

Hypergraph Laboratory Supplies Limited

Company Number 05755677 (England and Wales)

Directors' report and financial statements

For the 15 months ended 31 March
2013

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Hypergraph Laboratory Supplies Limited

COMPANY INFORMATION

Directors	G Kilmister M Wood
Company secretary	T Mullen
Company number	05755677
Registered office	Sands Mill Huddersfield Road Mirfield West Yorkshire WF14 9DQ
Independent auditors	KPMG LLP 8 Princes Parade Liverpool L3 1QH

Hypergraph Laboratory Supplies Limited

CONTENTS

	Page
Directors' report	1
Independent auditors' report	3
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7

Hypergraph Laboratory Supplies Limited

DIRECTORS' REPORT

FOR THE 15 MONTHS ENDED 31 MARCH 2013

The directors present their report and the audited financial statements for the 15 months ended 31 March 2013

Principal activities and review of the business

The principal activity of the company continued to be that of a supplier of laboratory supplies

Results and dividends

The profit and loss account for the financial period is set out on page 5. The company traded in line with expectations.

The directors do not recommend the payment of a dividend in respect of the 15 months ended 31 March 2013 (2011: £nil).

Future developments

The directors do not anticipate any significant change in the company's activities in the foreseeable future.

Key performance indicators

	2012/13	2011
Gross margin (as a percentage of sales)	23.9%	17.4%
Overheads (as a percentage of sales)	15.2%	11.2%
Operating margin (as a percentage of sales)	8.7%	6.2%

Gross margin improved due to an improved sales mix. Overheads were similar to the previous period allowing for the additional 3 months of trading, but increased as a percentage of sales. Operating margin saw a net improvement due to the improved gross margin.

Principal risks and uncertainties

The Board is constantly reviewing the risks faced by the company and has appropriate strategies in place for managing identified risks. Key risks and uncertainties that the company faces include, but are not limited to, reputational risk (the failure to meet clients' expectations), business continuity risk, market pressures from competitors, and the risk of failing to comply with regulatory standards for the environment, or health and safety.

Directors

The directors set out below have held office during the 15 months ended 31 March 2013 and to the date of this report unless otherwise stated.

G Kilmister (appointed 4 April 2012)
M Wood (appointed 19 April 2012)
A Sleeth (resigned 4 April 2012)
N Loudon (resigned 4 April 2012)

Financial risk management

The Company's objective regarding financial risk management is to keep exposure of price risk, credit risk, liquidity risk and cash flow risk to a minimum. Financial risk management, including the use of financial instruments and the related currency, liquidity, credit and interest rate risks, is dealt with by the central functions of the ALS group on behalf of the Company. Many of the company's balances

Hypergraph Laboratory Supplies Limited

DIRECTORS' REPORT

FOR THE 15 MONTHS ENDED 31 MARCH 2013

are with other members of the ALS group, and assessments are made by management as to the recoverability of these balances in the overall context of the group

Directors' responsibilities

The directors are responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial period. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 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, 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

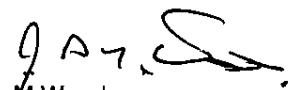
Provision of information to auditors

The directors who held office at the date of approval of this directors report confirms that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information

KPMG LLP were appointed as auditor during the year

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office

Approved by the board on 1st July 2013 and signed by its order by


M Wood
Director



Independent Auditor's report to the members of Hypergraph Laboratory Supplies Limited

We have audited the financial statements of Eclipse Scientific Limited for the 15 month period ended 31 March 2013 set out on pages 5 to 14. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 opinions we have formed.

Respective responsibilities of directors and auditor

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. 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its profit for the year then ended,
- have been properly prepared in accordance with UK 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

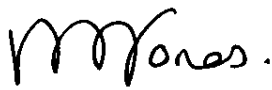
In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Independent Auditor's report to the members of Hypergraph Laboratory Supplies Limited (*continued*)

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, 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



Hywel Jones (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
8 Princes Parade,
Liverpool,
L3 1QH

4 July 2013.

Hypergraph Laboratory Supplies Limited

PROFIT AND LOSS ACCOUNT FOR THE 15 MONTHS ENDED 31 MARCH 2013

	Note	15 months ended 31 March 2013 £	Year ended 31 December 2011 £
Turnover	1	1,870,955	2,096,974
Cost of sales		(1,423,554)	(1,732,006)
Gross profit		447,401	364,968
Administrative expenses		(284,961)	(235,181)
Operating profit	2	162,440	129,787
Interest payable and similar charges	4	-	(39)
Profit on ordinary activities before taxation		162,440	129,748
Tax on profit on ordinary activities	5	(39,646)	(2,334)
Profit for the financial year	12	122,784	127,414

All of the results above arise from continuing operations

The company has no recognised gains and losses other than those included in the results above and therefore no separate statement of total recognised gains and losses has been presented

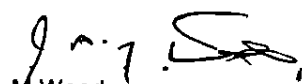
Hypergraph Laboratory Supplies Limited

BALANCE SHEET

AS AT 31 MARCH 2013

	Note	31 March 2013 £	31 December 2011 £
Fixed assets			
Intangible assets	6	27,077	37,301
Tangible assets	7	3,497	11,443
		<u>30,574</u>	<u>48,744</u>
Current assets			
Stocks	8	24,444	47,788
Debtors	9	930,480	864,161
Cash at bank and in hand		74,385	147,256
		<u>1,029,309</u>	<u>1,059,205</u>
Creditors amounts falling due within one year	10	(362,018)	(532,878)
Net current assets		<u>667,291</u>	<u>526,327</u>
Total assets less current liabilities		697,865	575,071
Net assets		<u>697,865</u>	<u>575,071</u>
Capital and reserves			
Called up share capital	11	1	1
Profit and loss account	12	697,864	575,070
Total shareholders' funds	13	<u>697,865</u>	<u>575,071</u>

The financial statements on pages 5 to 14 were approved by the Board of directors on 1st July 2013 and signed on its behalf by


M Wood
Director

Company number 05755677

Hypergraph Laboratory Supplies Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE 15 MONTHS ENDED 31 MARCH 2013

1 Accounting policies

The financial statements have been prepared in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

In accordance with Financial Reporting Standard (FRS) 18, "Accounting policies", the directors confirm that the accounting policies used by the company are the most appropriate, consistently applied and adequately disclosed.

1.1 Basis of accounting

The financial statements are based on historical cost convention and are in accordance with current Financial Reporting Standards (FRS).

Going concern assumption

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate for the following reasons:

The company is dependent for its working capital on funds guaranteed by other group companies. ALS Limited (formerly Campbell Brothers Limited), the ultimate parent company, has provided the company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds and guarantees as are needed by the company. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

1.2 Turnover

Turnover represents amounts receivable for laboratory supplies net of VAT and trade discounts. Turnover is recognised on completion of the transaction. All turnover is derived in the UK.

1.3 Cash flow

The company has taken advantage of the exemption available to it under FRS 1 (revised 1996), "Cash Flow Statements", which provides that where a company is a member of a group and its financial statements are included in the consolidated financial statements of a parent company that are publicly available and includes a cash flow statement, the company does not have to prepare a cash flow statement. These financial statements are available from www.alsglobal.com.

1.4 Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Hypergraph Laboratory Supplies Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE 15 MONTHS ENDED 31 MARCH 2013

1 5 Goodwill

Acquired goodwill is amortised on a straight-line basis over its estimated useful economic life. Negative goodwill is credited to the profit and loss account in the year to which the non-monetary assets giving rise to the negative goodwill are recovered. Impairment reviews are performed when there is a trigger event.

1 6 Tangible assets and depreciation

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	straight line over 3 to 10 years
Plant and machinery	straight line over 5 years
Motor vehicles	straight line over 4 years

Impairment reviews are performed when there is a trigger event.

1 7 Pensions

The pension costs charged in the financial statements represent the contributions payable to defined contribution schemes by the company during the period in accordance with Financial Reporting Standard (FRS) 17 "Retirement benefits". The company does not operate any defined benefit pension schemes.

1 8 Leasing and hire purchase commitments

Rentals under operating leases are charged against income on a straight line basis over the lease term.

1.9 Foreign currency translation

Transactions denominated in foreign currencies are recorded in the local currency at actual exchange rates as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates ruling at the balance sheet date. Any gain or loss arising from a change in the exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

1 10 Financial instruments

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the company transfers the financial asset or when the contractual rights expire. Financial liabilities are derecognised when the obligation is discharged, cancelled or expires. The measurement of particular financial assets or liabilities is set out below.

Non derivative financial instruments

The treatment of non-derivative financial instruments is set out below.

Trade and other receivables are recognised initially at fair value, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost.

1 11 Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is determined on first in first out basis. In respect of finished goods, cost includes overheads, transportation, and duty costs where appropriate. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

Hypergraph Laboratory Supplies Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE 15 MONTHS ENDED 31 MARCH 2013

2 Notes to the profit and loss account

Operating profit is stated after charging.

	15 months Ended 31 March 2013	Year Ended 31 December 2011
	£	£
Depreciation	7,946	6,683
Amortisation of goodwill	10,244	8,179

The fees paid to the company's auditor, by Eclipse Scientific Limited for the audit of the company were £3,000 (2011 £3,000)

3 Staff costs

	15 months Ended 31 March 2013	Year Ended 31 December 2011
	£	£
Wages and salaries	179,782	145,882
Social security costs	16,249	13,401
Pension costs	1,859	1,488
	197,890	160,771

The company had an average of 6 employees (2011 7)

4 Interest payable and similar charges

	15 months Ended 31 March 2013	Year Ended 31 December 2011
	£	£
Bank interest payable	-	39

Hypergraph Laboratory Supplies Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE 15 MONTHS ENDED 31 MARCH 2013

5 Taxation on profit on ordinary activities

(a) Analysis of charge in the period

	15 months ended 31 March 2013 £	Year Ended 31 December 2011 £
UK Corporation tax		
Current tax on income for the period	38,478	-
Total current tax	<u>38,478</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	508	1,173
Impact on deferred tax of change in tax rate	319	-
Adjustment in respect of prior period	341	1,161
Total deferred tax	<u>1,168</u>	<u>2,334</u>
Tax on profit on ordinary activities	<u>39,646</u>	<u>2,334</u>

(b) Factors affecting the current taxation charge for the period

	15 months ended 31 March 2013 £	Year ended 31 December 2011 £
Profit on ordinary activities before taxation	162,440	129,748
Profit on ordinary activities before taxation multiplied by the standard rate of UK corporation tax of 24.0% (2011: 26.5%)	<u>38,986</u>	<u>34,383</u>
Effects of		
Expenses not deductible for tax purposes	-	(70)
Difference between capital allowances and depreciation	(508)	(1,173)
Group relief claimed for no consideration	-	(33,140)
Total current taxation charge (see above)	<u>38,478</u>	<u>-</u>

Deferred tax balance is made up as follows

	31 March 2013 £	31 December 2011 £
Difference between capital allowances and depreciation	7,344	8,512
Total deferred tax (note 9)	<u>7,344</u>	<u>8,512</u>

Hypergraph Laboratory Supplies Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE 15 MONTHS ENDED 31 MARCH 2013

5 Taxation on profit on ordinary activities *(continued)*

The movement in the deferred tax balance is as follows

	15 months ended 31 March 2013 £	Year ended 31 December 2011 £
At start of the period	8,512	10,846
Deferred tax charge	(1,168)	(2,334)
At end of the period	<u>7,344</u>	<u>8,512</u>

A reduction in the UK corporation tax rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. This will reduce the company's future current tax charge accordingly.

The March 2013 Budget announced that the rate will further reduce to 20% by 2015 in addition to the planned reduction to 21% by 2014 previously announced in the December 2012 Autumn Statement. It has not yet been possible to quantify the full anticipated effect of the announced further 3% rate reduction, although this will further reduce the company's future current tax charge accordingly.

6 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2012 and 31 March 2013	<u>81,796</u>
Accumulated amortisation	
At 1 January 2012	44,495
Charge for the period	<u>10,224</u>
At 31 March 2013	<u>54,719</u>
Net book value	
At 1 January 2012	<u>37,301</u>
At 31 March 2013	<u>27,077</u>

Goodwill is being written off over a period of 10 years, being the directors' estimate of its useful economic life.

Hypergraph Laboratory Supplies Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE 15 MONTHS ENDED 31 MARCH 2013

7 Tangible fixed assets

	Computer Equipment £	Plant and machinery £	Motor Vehicles £	Total £
Cost				
At 1 January 2012	28,433	9,850	28,248	66,531
Additions	-	-	-	-
At 31 March 2013	<u>28,433</u>	<u>9,850</u>	<u>28,248</u>	<u>66,531</u>
Accumulated depreciation				
At 1 January 2012	28,424	7,708	18,956	55,088
Charge for the year	-	2,141	5,805	7,946
At 31 March 2013	<u>28,424</u>	<u>9,849</u>	<u>24,761</u>	<u>63,034</u>
Net book value				
At 1 January 2012	<u>9</u>	<u>2,142</u>	<u>9,292</u>	<u>11,443</u>
At 31 March 2013	<u>9</u>	<u>1</u>	<u>3,487</u>	<u>3,497</u>

8 Stocks

	31 March 2013 £	31 December 2011 £
Finished goods for resale	<u>47,788</u>	<u>47,788</u>

9 Debtors

	31 March 2013 £	31 December 2011 £
Amounts falling due within one year		
Trade debtors	189,387	210,715
Amounts owed by group undertakings	732,927	594,457
Other debtors	822	50,477
Deferred tax (see note 5)	<u>7,344</u>	<u>8,512</u>
	<u>930,480</u>	<u>864,161</u>

Hypergraph Laboratory Supplies Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE 15 MONTHS ENDED 31 MARCH 2013

10 Creditors amounts falling due within one year

	31 March 2013 £	31 December 2011 £
Trade creditors	181,514	394,229
Amounts owed to group undertakings	126,559	126,559
Corporation tax	38,478	-
Other creditors including taxation and social security	15,467	12,090
	<u>362,018</u>	<u>532,878</u>

The amounts owed to group undertakings are unsecured and interest free

11 Called-up share capital

	31 March 2013 £	31 December 2011 £
Authorised		
1,000 (2010 1,000) Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

	31 March 2013 £	31 December 2011 £
Allotted, and fully paid		
1 (2011 1) Ordinary share of £1 each	<u>1</u>	<u>1</u>

12 Profit and loss account

	£
At 1 January 2012	575,070
Profit for the financial period	<u>122,794</u>
At 31 March 2013	<u>697,864</u>

13 Reconciliation of movements in shareholders' funds

	15 months Ended 31 March 2013 £	Year Ended 31 December 2011 £
Opening shareholders' funds	575,071	447,657
Profit for the financial period	<u>122,794</u>	<u>127,414</u>
Closing shareholders' funds	<u>697,865</u>	<u>575,071</u>

Hypergraph Laboratory Supplies Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE 15 MONTHS ENDED 31 MARCH 2013

14 Capital commitments

There were no capital commitments at 31 March 2013 (31 December 2011 £nil)

15 Financial commitments

At 31 March 2013, the company had no annual commitments under non-cancellable operating leases (31 December 2011 £nil)

16 Directors' emoluments

No directors received remuneration in respect of services to the company (31 December 2011 £nil)

17 Related party transactions

The company has taken advantage of the exemption in FRS 8 "Related party disclosures" from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared for the ultimate parent company

18 Immediate and ultimate controlling undertaking

At 31 March 2013, the company was a wholly-owned subsidiary of Eclipse Acquisitions Limited, which is registered in the United Kingdom

The ultimate parent undertaking and controlling party of the company is ALS Limited (formerly Campbell Brothers Limited), a company registered in Australia

The largest and smallest group in which the results of the Company are consolidated is that headed by ALS Limited (formerly Campbell Brothers Limited) The consolidated financial statements of this group for the year ended 31 March 2013 can be accessed from the company's website at www.alsglobal.com