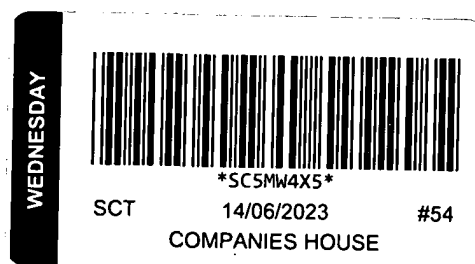


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REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE PERIOD 1 OCTOBER 2021 TO 31 MAY 2022
FOR
DELFT (UK) LIMITED



DELF (UK) LIMITED

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FOR THE PERIOD 1 OCTOBER 2021 TO 31 MAY 2022

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DELF (UK) LIMITED

COMPANY INFORMATION

FOR THE PERIOD 1 OCTOBER 2021 TO 31 MAY 2022

DIRECTORS:

J Adent
S Donnachie
Dr J W Lilly
S J Quinlan

SECRETARY:

S J Quinlan

REGISTERED OFFICE:

Unit 2
Hickmans Road
Birkenhead
Wirral
CH41 1JH

REGISTERED NUMBER:

02480330 (England and Wales)

AUDITORS:

BDO LLP
Citypoint
65 Haymarket Terrace
Edinburgh, UK
EH12 5HD

DELFT (UK) LIMITED

REPORT OF THE DIRECTORS **FOR THE PERIOD 1 OCTOBER 2021 TO 31 MAY 2022**

The directors present their report with the financial statements of the company for the period 1 October 2021 to 31 May 2022.

The company was acquired by Neogen Europe Ltd on 30 November 2021.

DIRECTORS

The directors who have held office during the period from 1 October 2021 to the date of this report are as follows:

J Adent - appointed 30 November 2021
S Donnachie - appointed 30 November 2021
Dr J W Lilly - appointed 30 November 2021
S J Quinlan - appointed 30 November 2021
C G Jones - resigned 30 November 2021
Dr J Jones - resigned 30 November 2021

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, BDO LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



S Donnachie - Director

7 June 2023

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF Delf (UK) Limited

Qualified opinion on financial statements

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion section of our report the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 May 2022 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Delf (UK) Limited ("the Company") for the period ended 31 May 2022 which comprise the Statement of Income and Retained Earnings and Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for qualified opinion

We were not appointed as auditor of the company until after 30 September 2021 and thus did not observe the counting of physical inventories at the end of that year. We were unable to satisfy ourselves by alternative means concerning the inventory quantities held at 30 September 2021, which were included in the balance sheet at £517,188 by using other audit procedures. Consequently, we were unable to determine whether any adjustment to this amount at 30 September 2021 was necessary or whether there was any consequential effect on the cost of sales for the year ended 31 May 2022. In addition, were any adjustments to the inventory balance to be required, the directors report would also need to be amended.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other matter

The corresponding figures are unaudited.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DELF (UK) LIMITED

Other information

The directors are responsible for the other information. The other information comprises the information included in the financial statements other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

As described in the basis for qualified opinion section of our report, we were unable to satisfy ourselves concerning the inventory quantities held at 30 September 2021 and whether there was any consequential effect on the cost of sales for the year ended 31 May 2022. We have concluded that where the other information refers to these balances, it may be materially misstated for the same reason.

Other Companies Act 2006 reporting

Except for the possible effects of the matter described in the basis for qualified opinion section of our report, in our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Except for the possible effects of the matter described in the basis for qualified opinion section of our report, in the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

Arising from the limitation on the scope of our work referred to above we have not obtained all of the information and explanations that we considered necessary for the purpose of our audit.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DELF (UK) LIMITED

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- reviewing correspondence with regulatory bodies, such as to the Registrar of Companies and HMRC for indications of non-compliance;
- assessing the design and implementation of the control environment of the group to identify areas of material weakness to focus the design of our audit testing;
- assessing whether the accounting policies, treatments and presentation adopted in the financial statements is in accordance with United Kingdom Generally Accepted Accounting Practice;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of a sample of journal entries;
- in addressing the fraud over the existence of revenue streams by carrying out detailed substantive procedures of revenue, including detailed cut off testing;
- carrying out detailed testing, on a sample basis, of transactions and balances and agreeing to appropriate evidence to verify the completeness, accuracy and existence of the reported financial statements;
- vouching balances and reconciling items in management's key control account reconciliations to supporting documentation as at 30 September 2021 and 31 May 2022.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it. In addition, the extent to which the audit was capable of detecting irregularities, including fraud was limited by the matter described in the basis for qualified opinion section of our report.

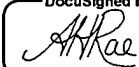
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DELF (UK) LIMITED**

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:



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Alastair Rae (Senior Statutory Auditor)

for and on behalf of BDO LLP

Citypoint

65 Haymarket Terrace

Edinburgh, UK

EH12 5HD

13 June 2023

DELF (UK) LIMITED**STATEMENT OF INCOME AND RETAINED EARNINGS**
FOR THE PERIOD 1 OCTOBER 2021 TO 31 MAY 2022

	Period 1.10.21 to 31.5.22 £	Year Ended 30.9.21 (Unaudited) £
TURNOVER	2,747,610	3,604,312
Cost of sales	1,764,677	2,136,725
GROSS PROFIT	982,933	1,467,587
Administrative expenses	537,930	654,238
	445,003	813,349
Other operating income	1,000	6,003
OPERATING PROFIT and PROFIT BEFORE TAXATION	446,003	819,352
Tax on profit	92,299	134,440
PROFIT FOR THE FINANCIAL PERIOD	353,704	684,912
Retained earnings at beginning of period	1,719,113	1,134,201
Dividends	-	(100,000)
RETAINED EARNINGS AT END OF PERIOD	2,072,817	1,719,113

The notes form part of these financial statements

BALANCE SHEET**31 MAY 2022**

		2022		2021 (Unaudited)	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	4		102,493		108,639
CURRENT ASSETS					
Stocks		915,374		517,188	
Debtors	5	876,515		619,722	
Cash at bank and in hand		708,808		1,166,764	
		2,500,697		2,303,674	
CREDITORS					
Amounts falling due within one year	6	509,350		672,503	
NET CURRENT ASSETS			1,991,347		1,631,171
TOTAL ASSETS LESS CURRENT LIABILITIES			2,093,840		1,739,810
PROVISIONS FOR LIABILITIES			20,023		19,697
NET ASSETS			2,073,817		1,720,113
CAPITAL AND RESERVES					
Called up share capital	7		1,000		1,000
Retained earnings	8		2,072,817		1,719,113
SHAREHOLDERS' FUNDS			2,073,817		1,720,113

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

The financial statements were approved by the Board of Directors and authorised for issue on 7 June 2023 and were signed on its behalf by:



S Donnachie - Director

1. STATUTORY INFORMATION

Delf (UK) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page (page 1). The company manufactures and supplies soft soaps and speciality chemicals.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared in pounds sterling which is the functional currency of the company, rounded to the nearest pound.

The significant accounting policies applied in the presentation of these financial statements are set out below.

Going concern

The company is well funded with a strong net current asset position, it is profitable and generating cash and, based on the directors' forecasts, that position is expected to continue. Accordingly, the directors believe that there is no material uncertainty and they continue to adopt the going concern basis in preparing the financial statements.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported as assets, liabilities, revenues and expenses for the year. The key sources of estimation uncertainty are as follows:

Depreciation and amortisation of tangible fixed assets:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The expected lives of assets and their residual values are assessed regularly and may vary depending on a number of factors including technological innovation, product life cycles, future market conditions and maintenance programmes.

Impairment of assets:

Tangible fixed assets, stock and debtors are all reviewed for evidence of impairment.

In connection with tangible fixed assets, factors taken into consideration include the economic viability, the expected future financial performance of the asset and, where appropriate, the viability and expected future performance of related cash generating units.

For stock, past and expected future sales, current stock levels, expiry dates and expected selling price less cost to complete and sell are all considered to determine the appropriate level of impairment provision.

Trade debtors are reviewed for evidence of impairment. Factors considered include ageing, past recovery rates, customer creditworthiness, and the stage and expected outcome of any recovery proceedings.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 OCTOBER 2021 TO 31 MAY 2022

2. ACCOUNTING POLICIES - continued

Turnover

Turnover is measured at the fair value of the consideration received or receivable net of VAT and trade discounts. The policies adopted for the recognition of turnover are as follows:

Sale of goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of turnover can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 25% on cost, 20% on cost and 10% on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of 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.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out basis. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Taxation

Taxation for the period comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the Balance Sheet date are translated using the closing rate.

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in independently administered funds. Contributions payable to the scheme are charged to the Statement of Income and Retained earnings in the period to which they relate.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice if 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.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Creditors

Short term creditors are measured at transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Impairment

Assets are reviewed for any indication that the asset may be impaired at each Balance Sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the Statement of Income and Retained earnings.

Operating leases

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

Employee benefits

When employees have rendered service to the company, short term benefits (including holiday pay) to which employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the period was 18 (2021 - 21).

DEL F (UK) LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE PERIOD 1 OCTOBER 2021 TO 31 MAY 2022**4. TANGIBLE FIXED ASSETS**

	Plant and machinery etc £
COST	
At 1 October 2021	508,603
Additions	8,883
At 31 May 2022	<u>517,486</u>
DEPRECIATION	
At 1 October 2021	399,964
Charge for period	15,029
At 31 May 2022	<u>414,993</u>
NET BOOK VALUE	
At 31 May 2022	<u>102,493</u>
At 30 September 2021	<u>108,639</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021 (Unaudited)
	£	£
Trade debtors	774,554	584,943
Amounts owed by group undertakings	30,000	-
Other debtors	71,961	34,779
	<u>876,515</u>	<u>619,722</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021 (Unaudited)
	£	£
Trade creditors	269,543	421,416
Amounts owed to group undertakings	31,425	-
Taxation and social security	121,527	178,694
Other creditors	86,855	72,393
	<u>509,350</u>	<u>672,503</u>

7. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2022	2021
Number:	Class:		£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

DELF (UK) LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE PERIOD 1 OCTOBER 2021 TO 31 MAY 2022**8. RESERVES**

	Retained earnings £
At 1 October 2021	1,719,113
Profit for the period	353,704
	<hr/>
At 31 May 2022	2,072,817
	<hr/>

Retained earnings represent cumulative profits and losses net of dividends and other adjustments.

9. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the period ended 31 May 2022 and the year ended 30 September 2021:

	2022 £	2021 (Unaudited) £
C G Jones and Dr J Jones		
Balance outstanding at start of period	(16,726)	(1,847)
Amounts advanced	26,646	85,121
Amounts repaid	(9,920)	(100,000)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of period	-	(16,726)
	<hr/>	<hr/>

10. ULTIMATE CONTROLLING PARTY

The company's immediate parent company is Neogen Europe Limited, incorporated and based in the United Kingdom. Its ultimate parent company is Neogen Corporation, a publicly owned company based in the United States of America whose shares are traded on the NASDAQ Stock Market. Copies of the group financial statements for Neogen Corporation are available from Neogen Corporation, 620 Leshar Place, Lansing, MI 48912, USA.