 30 November 2017.

### Directors


The directors who served during the year were:

R W H Beaumont  
S Raven  
A W Beaumont  
K Beaumont (appointed 20 March 2017)

### Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 13th August 2018 and signed on its behalf.



R W H Beaumont  
Director

## Biachem Limited

### Chartered accountants' report to the board of directors on the preparation of the unaudited financial statements of Biachem Limited for the year ended 30 November 2017

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Biachem Limited for the year ended 30 November 2017 which comprise the statement of income and retained earnings, the statement of financial position and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>

This report is made solely to the board of directors of Biachem Limited, as a body, in accordance with the terms of our engagement letter dated 25 January 2016. Our work has been undertaken solely to prepare for your approval the accounts of Biachem Limited and state those matters that we have agreed to state to the board of directors of Biachem Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Biachem Limited and its board of directors as a body for our work or for this report.

It is your duty to ensure that Biachem Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Biachem Limited. You consider that Biachem Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Biachem Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

BDO LLP

**BDO LLP**  
Chartered Accountants  
Guildford  
United Kingdom

Date: 13/8/18

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

## Biachem Limited

### Statement of Income and Retained Earnings For the Year Ended 30 November 2017

	Note	2017 £	2016 £
Turnover		8,413,224	8,332,951
Cost of sales		(6,539,002)	(6,573,278)
<b>Gross profit</b>		<b>1,874,222</b>	<b>1,759,673</b>
Administrative expenses		(791,875)	(855,967)
<b>Operating profit</b>		<b>1,082,347</b>	<b>903,706</b>
Interest receivable and similar income		13,568	15,116
<b>Profit before tax</b>		<b>1,095,915</b>	<b>918,822</b>
Tax on profit	5	(203,575)	(184,738)
<b>Profit after tax</b>		<b>892,340</b>	<b>734,084</b>
Retained earnings at the beginning of the year		5,390,394	4,656,310
		5,390,394	4,656,310
Profit for the year		892,340	734,084
Dividends declared and paid		(221,117)	-
<b>Retained earnings at the end of the year</b>		<b>6,061,617</b>	<b>5,390,394</b>

The notes on pages 5 to 14 form part of these financial statements.

**Biachem Limited**  
Registered number: 1934652

**Statement of Financial Position**  
**As at 30 November 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	6	122,044	71,364
Investments	7	100	100
		<u>122,144</u>	<u>71,464</u>
<b>Current assets</b>			
Stocks	8	1,428,979	1,344,295
Debtors: amounts falling due within one year	9	2,270,103	2,058,386
Cash and cash equivalents	10	4,664,164	4,501,846
		<u>8,363,246</u>	<u>7,904,527</u>
Creditors: amounts falling due within one year	11	(2,323,773)	(2,485,597)
<b>Net current assets</b>		<u>6,039,473</u>	<u>5,418,930</u>
<b>Total assets less current liabilities</b>		<u>6,161,617</u>	<u>5,490,394</u>
<b>Net assets</b>		<u>6,161,617</u>	<u>5,490,394</u>
<b>Capital and reserves</b>			
Called up share capital		100,000	100,000
Profit and loss account	12	6,061,617	5,390,394
		<u>6,161,617</u>	<u>5,490,394</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



**R W H Beaumont**  
Director

13 August 2018

The notes on pages 5 to 14 form part of these financial statements.

# **Biachem Limited**

## **Notes to the Financial Statements For the Year Ended 30 November 2017**

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### **1. General information**

Biachem Limited is a private company incorporated in England and Wales under the Companies Act 2006. It is a company limited by shares. The address of the registered office is given on the company information page. The Company's principal activity during the year was the import and distribution of chemicals.

### **2. Accounting policies**

#### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

#### **2.2 Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Biachem Group Limited as at 30 November 2017 and these financial statements may be obtained from Companies House.

#### **2.3 Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services invoiced during the year, exclusive of Value Added Tax and trade discounts. Turnover is recognised when title to goods passes to the customer.

#### **2.4 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.



# **Biachem Limited**

## **Notes to the Financial Statements For the Year Ended 30 November 2017**

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### **2. Accounting policies (continued)**

#### **2.4 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as shown below.

Depreciation is provided on the following basis:

Plant and machinery	- 20% to 50% reducing balance method
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

#### **2.5 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

#### **2.6 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

#### **2.7 Debtors**

Short term debtors are measured at transaction price, less any impairment.

#### **2.8 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

# **Biachem Limited**

## **Notes to the Financial Statements For the Year Ended 30 November 2017**

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### **2. Accounting policies (continued)**

#### **2.9 Financial instruments**

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

#### **2.10 Creditors**

Short term creditors are measured at the transaction price.

# **Biachem Limited**

## **Notes to the Financial Statements For the Year Ended 30 November 2017**

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### **2. Accounting policies (continued)**

#### **2.11 Foreign currency translation**

##### **Functional and presentation currency**

The Company's functional and presentational currency is GBP.

##### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

#### **2.12 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

#### **2.13 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

#### **2.14 Pensions**

##### **Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

#### **2.15 Interest income**

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

# **Biachem Limited**

## **Notes to the Financial Statements For the Year Ended 30 November 2017**

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### **2. Accounting policies (continued)**

#### **2.16 Taxation**

Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

### **3. Judgements in applying accounting policies and key sources of estimation uncertainty**

In preparing these financial statements, the directors have had to make the following judgements:

- Determine whether leases entered into by the Company either as a lessor or a lessee are an operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the Company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty:

- Tangible fixed assets (see note 6)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on the number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

- Derivative financial instruments

The fair value of derivatives involves the use of valuation techniques. The estimation of the fair value requires the combination of various assumptions in respect of foreign exchange movement which contain a high degree of estimation uncertainty.

### **4. Employees**

The average monthly number of employees, including the directors, during the year was 9 (2016: 10).

# Biachem Limited

## Notes to the Financial Statements For the Year Ended 30 November 2017

### 5. Taxation

	2017 £	2016 £
<b>Corporation tax</b>		
UK corporation tax charge on profit for the year	203,575	184,970
Adjustments in respect of previous periods	-	(232)
<b>Total current tax</b>	<b>203,575</b>	<b>184,738</b>
<b>Deferred tax</b>		
<b>Total deferred tax</b>	<b>-</b>	<b>-</b>
<b>Taxation on profit on ordinary activities</b>	<b>203,575</b>	<b>184,738</b>

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2016 - higher than) the standard rate of corporation tax in the UK of 19.25% (2016: 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	1,095,915	918,822
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016 - 20%)	210,964	183,764
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	5,055	1,185
Capital allowances for year in excess of depreciation	(12,444)	-
Adjustments to tax charge in respect of prior periods	-	(232)
Change in tax rates - deferred tax	-	21
<b>Total tax charge for the year</b>	<b>203,575</b>	<b>184,738</b>

#### Factors that may affect future tax charges

There were no factors that may affect future tax charges.

## Biachem Limited

### Notes to the Financial Statements For the Year Ended 30 November 2017

#### 6. Tangible fixed assets

	Plant & machinery £
<b>Cost</b>	
At 1 December 2016	177,205
Additions	87,819
Disposals	(52,664)
At 30 November 2017	<u>212,360</u>
<b>Depreciation</b>	
At 1 December 2016	105,841
Charge for the year	32,721
Disposals	(48,246)
At 30 November 2017	<u>90,316</u>
<b>Net book value</b>	
At 30 November 2017	<u><u>122,044</u></u>
At 30 November 2016	<u><u>71,364</u></u>

# Biachem Limited

## Notes to the Financial Statements For the Year Ended 30 November 2017

### 7. Fixed asset investments

	Investments in subsidiary companies £
<b>Cost</b>	
At 1 December 2016	100
At 30 November 2017	100
<b>Net book value</b>	
At 30 November 2017	100
At 30 November 2016	100

### Subsidiary undertakings

The following was a subsidiary undertaking of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Biachem Services Limited	England and Wales	Ordinary shares	100 %	Dormant

### 8. Stocks

	2017 £	2016 £
Finished goods and goods for resale	1,428,979	1,344,295
	<u>1,428,979</u>	<u>1,344,295</u>

Stock recognised in cost of sales during the year as an expense was £5,515,354 (2016: £5,947,402).

# Biachem Limited

## Notes to the Financial Statements For the Year Ended 30 November 2017

### 9. Debtors

	2017 £	2016 £
Trade debtors	1,912,112	1,691,724
Amounts owed by group undertakings	127,455	126,345
Other debtors	21,188	23,571
Prepayments and accrued income	209,348	216,746
	<u>2,270,103</u>	<u>2,058,386</u>

### 10. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	4,664,164	4,501,846
	<u>4,664,164</u>	<u>4,501,846</u>

### 11. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	805,973	610,286
Amounts owed to group undertakings	1,224,147	1,193,364
Corporation tax	-	30,148
Other taxation and social security	73,269	151,303
Accruals and deferred income	220,384	500,496
	<u>2,323,773</u>	<u>2,485,597</u>

### 12. Reserves

The Company's reserves are as follows:

#### Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.



# Biachem Limited

## Notes to the Financial Statements For the Year Ended 30 November 2017

### 13. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £19,479 (2016 - £41,752). Contributions totalling £Nil (2016 - £Nil) were payable to the fund at the reporting date and are included in creditors.

### 14. Commitments under operating leases

At 30 November 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	16,679	45,178
Later than 1 year and not later than 5 years	-	15,843
	<u>16,679</u>	<u>61,021</u>

### 15. Related party transactions

The company has taken advantage of the exemption available in Section 33.1A of FRS 102 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertakings of the group.

### 16. Controlling party

The immediate parent undertaking is Biachem Group Limited, a company incorporated in England and Wales.

The ultimate controlling party is R W H Beaumont, by virtue of his shareholdings.