

Registered number: 03758366

PERKINELMER LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JANUARY 2022



PERKINELMER LIMITED

COMPANY INFORMATION

Directors	Mr A J Crook Mr J L Healy
Company secretary	Mr A J Crook
Registered number	03758366
Registered office	Chalfont Road Seer Green Beaconsfield Buckinghamshire HP9 2FX
Independent auditors	Mazars LLP Chartered Accountants & Statutory Auditor 90 Victoria Street Bristol BS1 6DP

PERKINELMER LIMITED

CONTENTS

	Page
Strategic Report	1
Directors' Report	2 - 3
Independent Auditors' Report	4 - 7
Statement of Comprehensive Income	8
Balance Sheet	9
Statement of Changes in Equity	10
Notes to the Financial Statements	11 - 30

PERKINELMER LIMITED

**STRATEGIC REPORT
FOR THE PERIOD ENDED 2 JANUARY 2022**

The directors present their Strategic report for PerkinElmer Limited for the period ended 2 January 2022.

Principal activities

The principal activity of the company is the provision of services to PerkinElmer Singapore Pte Ltd, a fellow PerkinElmer Inc group entity. These services include manufacturing, information technology, and research and development activities.

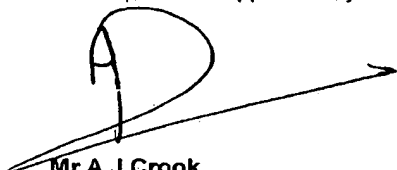
Business review

The principal risks and uncertainties which face the company are the level of activity required by PerkinElmer Singapore Pte Ltd as part of the agreements in place between the two entities.

On 1st August 2022, PerkinElmer, Inc. has entered into an agreement with the intention to divest its Applied and Enterprise Solutions businesses to New Mountain Capital for total consideration of \$2.45 billion in cash, \$2.30 billion of which will be received at the closing and \$150 million of which will be payable contingent on the exit valuation New Mountain Capital receives on a sale or other capital events related to the business. The transaction is expected to close in the first quarter of 2023, subject to regulatory approvals and other customary closing conditions.

After the transaction completes, the focus of the company prospectively will be upon its manufacturing activity for the products which fall within PerkinElmer's Life Science and Diagnostics portfolio.

This report was approved by the board and signed on its behalf.

A handwritten signature in black ink, appearing to be 'A J Crook', with a long horizontal stroke extending to the right.

Mr A J Crook
Director

Date: 18 November 2022

PERKINELMER LIMITED

**DIRECTORS' REPORT
FOR THE PERIOD ENDED 2 JANUARY 2022**

The directors present their report and the financial statements for the period ended ended 2 January 2022.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' Report 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- 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 to 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.

Principal activity & future developments

The principal activity of the company is the provision of services to PerkinElmer Singapore Pte Ltd, a fellow PerkinElmer Inc group entity. These services include manufacturing, information technology, and research and development activities.

After the sale of the Applied and Enterprise Solutions business as reported in the Directors' Report, the focus of the company prospectively will be upon its manufacturing activity for the products which fall within PerkinElmer's Life Science and Diagnostics portfolio.

Results and dividends

The loss for the period ended, after taxation, amounted to £42,000 (period ending 3 January 2021: profit £98,000).

During the financial period, the directors made a dividend payment of £nil (period ending 3 January 2021: £nil).

Directors

The directors who served during the period ended were:

Mr A J Crook
Mr J L Healy

PERKINELMER LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 2 JANUARY 2022**

Liquidity and going concern

The company's activities are described above. Despite the current uncertain macro-economic conditions, the directors believe that the company is properly structured and well positioned to manage and control the business risks which it faces. The company trades on a cost plus recharge basis and therefore has a predictable income stream. The company manages its liquidity needs through a bank pooling facility and, in the unlikely event that any such need would arise, the directors would receive the support of the ultimate parent company in managing future cash flows in accordance with the guarantee they have received. The company has not been adversely affected by the COVID-19 pandemic. There are no foreseeable detrimental impacts arising. On this basis the directors have no doubt that the company can continue in operational existence for the foreseeable future and they have therefore continued to adopt the going concern basis in preparing the annual report and accounts.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Post balance sheet events

On 1st August 2022, PerkinElmer, Inc. has entered into an agreement with the intention to divest its Applied, Food and Enterprise Services businesses to New Mountain Capital for total consideration of \$2.45 billion in cash, \$2.30 billion of which will be received at the closing and \$150 million of which will be payable contingent on the exit valuation New Mountain Capital receives on a sale or other capital events related to the business. The transaction is expected to close in the first quarter of 2023, subject to regulatory approvals and other customary closing conditions.

After the transaction completes, the focus of the company prospectively will be upon its manufacturing activity for the products which fall within PerkinElmer's Life Science and Diagnostics portfolio.

Auditors

The auditors, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



Mr A J Crook
Director

Date: 18 November 2022

PERKINELMER LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERKINELMER LIMITED

Opinion

We have audited the financial statements of PerkinElmer Limited (the 'Company') for the period ended 2 January 2022 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 2 January 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.

Basis for opinion

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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

PERKINELMER LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERKINELMER LIMITED

Other information (continued)

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.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In 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 Strategic Report or the Directors' Report.

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
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 intend either to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERKINELMER LIMITED

Auditor's 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls, and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut-off assertion), pension scheme valuation, and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 auditor's report.

PERKINELMER LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERKINELMER LIMITED

Use of the audit 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.



Jon Barnard (Nov 18, 2022 16:34 GMT)

Jonathan Barnard (Senior statutory auditor)

for and on behalf of

Mazars LLP

Chartered Accountants and Statutory Auditor

90 Victoria Street

Bristol

BS1 6DP

Date: Nov 18, 2022

PERKINELMER LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 2 JANUARY 2022**

	Note	Period ending 2 January 2022 £000	Restated period ending 3 January 2021 £000
Turnover	4	17,433	15,875
Cost of sales		(17,620)	(15,817)
Gross (loss)/profit		(187)	58
Other operating income	5	172	115
Operating (loss)/profit	6	(15)	173
Interest receivable and similar income	9	-	29
Other finance income		329	440
Profit before tax		314	642
Tax on profit	11	137	(544)
Profit for the financial period		451	98
Other comprehensive income for the period			
Actuarial (losses)/gains on defined benefit pension scheme		(14,813)	3,115
Asset ceiling adjustment on pension asset		15,783	(26,817)
Movement of deferred tax relating to pension asset		(243)	4,503
Other comprehensive income/(expense) for the period		727	(19,199)
Total comprehensive income/(expense) for the period		1,178	(19,101)

There were no recognised gains and losses for either period other than those included in the statement of comprehensive income.

The notes on pages 11 to 30 form part of these financial statements.

PERKINELMER LIMITED
REGISTERED NUMBER: 03758366

BALANCE SHEET
AS AT 2 JANUARY 2022

	Note	2 January 2022 £000	Restated 3 January 2021 £000
Fixed assets			
Tangible assets	12	825	905
		<u>825</u>	<u>905</u>
Current assets			
Debtors: amounts falling due within one year	13	45,680	53,506
Cash at bank and in hand	14	1,819	96
		<u>47,499</u>	<u>53,602</u>
Creditors: amounts falling due within one year	15	(5,430)	(12,791)
Net current assets		<u>42,069</u>	<u>40,811</u>
Total assets less current liabilities		<u>42,894</u>	<u>41,716</u>
Pension asset		-	-
Net assets		<u><u>42,894</u></u>	<u><u>41,716</u></u>
Capital and reserves			
Called up share capital	17	23,466	23,466
Profit and loss account	18	19,428	18,250
		<u>42,894</u>	<u>41,716</u>

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


Mr A J Crook
 Director

Date: 18 November 2022

The notes on pages 11 to 30 form part of these financial statements.

PERKINELMER LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 2 JANUARY 2022**

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2020	23,466	37,351	60,817
Comprehensive expense for the period			
Profit for the period	-	98	98
Actuarial losses on pension scheme (restated - see note 18)	-	(19,199)	(19,199)
Total comprehensive expense for the period (restated)	-	(19,101)	(19,101)
At 4 January 2021 (restated)	23,466	18,250	41,716
Comprehensive income for the period			
Profit for the period	-	451	451
Actuarial gains on pension scheme	-	727	727
Total comprehensive income for the period	-	1,178	1,178
At 2 January 2022	23,466	19,428	42,894

The notes on pages 11 to 30 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JANUARY 2022**

1. General information

These financial statements comprising the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 23 constitute the individual financial statements of PerkinElmer Limited for the financial period ended 2 January 2022.

PerkinElmer Limited is a private company limited by shares, incorporated in England & Wales. The company's registered office is Chalfont Road, Seer Green, Beaconsfield, Buckinghamshire, HP9 2FX, which is also the principal place of business of the company. The nature of the company's operations and its principal activities are set out in the Directors' report on page 2.

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 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 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 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

Consolidated financial statements for the company's ultimate parent company, PerkinElmer Inc., are available from 940 Winter Street, Reservoir Woods, Waltham, Massachusetts 02451, USA.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JANUARY 2022**

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP and all values are rounded to the nearest thousand pounds except when otherwise indicated.

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 profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JANUARY 2022**

2. Accounting policies (continued)

2.6 Research and development

Research and development expenditure is written off to the profit and loss account as incurred.

2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.8 Pension costs

PerkinElmer Ltd participates in the PerkinElmer (UK) Pension Scheme, a closed hybrid defined benefit and defined contribution scheme in the UK with PerkinElmer (UK) Holdings Limited and PerkinElmer LAS (UK) Limited.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method, which attributes entitlement to benefits to the current period (to determine current service cost) and to the current and prior periods (to determine the present value of defined benefit obligations) and is based on actuarial advice. When a settlement or a curtailment occur the change in the present value of the scheme liabilities and the fair value of the plan assets reflects the gain or loss which is recognised in the income statement during the period in which it occurs.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, at the start of the period taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Re-measurements, comprising actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability (excluding amounts included in net interest) are recognised immediately in other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

The net defined benefit pension asset or liability in the Statement of Financial Position comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information and in the case of quoted securities is the published bid price. The contributions to defined contribution schemes are recognised in the Statement of Comprehensive Income in the period in which they become payable.

PerkinElmer Limited is the sponsoring employer of the defined benefit scheme as it has legal responsibility for the plan. There is no contractual agreement or stated policy for charging the defined benefit cost of the plan as a whole to individual group entities and therefore the company has recognised the entire net defined benefit cost and relevant net defined benefit liability of the scheme in its individual financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JANUARY 2022**

2. Accounting policies (continued)

2.9 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss 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 balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.10 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.

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

Depreciation is provided on the following basis:

Leasehold improvements	- 7 years
Plant and machinery	- 7 to 10 years
Fixtures and fittings	- 3 to 10 years

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 profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JANUARY 2022**

2. Accounting policies (continued)

2.11 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.

2.12 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.

2.13 Creditors

Short term creditors are measured at the 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.

2.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.15 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JANUARY 2022**

2. Accounting policies (continued)

2.15 Financial instruments (continued)

- at cost less impairment for all other investments.

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 Comprehensive Income.

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 balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet 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.

3. Judgments in applying accounting policies 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 for assets and liabilities as at the Statement of Financial Position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following are the company's key sources of estimation uncertainty:

Pension and other post-employment benefits

The cost of defined benefit pension plans and other post-employment medical benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in the respective currency with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The underlying bonds are further reviewed for quality, and those having excessive credit spreads are removed from the population bonds on which the discount rate is based, on the basis that they do not represent high quality bonds. The mortality rate is based on publicly available mortality tables for the specific country. Future salary increases and pension increases are based on expected future inflation rates for the respective country. Further details are given in note 20.

4. Turnover

All turnover recognised by the company relates to the company's principal activity which is considered to be the only reporting segment. All turnover is received from PerkinElmer Singapore Pte Ltd.

PERKINELMER LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JANUARY 2022**

5. Other operating income

	Period ending 2 January 2022 £000	Period ending 3 January 2021 £000
RDEC tax credit	172	115
	<u>172</u>	<u>115</u>

6. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	Period ending 2 January 2022 £000	Period ending 3 January 2021 £000
Research & development charged as an expense	2,832	2,327
Exchange differences	81	63
Operating lease rentals - plant and machinery	91	113
Operating lease rental - other	769	803
Depreciation of owned tangible fixed assets	<u>383</u>	<u>381</u>

PERKINELMER LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JANUARY 2022**

7. Auditors' remuneration

	Period ending 2 January 2022 £000	Period ending 3 January 2021 £000
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	35	33

Fees payable to the Company's auditor and its associates in connection with the Company's pension scheme(s) in respect of:

	Period ending 2 January 2022 £000	Period ending 3 January 2021 £000
Taxation compliance services	10	10
All other services	3	-
	13	10

PERKINELMER LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JANUARY 2022**

8. Employees

Staff costs were as follows:

	Period ending 2 January 2022 £000	Period ending 3 January 2021 £000
Wages and salaries	8,616	8,008
Social security costs	969	900
Cost of defined contribution scheme	473	433
	<u>10,058</u>	<u>9,341</u>

Included in the Staff costs is £34k (period ending 3 January 2021: £23k) incurred as restructuring in the period.

The average monthly number of employees, including the directors, during the period was as follows:

	Period ending 2 January 2022 No.	Period ending 3 January 2021 No.
Production	109	112
Research and development	19	15
IT and administration	43	38
	<u>171</u>	<u>165</u>

Total Directors' emoluments for the period totalled £49,000 (period ending 3 January 2021: £45,000).

No pension contributions were made in respect of the directors for the period (period ending 3 January 2021: Nil).

PERKINELMER LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JANUARY 2022**

9. Interest receivable

	Period ending 2 January 2022 £000	Period ending 3 January 2021 £000
Interest receivable from group undertakings	-	29
	<u>-</u>	<u>29</u>

10. Other finance costs

	Period ending 2 January 2022 £000	Period ending 3 January 2021 £000
Interest income on pension scheme assets	329	440
	<u>329</u>	<u>440</u>

11. Taxation

	Period ending 2 January 2022 £000	Period ending 3 January 2021 £000
Corporation tax		
Current tax on profits for the period	189	104
Adjustments in respect of previous periods	(104)	26
Total current tax	<u>85</u>	<u>130</u>
Deferred tax		
Origination and reversal of timing differences	(222)	414
Total deferred tax	<u>(222)</u>	<u>414</u>
Taxation on profit on ordinary activities	<u>(137)</u>	<u>544</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JANUARY 2022**

11. Taxation (continued)**Factors affecting tax charge for the period**

The tax assessed for the period is lower than (2021 - higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	Period ending 2 January 2022 £000	Period ending 3 January 2021 £000
Profit on ordinary activities before tax	314	642
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	60	122
Effects of:		
Expenses not deductible for tax purposes	(1)	127
Capital allowances for the period in excess of depreciation	(21)	(28)
Adjustments to tax charge in respect of prior periods	(104)	26
Origination and reversal of timing differences	-	(57)
Change in tax rate on deferred tax balances	(74)	471
Group relief for nil consideration	-	(117)
Research & development tax credit adjustment	3	-
Total tax charge for the period	(137)	544

Factors that may affect future tax charges

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2021 (on 10th June 2021). The Corporation Tax main rate will increase from 19% to 25% for years starting 1 April 2023.

As this change has been substantively enacted for UK GAAP purposes prior to the 2 January 2022 balance sheet date, it has been reflected for deferred tax purposes in the Financial year 2022 financial statements.

PERKINELMER LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JANUARY 2022**

12. Tangible fixed assets

	Leasehold improvements £000	Plant and machinery £000	Fixtures and fittings £000	Total £000
Cost or valuation				
At 4 January 2021	1,117	4,375	847	6,339
Additions	7	297	22	326
Disposals	-	(412)	(5)	(417)
At 2 January 2022	1,124	4,260	864	6,248
Depreciation				
At 4 January 2021	944	3,774	716	5,434
Charge for the period on owned assets	60	289	34	383
Disposals	-	(389)	(5)	(394)
At 2 January 2022	1,004	3,674	745	5,423
Net book value				
At 2 January 2022	120	586	119	825
At 3 January 2021	173	601	131	905

PERKINELMER LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JANUARY 2022**

13. Debtors

	2 January 2022 £000	Restated 3 January 2021 £000
Amounts owed by group undertakings	37,048	49,672
Other debtors	1,872	1,174
Prepayments and accrued income	672	789
Tax recoverable	6,023	1,785
Deferred taxation	65	86
	<u>45,680</u>	<u>53,506</u>

14. Cash and cash equivalents

	2 January 2022 £000	3 January 2021 £000
Cash at bank and in hand	1,819	96
	<u>1,819</u>	<u>96</u>

15. Creditors: Amounts falling due within one year

	2 January 2022 £000	3 January 2021 £000
Bank overdrafts	-	82
Trade creditors	1,024	2,088
Amounts owed to group undertakings	2,373	4
Other taxation and social security	1,378	9,945
Accruals and deferred income	655	672
	<u>5,430</u>	<u>12,791</u>

PERKINELMER LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JANUARY 2022**

16. Deferred taxation

	2 January 2022 £000
At beginning of period (restated)	86
Credited to profit or loss	222
Charged to other comprehensive income	(243)
At end of period	65

The deferred tax asset is made up as follows:

	2 January 2022 £000	Restated 3 January 2021 £000
Accelerated capital allowances	63	78
Short term timing differences	2	8
	65	86

17. Share capital

	2 January 2022 £000	3 January 2021 £000
Authorised		
30,000,000 (2021 - 30,000,000) Ordinary shares shares of £1.00 each	30,000	30,000
Allotted, called up and fully paid		
23,466,049 (2021 - 23,466,049) Ordinary shares shares of £1.00 each	23,466	23,466

18. Reserves**Profit and loss account**

The profit and loss account represents cumulative gains and losses recognised in the profit and loss account, net of dividends paid.

PERKINELMER LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JANUARY 2022**

19. Prior year adjustment

A prior year adjustment has been recognised to reflect the fact that an asset ceiling should have been applied to the defined benefit pension scheme asset in 2020 following the closure of the scheme to future accrual. At this point the company no longer had an unconditional right to a refund of this asset and therefore the £26,817,000 asset recognised in 2020 has been reduced to £nil. The deferred tax liability attached to this asset has also been removed.

The effect this has had on the financial statements is shown in the below extracts:

	Original 2021 £'000	Restatement £'000	Restated 2021 £'000
Statement of Comprehensive Income extract			
Other comprehensive income/(expense)	2,522	(21,721)	(19,199)
Balance sheet extract			
Debtors: amounts falling due within one year	53,420	86	53,506
Deferred tax liability	(5,010)	5,010	-
Pension asset	26,817	(26,817)	-
Net assets	63,437	(21,721)	41,716
Capital and reserves			
Profit and loss account	39,971	(21,721)	18,250

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JANUARY 2022**

20. Pension commitments

PerkinElmer participates in the PerkinElmer (UK) Pension Scheme, a closed hybrid defined benefit and defined contribution scheme in the UK with PerkinElmer (UK) Holdings Limited and PerkinElmer LAS (UK) Limited. The schemes are funded by the payment of contributions to separately administered trust funds. PerkinElmer Limited is the sponsoring employer of the defined benefit pension scheme and has legal responsibility for the plan. There is no contractual arrangement or stated policy for charging the net defined benefit cost of the plan as a whole to individual group entities and therefore the company has recognised the entire net defined benefit cost and the relevant net defined benefit asset of the defined benefit scheme in its individual financial statements. The scheme closed to future accrual in 2020.

The valuation used has been based on the most recent actuarial valuation at 30 June 2021 and was updated by Willis Towers Watson to take account of the requirements of FRS 102 in order to assess the liabilities of the schemes at 2 January 2022 and 3 January 2021. Scheme assets are stated at their market values at the respective Statement of Financial Position dates and overall expected rates of return are established by applying published brokers' forecasts to each category of scheme assets.

The company provides pension arrangements to the majority of full time employees through defined benefit and defined contribution schemes. The related costs are assessed in accordance with the advice of professionally qualified actuaries. The pension cost for the period for the defined benefit scheme was nil as the scheme closed to future accrual (period ending 3 January 2021: £Nil). The company also operates a defined contribution scheme for which the pension cost charge for the year amounted to £473,000 (period ending 3 January 2021: £433,000). At year end, contributions of £Nil (period ending 3 January 2021: £40,812) due in respect of the current reporting period had not been paid over to the scheme. The assets and liabilities of the schemes are held independently of the group. The contribution rates have been set for the next period.

An asset ceiling adjustment has been recognised to reflect the company doesn't have an unconditional right to a refund of the underlying net pension asset.

The assets and liabilities of the schemes at period end are:

	2 January 2022 £000	Restated 3 January 2021 £000
Scheme assets at fair value		
Fair value of scheme assets	120,155	149,754
Present value of scheme liabilities	(109,121)	(122,937)
Asset ceiling adjustment	(11,034)	(26,817)
	<hr/>	<hr/>
	-	-

The fair value of scheme assets as at 2 January 2022 were split per the below:

Bonds £Nil (period ending 3 January 2021: £131,933k)
Strategic Asset Investment £Nil (period ending 3 January 2021: £17,072k)
Other £109,463k (period ending 3 January 2021: £749k)

The pension plan has not invested in any of the Company's own financial instruments nor in properties or other assets used by the company.

Included in other assets above is £109,453k in relation to a buy in contract acquired in the period.

PERKINELMER LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JANUARY 2022**

20. Pension commitments (continued)

The changes in the present value of the defined benefit obligation (DBO) is analysed as follows:

	2 January 2022 £000	3 January 2021 £000
At start of the period	122,937	113,173
Current service cost	-	173
Employee contributions	-	27
Interest cost	1,533	2,060
Benefits paid	(4,941)	(5,278)
Actuarial gains and losses	(10,408)	12,782
At end of the period	109,121	122,937

The changes in the present value of plan assets is analysed as follows:

	2 January 2022 £000	3 January 2021 £000
At start of the period	149,754	137,413
Actual return on plan assets	(25,221)	15,897
Interest income	1,862	2,500
Employer contributions	-	(197)
Employee contributions	-	27
Benefits paid	(4,941)	(5,278)
Administrative costs paid	(1,299)	(608)
At end of the period	120,155	149,754

PERKINELMER LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JANUARY 2022**

20. Pension commitments (continued)

The amounts recognised in the company's profit and loss account and other comprehensive income for the year is analysed as follows:

	2 January 2022 £000	3 January 2021 £000
Recognised in the Profit & loss account		
Current service cost and administration costs incurred during the period (recognised in arriving at operating profit)	1,299	781
Net interest on net defined benefit asset	(329)	(440)
Total recognised in the profit and loss account	970	341
	2 January 2022 £000	Restated 3 January 2021 £000
Taken to other comprehensive income		
Actual return on scheme assets	(23,359)	18,397
Less: amounts included in net interest on the net defined benefit liability	(1,862)	(2,500)
Other actuarial gains and losses	10,408	(12,782)
Adjustment in respect of asset ceiling	15,783	(26,817)
Remeasurement gains and losses recognised in other comprehensive income	970	(23,702)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JANUARY 2022**

20. Pension commitments (continued)

	2 January 2022 %	3 January 2021 %
Main Assumptions		
Discount rate	1.82	1.27
Rate of increase in price inflation	3.80	3.30
Rate of increase in salaries	N/A	N/A
Post retirement mortality		
Current pensioners at 65 - male	22.5	22.5
Current pensioners at 65 – female	24.3	24.2
Future pensioners at 65 – male	23.6	23.6
Future pensioners at 65 – female	25.6	25.5
Rate of increase of pensions in payment: PerkinElmer Limited		
Pensions in respect of pre 2000 service	5.00	5.00
Pensions in respect of 2000 to 2006 service	3.45	3.05
Pensions in respect of post 2006 service	2.20	1.95
 PerkinElmer LAS (UK) Ltd and PerkinElmer Ltd		
Pensions in respect of pre 1997 service	0.00	0.00
Pensions in respect of 1997 to 2006 service	3.45	3.05
Pensions in respect of post 2006 service	2.20	1.95

Mortality

The assumption used is as agreed by the Trustees and the Company for the Scheme's 30 June 2021 funding valuation except that the future improvements in mortality were updated to be CMI 2020 to reflect latest available mortality information. Namely:

Base table: CMI Self Administered Pension Schemes (SAPS) "Normal Health Pensioner" tables for males and females respectively (S2NMA and S2NFA respectively) adjusted to allow for each member's year of birth with scaling factors per section as follows:

- EG&G: 95% males, 100% females
- PerkinElmer: 98% males, 103% females

Allowance for future improvements: Future improvements in line with the CMI 2020 Core Projections Model, with a long term trend of 1.5% pa for males and females.

PERKINELMER LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JANUARY 2022**

21. Commitments under operating leases

At 2 January 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2 January 2022 £000	3 January 2021 £000
Land and buildings		
Not later than 1 year	668	769
Later than 1 year and not later than 5 years	56	56
	<u>724</u>	<u>825</u>
	2 January 2022 £000	3 January 2021 £000
Other		
Not later than 1 year	82	84
Later than 1 year and not later than 5 years	68	87
	<u>150</u>	<u>171</u>

22. Other financial commitments

There is a composite guarantee between PerkinElmer Limited and various other group companies in favour of the Company's banker.

23. Related party transactions

The company is a wholly owned subsidiary of PerkinElmer Inc and as such has taken advantage of the exemption permitted by Section 33 'Related party disclosures' not to provide disclosures of transactions entered into with other wholly owned members of the group. Outstanding amounts due to and from the company with wholly owned members of the group are disclosed in note 13 & 15.

24. Controlling party

PerkinElmer (UK) Holdings Limited, a company incorporated in the United Kingdom, is the immediate parent of the company. The ultimate parent company and controlling party is PerkinElmer Inc, a company incorporated in Massachusetts in the USA.

The smallest and largest groups of which PerkinElmer Limited is a member and for which consolidated financial statements are prepared is PerkinElmer Inc.

Consolidated financial statements for PerkinElmer Inc. are available from 940 Winter Street, Waltham, Massachusetts 02451, USA.