

**SCICHEM UK LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2012**

**BLOOMER HEAVEN LIMITED**  
Chartered Accountants & Registered Auditors  
Rutland House  
148 Edmund Street  
Birmingham  
B3 2FD

SATURDAY



\*A2A35828\*

A23

08/06/2013

#243

COMPANIES HOUSE

---

**SCICHEM UK LIMITED**

**CONTENTS**

---

	Page
<b>Directors' report</b>	<b>1 - 2</b>
<b>Independent auditor's report</b>	<b>3 - 4</b>
<b>Consolidated profit and loss account</b>	<b>5</b>
<b>Consolidated balance sheet</b>	<b>6</b>
<b>Company balance sheet</b>	<b>7</b>
<b>Consolidated cash flow statement</b>	<b>8</b>
<b>Notes to the financial statements</b>	<b>9 - 21</b>

---

## **SCICHEM UK LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012**

---

The directors present their report and the financial statements for the year ended 31 December 2012

#### **Principal activity**

The principal activity of the company is that of a holding company

#### **Business review**

The economic climate during 2012 remained difficult with the sales remaining much as 2011. However within these figures the group enjoyed an excellent year in the UK and internationally, the one big exception being the Republic of Ireland, where business was very challenging.

The group used the year to significantly re-organise its operating structure in order to streamline delivery times and to improve customer service, and whilst this incurred one-off costs during the year, the consequences are a much reduced overheads cost base for subsequent years. The group is now much better placed to face the competitive challenges of 2013 and beyond.

A particular highlight in 2012 was the successful delivery of a scientific kit to every secondary school in the UK in collaboration with Pearson Education and the Wellcome Trust. This proved to be an exciting time where we were able to diversify our activities whilst still concentrating on our traditional markets which is the supply of science equipment to secondary schools in the UK where we are the market leader. Internationally the group has now supplied product into over 170 countries.

Our three main divisions, education both secondary and primary, laboratory and international each have their own comprehensive catalogues, 2012 saw the continued expansion of exclusive new products and we see this continuing further in 2013.

We continue to build on our core values of excellent customer service together with product quality of competitive prices, and these remain the key factors in our continued standing as market leader in the supply of science teaching equipment in the UK.

We are confident that 2013 will realise new opportunities allowing us to expand and grow the business in both our traditional markets and new sectors and the now stable profitability of the group will enhance the potential of further corporate growth particularly now the group has significantly reduced the cost base.

#### **Results**

The profit for the year, after taxation, amounted to £117,772 (2011 - £234,384)

#### **Directors**

The directors who served during the year were

J R Turton  
B K Cartland

---

## **SCICHEM UK LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012**

---

#### **Directors' responsibilities statement**

The directors are responsible for preparing 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 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Provision of information to auditor**

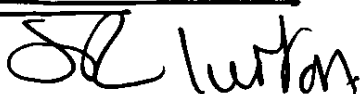
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company and the group's auditor in connection with preparing its report and to establish that the company and the group's auditor is aware of that information.

#### **Auditor**

The auditor, Bloomer Heaven Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 21 May 2013 and signed on its behalf



**J R Turton**  
Director

---

## **SCICHEM UK LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SCICHEM UK LIMITED**

---

We have audited the financial statements of Scichem UK Limited for the year ended 31 December 2012, set out on pages 5 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 opinion we have formed.

#### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2012 and of the group's profit for the year 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.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

---

**SCICHEM UK LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SCICHEM UK LIMITED**

---

**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



**Christopher Stephen-Haynes MA FCA FCIE (Senior statutory auditor)**

**for and on behalf of Bloomer Heaven Limited (statutory auditor)**

Chartered Accountants & Registered Auditors

Rutland House

148 Edmund Street

Birmingham

B3 2FD

21 May 2013

---

**SCICHEM UK LIMITED****CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2012**

---

	<b>Note</b>	<b>2012 £</b>	<b>2011 £</b>
<b>Turnover</b>	<b>1,2</b>	<b>16,654,981</b>	<b>16,756,542</b>
<b>Cost of sales</b>		<b>(13,965,100)</b>	<b>(14,297,874)</b>
		<hr/>	<hr/>
<b>Gross profit</b>	<b>3</b>	<b>2,689,881</b>	<b>2,458,668</b>
<b>Administrative expenses</b>		<b>(2,407,079)</b>	<b>(2,047,180)</b>
		<hr/>	<hr/>
<b>Operating profit</b>	<b>3</b>	<b>282,802</b>	<b>411,488</b>
<b>Interest payable and similar charges</b>	<b>6</b>	<b>(115,374)</b>	<b>(109,079)</b>
		<hr/>	<hr/>
<b>Profit on ordinary activities before taxation</b>		<b>167,428</b>	<b>302,409</b>
<b>Tax on profit on ordinary activities</b>	<b>7</b>	<b>(49,656)</b>	<b>(68,025)</b>
		<hr/>	<hr/>
<b>Profit for the financial year</b>		<b>117,772</b>	<b>234,384</b>
		<hr/>	<hr/>

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the profit and loss account

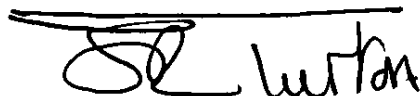
The notes on pages 9 to 21 form part of these financial statements

**SCICHEM UK LIMITED**  
**REGISTERED NUMBER: 04991736**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2012**

	Note	2012 £	2011 £
<b>Fixed assets</b>			
Intangible assets	8	34,926	40,848
Tangible assets	9	1,334,268	1,626,267
		<u>1,369,194</u>	<u>1,667,115</u>
<b>Current assets</b>			
Stocks	11	1,406,128	1,629,735
Debtors	12	2,160,366	2,246,567
Cash at bank and in hand		157,184	471,932
		<u>3,723,678</u>	<u>4,348,234</u>
<b>Creditors</b> amounts falling due within one year	13	<u>(3,862,034)</u>	<u>(4,792,173)</u>
<b>Net current liabilities</b>		<u>(138,356)</u>	<u>(443,939)</u>
<b>Total assets less current liabilities</b>		<u>1,230,838</u>	<u>1,223,176</u>
<b>Creditors:</b> amounts falling due after more than one year	14	(665,353)	(697,604)
<b>Provisions for liabilities</b>			
Deferred tax	15	(7,641)	-
<b>Net assets</b>		<u>557,844</u>	<u>525,572</u>
<b>Capital and reserves</b>			
Called up share capital	16	21,389	21,389
Revaluation reserve	17	26,484	26,484
Other reserves	17	257,628	257,628
Profit and loss account	17	252,343	220,071
<b>Shareholders' funds</b>	18	<u>557,844</u>	<u>525,572</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 May 2013



**J R Turton**  
**Director**

The notes on pages 9 to 21 form part of these financial statements

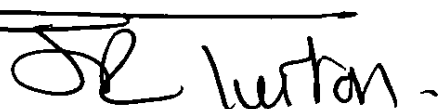


**SCICHEM UK LIMITED**  
**REGISTERED NUMBER 04991736**

**COMPANY BALANCE SHEET**  
**AS AT 31 DECEMBER 2012**

	Note	2012 £	2011 £
<b>Fixed assets</b>			
Investments	10	198,382	198,382
<b>Current assets</b>			
Debtors	12	293	-
Cash at bank		1,443	1,736
		<u>1,736</u>	<u>1,736</u>
<b>Creditors</b> amounts falling due within one year	13	<u>(178,729)</u>	<u>(178,729)</u>
<b>Net current liabilities</b>		<u>(176,993)</u>	<u>(176,993)</u>
<b>Net assets</b>		<u>21,389</u>	<u>21,389</u>
<b>Capital and Reserves</b>			
Called up share capital	16	<u>21,389</u>	<u>21,389</u>
<b>Shareholders' funds</b>	18	<u>21,389</u>	<u>21,389</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 May 2013



**J R Turton**  
**Director**

The notes on pages 9 to 21 form part of these financial statements

---

**SCICHEM UK LIMITED****CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2012**

---

	<b>Note</b>	<b>2012 £</b>	<b>2011 £</b>
Net cash flow from operating activities	20	<b>214,506</b>	170,421
Returns on investments and servicing of finance	21	<b>(115,374)</b>	(109,079)
Taxation		<b>10,418</b>	-
Capital expenditure and financial investment	21	<b>109,991</b>	(7,888)
Equity dividends paid		<b>(85,500)</b>	(57,000)
<b>Cash inflow/(outflow) before financing</b>		<b>134,041</b>	(3,546)
Financing	21	<b>(50,989)</b>	(177,347)
<b>Increase/(decrease) in cash in the year</b>		<b>83,052</b>	(180,893)

---

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT  
FOR THE YEAR ENDED 31 DECEMBER 2012**

---

	<b>2012 £</b>	<b>2011 £</b>
Increase/(decrease) in cash in the year	<b>83,052</b>	(180,893)
Cash outflow from decrease in debt and lease financing	<b>50,989</b>	177,347
<b>Change in net debt resulting from cash flows</b>	<b>134,041</b>	(3,546)
New finance lease	-	(15,523)
<b>Movement in net debt in the year</b>	<b>134,041</b>	(19,069)
Net debt at 1 January 2012	<b>(751,015)</b>	(731,946)
<b>Net debt at 31 December 2012</b>	<b>(616,974)</b>	(751,015)

---

The notes on pages 9 to 21 form part of these financial statements

---

## SCICHEM UK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

---

#### 1. Accounting Policies

##### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with applicable accounting standards

##### 1.2 Basis of consolidation

The financial statements consolidate the accounts of Scichem UK Limited and all of its subsidiary undertakings ('subsidiaries') Transactions between subsidiary undertakings are eliminated on consolidation

The acquisition of a subsidiary in a previous period satisfied Sections 131 to 134 of the Companies Act 1985 (law applicable at time of acquisition) for merger relief and therefore the investment in the acquired subsidiary is stated at the nominal value of the shares issued and no share premium is recorded

##### 1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts

##### 1.4 Goodwill

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities It is amortised to the profit and loss account over its estimated economic life

##### 1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Freehold buildings	-	1% straight line
Warehouse & office equipment	-	10-25% reducing balance
Vehicles	-	33 33% reducing balance
Long life assets	-	4% straight line

##### 1.6 Investments

Investments in subsidiaries are valued at cost less provision for impairment

##### 1.7 Leased assets

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives Assets acquired by hire purchase are depreciated over their useful lives Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company Obligations under such agreements are included in creditors net of the finance charge allocated to future periods The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period

---

## SCICHEM UK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

---

#### 1 Accounting Policies (continued)

##### 1.8 Stocks

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

##### 1.9 Deferred taxation

Provision is made for deferred taxation using the liability method in respect of tax effects arising from all timing differences. Deferred taxation is provided on revalued property only where a binding agreement to sell the property existed at the balance sheet date.

##### 1.10 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

##### 1.11 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

#### 2. Turnover

The whole of the turnover is attributable to one continuing activity, the supply of chemicals and apparatus for analysis, research and education.

Turnover attributable to geographical markets outside the United Kingdom amounted to 16.88% (2011 22.00%).

#### 3. Operating profit

The operating profit is stated after charging

	2012 £	2011 £
Amortisation - intangible fixed assets	5,922	(18,458)
Depreciation of tangible fixed assets		
- owned by the group	94,960	112,291
- held under finance leases	56,953	53,339
Auditor's remuneration	5,000	5,000
Difference on foreign exchange	41,489	17,935

---

**SCICHEM UK LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

---

**4. Staff costs**

Staff costs, including directors' remuneration, were as follows

	2012 £	2011 £
Wages and salaries	2,542,393	2,728,781
Social security costs	240,422	273,197
Other pension costs	42,649	42,895
	<u>2,825,464</u>	<u>3,044,873</u>

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

	2012 £	2011 £
Warehousing and distribution	33	37
Sales and administration	70	75
	<u>103</u>	<u>112</u>

**5 Directors' remuneration**

	2012 £	2011 £
Directors' remuneration	85,114	116,377
Company pension contributions to money purchase pension schemes	9,179	6,320
	<u>94,293</u>	<u>122,697</u>

During the year retirement benefits were accruing to 2 directors (2011 - 2) in respect of money purchase pension schemes

The highest paid director received remuneration of £79,094 (2011 - £85,930)

**6 Interest payable**

	2012 £	2011 £
Interest payable on bank overdraft, factoring and loans	105,959	90,759
Hire purchase interest	9,415	18,320
	<u>115,374</u>	<u>109,079</u>

---

**SCICHEM UK LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

---

**7. Taxation**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
<b>Analysis of tax charge in the year</b>		
<b>Current tax</b> (see note below)		
UK corporation tax charge on profit for the year	<b>40,145</b>	-
<b>Deferred tax</b> (see note 15)		
Origination and reversal of timing differences	<b>9,511</b>	68,025
<b>Tax on profit on ordinary activities</b>	<b>49,656</b>	68,025

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2011 - lower than) the standard rate of corporation tax in the UK of 20% (2011 - 21%). The differences are explained below

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before tax	<b>167,428</b>	302,409
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2011 - 21%)	<b>33,486</b>	63,506
<b>Effects of.</b>		
Non-tax deductible amortisation of goodwill and impairment	<b>(1,142)</b>	(3,935)
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	<b>1,527</b>	1,829
Difference between capital allowances and depreciation	<b>4,836</b>	7,700
Utilisation of tax losses	<b>(11,000)</b>	(69,100)
Capital gains	<b>6,486</b>	-
Other differences leading to an increase (decrease) in the tax charge	<b>5,952</b>	-
<b>Current tax charge for the year</b> (see note above)	<b>40,145</b>	-

**SCICHEM UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

**8. Intangible fixed assets**

<b>Group</b>	<b>Trademarks</b>	<b>Goodwill</b>	<b>Total</b>
<b>Cost</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 January 2012 and 31 December 2012	3,540	305,000	308,540
<b>Amortisation</b>			
At 1 January 2012	2,698	264,994	267,692
Charge for the year	210	5,712	5,922
At 31 December 2012	2,908	270,706	273,614
<b>Net book value</b>			
At 31 December 2012	632	34,294	34,926
At 31 December 2011	842	40,006	40,848

**9. Tangible fixed assets**

<b>Group</b>	<b>Freehold land and buildings</b>	<b>Warehouse, office equipment and long life assets</b>	<b>Vehicles</b>	<b>Total</b>
<b>Cost or valuation</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 January 2012	1,160,000	1,147,834	529,377	2,837,211
Additions	-	68,501	105,523	174,024
Disposals	(260,000)	(57,614)	(162,781)	(480,395)
At 31 December 2012	900,000	1,158,721	472,119	2,530,840
<b>Depreciation</b>				
At 1 January 2012	11,601	871,643	327,700	1,210,944
Charge for the year	11,385	63,867	76,661	151,913
On disposals	(4,984)	(39,234)	(122,067)	(166,285)
At 31 December 2012	18,002	896,276	282,294	1,196,572
<b>Net book value</b>				
At 31 December 2012	881,998	262,445	189,825	1,334,268
At 31 December 2011	1,148,399	276,191	201,677	1,626,267

---

**SCICHEM UK LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

---

**9. Tangible fixed assets (continued)**

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows

<b>Group</b>	<b>2012 £</b>	<b>2011 £</b>
Warehouse & office equipment	<b>1,376</b>	6,493
Vehicles	<b>159,604</b>	186,506
	<b><u>160,980</u></b>	<b><u>192,999</u></b>

Properties held as at 31 December 2012 have been revalued as set out below. The valuations have been incorporated into these financial statements, as in the opinion of the directors there is no material difference between the values at year end and valuation date.

DTZ Debenham Tie Leung Limited valued the company's properties at Bilston using the Existing Use Value as at 11 July 2011. The valuers are external to the company, are qualified Chartered Surveyors, being members of the Royal Institution of Chartered Surveyors. As such, the valuations were carried out in accordance with the RICS Appraisal and Valuation Standards.

**10. Fixed asset investments**

<b>Company</b>	<b>Investments in subsidiary companies £</b>
<b>Cost</b>	
At 1 January 2012 and 31 December 2012	<b><u>198,382</u></b>
<b>Net book value</b>	
At 31 December 2012	<b><u>198,382</u></b>
At 31 December 2011	<b><u>198,382</u></b>

Details of the principal subsidiaries can be found under note number 28.

**11. Stocks**

	<b>Group</b>		<b>Company</b>	
	<b>2012 £</b>	<b>2011 £</b>	<b>2012 £</b>	<b>2011 £</b>
Finished goods and goods for resale	<b><u>1,406,128</u></b>	<b><u>1,629,735</u></b>	<b><u>-</u></b>	<b><u>-</u></b>



**SCICHEM UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

**12. Debtors**

	<b>Group</b>		<b>Company</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	<b>1,816,350</b>	1,650,034	-	-
Amounts owed by group undertakings	-	-	<b>293</b>	-
Other debtors	<b>179,303</b>	450,533	-	-
Prepayments and accrued income	<b>164,713</b>	144,130	-	-
Deferred tax asset (see note 15)	-	1,870	-	-
	<b>2,160,366</b>	<b>2,246,567</b>	<b>293</b>	-

Debtors include £1,816,350 (2011 £1,650,034) in respect of which £1,180,471 (2011 £1,276,209) has been advanced by the invoice discount factoring company

**13. Creditors:  
Amounts falling due within one year**

	<b>Group</b>		<b>Company</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans and overdrafts	<b>46,919</b>	444,719	-	-
Net obligations under finance leases and hire purchase contracts	<b>61,886</b>	80,624	-	-
Trade creditors	<b>1,990,660</b>	2,321,385	-	-
Amount due to invoice discount factoring company	<b>1,180,471</b>	1,276,209	-	-
Amounts owed to group undertakings	-	-	<b>177,619</b>	177,619
Corporation tax	<b>40,215</b>	-	-	-
Social security and other taxes	<b>231,116</b>	279,157	-	-
Other creditors	<b>119,494</b>	25,752	<b>1,110</b>	1,110
Accruals and deferred income	<b>191,273</b>	364,327	-	-
	<b>3,862,034</b>	<b>4,792,173</b>	<b>178,729</b>	<b>178,729</b>

Bank loans and overdrafts of £46,919 (2011 £444,719) are secured over the company's freehold properties

Amounts due to invoice discounting company of £1,180,471 (2011 £1,276,909) are secured on the debtors on which the debt has been advanced

Net obligations under finance leases and hire purchase contracts of £61,886 (2011 £80,624) are secured on the assets to which the debt relates

**SCICHEM UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

**14. Creditors:  
Amounts falling due after more than one year**

	<b>Group</b>		<b>Company</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans	<b>620,253</b>	666,674	-	-
Net obligations under finance leases and hire purchase contracts	<b>45,100</b>	30,930	-	-
	<b>665,353</b>	697,604	-	-

Creditors include amounts not wholly repayable within 5 years as follows

	<b>Group</b>		<b>Company</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Repayable by instalments	<b>432,578</b>	487,798	-	-

The bank loans are repayable by monthly instalments equating to the annual repayments shown above and interest is payable at commercial rates

Obligations under finance leases and hire purchase contracts, included above, are payable as follows

	<b>Group</b>		<b>Company</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Between one and five years	<b>45,100</b>	30,930	-	-

Bank loans of £620,253 (2011 £666,674) are secured over the company's freehold properties

Net obligations under finance leases and hire purchase contracts of £30,930 (2011 £30,930) are secured on the assets to which the debt relates

**15. Deferred taxation**

	<b>Group</b>		<b>Company</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At beginning of year	<b>1,870</b>	69,895	-	-
Movement during the year	<b>(9,511)</b>	(68,025)	-	-
At end of year	<b>(7,641)</b>	1,870	-	-

**SCICHEM UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

**15. Deferred taxation (continued)**

The deferred taxation balance is made up as follows

	<b>Group</b>		<b>Company</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Accelerated capital allowances	(7,641)	(11,776)	-	-
Tax losses carried forward	-	11,550	-	-
Other timing differences	-	2,096	-	-
	<b>(7,641)</b>	<b>1,870</b>	<b>-</b>	<b>-</b>

**16. Share capital**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
21,386 Ordinary A shares of £1 each	<b>21,386</b>	<b>21,386</b>
3 Ordinary B shares of £1 each	<b>3</b>	<b>3</b>
	<b>21,389</b>	<b>21,389</b>

**17. Reserves**

<b>Group</b>	<b>Revaluation reserve £</b>	<b>Other reserves £</b>	<b>Profit and loss account £</b>
At 1 January 2012	<b>26,484</b>	<b>257,628</b>	<b>220,071</b>
Profit for the year	-	-	<b>117,772</b>
Dividends Ordinary shares	-	-	<b>(85,500)</b>
At 31 December 2012	<b>26,484</b>	<b>257,628</b>	<b>252,343</b>
<b>Company</b>			<b>Profit and loss account £</b>
Profit for the year			<b>85,500</b>
Dividends Ordinary shares			<b>(85,500)</b>
At 31 December 2012			<b>-</b>

---

**SCICHEM UK LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

---

**18. Reconciliation of movement in shareholders' funds**

<b>Group</b>	<b>2012 £</b>	<b>2011 £</b>
Opening shareholders' funds	525,572	348,188
Profit for the year	117,772	234,384
Dividends (Note 19)	(85,500)	(57,000)
	<hr/>	<hr/>
Closing shareholders' funds	557,844	525,572
	<hr/>	<hr/>
 <b>Company</b>	 <b>2012 £</b>	 <b>2011 £</b>
Opening shareholders' funds	21,389	21,389
Profit for the year	85,500	57,000
Dividends (Note 19)	(85,500)	(57,000)
	<hr/>	<hr/>
Closing shareholders' funds	21,389	21,389
	<hr/>	<hr/>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own profit and loss account

The profit for the year dealt with in the accounts of the company was £85,500 (2011 - £57,000)

**19. Dividends**

	<b>2012 £</b>	<b>2011 £</b>
Dividends paid on ordinary shares	85,500	57,000
	<hr/>	<hr/>

**20. Net cash flow from operating activities**

	<b>2012 £</b>	<b>2011 £</b>
Operating profit	282,802	411,488
Amortisation of intangible fixed assets	5,922	(18,458)
Depreciation of tangible fixed assets	151,913	165,630
Loss/(profit) on disposal of tangible fixed assets	30,095	(371)
Decrease/(increase) in stocks	223,607	(309,643)
Decrease in debtors	73,983	909,171
Decrease in creditors	(553,816)	(987,396)
	<hr/>	<hr/>
Net cash inflow from operating activities	214,506	170,421
	<hr/>	<hr/>

**SCICHEM UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

**21. Analysis of cash flows for headings netted in cash flow statement**

	2012 £	2011 £
<b>Returns on investments and servicing of finance</b>		
Interest paid	(105,959)	(90,759)
Hire purchase interest	(9,415)	(18,320)
<b>Net cash outflow from returns on investments and servicing of finance</b>	<u>(115,374)</u>	<u>(109,079)</u>
	2012 £	2011 £
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(174,024)	(23,663)
Sale of tangible fixed assets	284,015	15,775
<b>Net cash inflow/(outflow) from capital expenditure</b>	<u>109,991</u>	<u>(7,888)</u>
	2012 £	2011 £
<b>Financing</b>		
Net repayment of loans	(46,421)	(42,775)
Net repayment of finance leases	(4,568)	(134,572)
<b>Net cash outflow from financing</b>	<u>(50,989)</u>	<u>(177,347)</u>

**22. Analysis of changes in net debt**

	1 January 2012 £	Cash flow £	Other non-cash changes £	31 December 2012 £
Cash at bank and in hand	471,932	(314,748)	-	157,184
Bank loan	(444,719)	397,800	-	(46,919)
	<u>27,213</u>	<u>83,052</u>	<u>-</u>	<u>110,265</u>
<b>Debt:</b>				
Debts due within one year	(80,624)	50,989	(32,251)	(61,886)
Debts falling due after more than one year	(697,604)	-	32,251	(665,353)
<b>Net debt</b>	<u>(751,015)</u>	<u>134,041</u>	<u>-</u>	<u>(616,974)</u>

---

**SCICHEM UK LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

---

**23. Pension commitments**

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £42,649 (2011 £42,895). Contributions totalling £7,214 (2011 £15,345) were payable to the fund at the balance sheet date and are included in creditors.

**24. Operating lease commitments**

At 31 December 2012 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2012	2011
Group	£	£
Expiry date:		
Within 1 year	8,402	49,113
Between 2 and 5 years	16,000	16,000
Total	<u>24,402</u>	<u>65,113</u>

**25. Directors' benefits: advances, credit and guarantees**

During the year, the company made advances of £14,250 to J R Turton and £7,125 to B K Cartland. These were repaid in full during the year by way of dividends credited to the respective loan accounts.

These loans were unsecured, interest free with no fixed repayment date.

**26. Related party transactions**

During the year the group paid dividends of £57,000 (2011 £38,000) to J R Turton and £28,500 (2011 £19,000) to B K Cartland, directors of Scichem UK Limited.

During the year the group provided services to the value of £110,674 (2011 £70,686) to Lascells Limited, of which £73,680 (2011 £64,829) was outstanding at the year end and is included within debtors. The company also made purchases amounting to £371,530 (2011 £327,125) from Lascells Limited, of which £14,910 (2011 £10,007) was outstanding at the year end as is included within creditors. Lascells Limited is a company in which J R Turton and B K Cartland have a material interest.

**27. Controlling party**

The ultimate controlling party is J R Turton, director and majority shareholder in Scichem UK Limited.

---

**SCICHEM UK LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

---

**28 Principal subsidiaries**

<b>Company name</b>	<b>Country</b>	<b>Percentage Shareholding</b>	<b>Description</b>
Scientific and Chemical Supplies Limited	England & Wales	100	Supply of chemicals and apparatus for analysis, research and education
Scientific and Chemical International Limited	England & Wales	100	Dormant