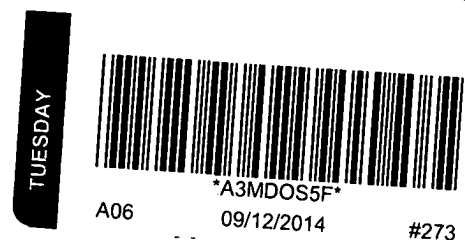


# Hypergraph Laboratory Supplies Limited

Company Number: 05755677 (England and Wales)

## Directors' report and financial statements

For the Year ended 31 March 2014



# **Hypergraph Laboratory Supplies Limited**

## **COMPANY INFORMATION**

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

# Hypergraph Laboratory Supplies Limited

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Profit and loss account	7
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# Hypergraph Laboratory Supplies Limited

## STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2014

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### Principal activities

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

### Business model

The company provides a regional and national total laboratory supplies service to meet customers' purchasing requirements. Products are sourced from a variety of suppliers to provide the best value proposition in a timely manner combined with a personal service. The company provides a procurement service for the wider ALS Limited group.

### Results, review of the business and dividends

The profit and loss account for the financial period is set out on page 7. The company traded in line with expectations.

The directors do not recommend the payment of a dividend in respect of the year ended 31 March 2014 (2013: £nil).

### Key performance indicators

	2013/14	2012/13
Gross margin (as a percentage of sales)	29.3%	23.9%
Overheads (as a percentage of sales)	16.7%	15.2%
Operating margin (as a percentage of sales)	12.6%	8.7%

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. These KPI's are selected to provide a benchmark to performance.

### 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.

### 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 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.

# Hypergraph Laboratory Supplies Limited

## STRATEGIC REPORT

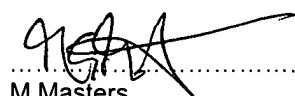
FOR THE YEAR ENDED 31 MARCH 2014

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### Future developments

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

Approved by the Board on 12<sup>th</sup> November 2014 and signed by its order by:



M Masters  
Director

# **Hypergraph Laboratory Supplies Limited**

## **DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 MARCH 2014**

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The directors present their report and the audited financial statements for the year ended 31 March 2014.

### **Directors**

The directors set out below have held office during the year ended 31 March 2014 and to the date of this report unless otherwise stated.

G Kilmister

M Masters (appointed 21 November 2013)

M Wood (resigned 21 November 2013)

### **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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# Hypergraph Laboratory Supplies Limited

## DIRECTORS' REPORT

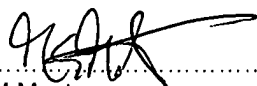
FOR THE YEAR ENDED 31 MARCH 2014

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### Provision of information to auditors

Each of the directors have confirmed that there is no relevant information of which the company's auditors are unaware, and that they have taken all the steps (such as making enquiries of other directors and the auditors and any other steps required by the director's duty to exercise due care, skill and diligence) that they ought to have taken in their duty as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Approved by the Board on ~~12<sup>th</sup> November~~ 2014 and signed by its order by



M Masters  
Director



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

We have audited the financial statements of Hypergraph Laboratory Supplies Limited for the period ended 31 March 2014 set out on pages 7 to 16. 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 3, 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**

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](http://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 2014 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 December 2014*

# Hypergraph Laboratory Supplies Limited

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2014

	Note	Year ended 31 March 2014 £	15 months ended 31 March 2013 £
<b>Turnover</b>	1	1,279,896	1,870,955
Cost of sales		(905,299)	(1,423,554)
<b>Gross profit</b>		<u>374,597</u>	<u>447,401</u>
Administrative expenses		(213,807)	(284,961)
<b>Operating profit</b>	2	<u>160,790</u>	<u>162,440</u>
Interest payable and similar charges		-	-
<b>Profit on ordinary activities before taxation</b>		<u>160,790</u>	<u>162,440</u>
Tax on profit on ordinary activities	4	(38,518)	(39,646)
<b>Profit for the financial year</b>	11	<u>122,272</u>	<u>122,794</u>

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.

The notes on pages 9 to 16 form an integral part of these financial statements.

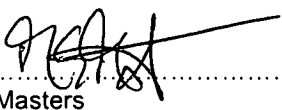
# Hypergraph Laboratory Supplies Limited

## BALANCE SHEET

AS AT 31 MARCH 2014

	Note	31 March 2014 £	31 March 2013 £
<b>Fixed assets</b>			
Intangible assets	5	18,898	27,077
Tangible assets	6	11	3,497
		<u>18,909</u>	<u>30,574</u>
<b>Current assets</b>			
Stocks	7	28,993	24,444
Debtors	8	1,057,361	930,480
Cash at bank and in hand		17,952	74,385
		<u>1,104,306</u>	<u>1,029,309</u>
<b>Creditors: amounts falling due within one year</b>	9	(303,078)	(362,018)
<b>Net current assets</b>		<u>801,228</u>	<u>667,291</u>
<b>Total assets less current liabilities</b>		820,137	697,865
<b>Net assets</b>		<u>820,137</u>	<u>697,865</u>
<b>Capital and reserves</b>			
Called up share capital	10	1	1
Profit and loss account	11	820,136	697,864
<b>Total shareholder's funds</b>	12	<u>820,137</u>	<u>697,865</u>

The financial statements on pages 7 to 16 were approved by the Board of directors on 12 Nov 2014 and signed on its behalf by:

  
 .....  
 M Masters  
 Director

Company number: 05755677

# Hypergraph Laboratory Supplies Limited

## NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2014

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### 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 dependant for its working capital on funds guaranteed by other group companies. ALS 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](http://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 AS AT 31 MARCH 2014

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### 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.

# Hypergraph Laboratory Supplies Limited

## NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2014

### 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.

### 2 Notes to the profit and loss account

Operating profit is stated after charging:

	Year Ended 31 March 2014	15 months Ended 31 March 2013
	£	£
Depreciation	3,486	7,946
Amortisation of goodwill	8,179	10,244

The fees paid to the company's auditor, KPMG LLP, by Eclipse Scientific Limited for the audit of the company were £5,500 (2013: £3,000).

During the period no directors received any remuneration in respect of services to this company.

### 3 Staff costs

	Year Ended 31 March 2014	15 months Ended 31 March 2013
	£	£
Wages and salaries	123,925	179,782
Social security costs	10,730	16,249
Pension costs	1,488	1,859
	136,143	197,890

The company had an average of 6 employees (2013: 6).

# Hypergraph Laboratory Supplies Limited

## NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2014

### 4 Taxation on profit on ordinary activities

#### (a) Analysis of charge in the year

	Year ended 31 March 2014 £	15 months Ended 31 March 2013 £
<b>Current tax</b>		
UK corporation tax	36,982	38,478
Current tax charge	36,982	38,478
<b>Deferred tax</b>		
Origination and reversal of timing differences	1,316	508
Impact on deferred tax of change in tax rate	220	319
Deferred tax charge – prior year adjustment	-	341
	1,536	1,168
<b>Tax on profit on ordinary activities</b>	<b>38,518</b>	<b>39,646</b>

#### (b) Factors affecting the current taxation charge for the year

	Year ended 31 March 2014 £	15 months ended 31 March 2013 £
Profit on ordinary activities before taxation	160,790	162,440
<b>Profit on ordinary activities before taxation multiplied by the standard rate of UK corporation tax of 23.0% (2013: 24.0%)</b>	<b>36,982</b>	<b>38,986</b>
Effects of:		
Expenses not deductible for tax purposes	-	-
Difference between capital allowances and depreciation	-	(508)
Group relief claimed for no consideration	-	-
<b>Current taxation charge</b>	<b>36,982</b>	<b>38,478</b>
	<b>31 March 2014 £</b>	<b>31 March 2013 £</b>
Difference between capital allowances and depreciation	5,808	7,344
<b>Total deferred tax (note 8)</b>	<b>5,808</b>	<b>7,344</b>

# Hypergraph Laboratory Supplies Limited

## NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2014

The movement in the deferred tax balance is as follows:

	Year ended 31 March 2014 £	15 months ended 31 March 2013 £
At start of the period	7,344	8,512
Deferred tax charge	(1,536)	(1,168)
At end of the period	<u>5,808</u>	<u>7,344</u>

### 5 Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 April 2013 and 31 March 2014	<u>81,796</u>
<b>Accumulated amortisation</b>	
At 1 April 2013	54,719
Charge for the period	8,179
At 31 March 2014	<u>62,898</u>
<b>Net book value</b>	
At 1 April 2013	<u>27,077</u>
<b>At 31 March 2014</b>	<u>18,898</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 AS AT 31 MARCH 2014

### 6 Tangible fixed assets

	Computer Equipment £	Plant and machinery £	Motor Vehicles £	Total £
<b>Cost</b>				
At 1 April 2013	28,433	9,850	28,248	66,531
Additions	-	-	-	-
At 31 March 2014	<u>28,433</u>	<u>9,850</u>	<u>28,248</u>	<u>66,531</u>
<b>Accumulated depreciation</b>				
At 1 April 2013	28,424	9,849	24,761	63,034
Charge for the year	-	-	3,486	3,486
At 31 March 2014	<u>28,424</u>	<u>9,849</u>	<u>28,247</u>	<u>66,520</u>
<b>Net book value</b>				
At 1 April 2013	<u>9</u>	<u>1</u>	<u>3,487</u>	<u>3,497</u>
At 31 March 2014	<u>9</u>	<u>1</u>	<u>1</u>	<u>11</u>

### 7 Stocks

	31 March 2014 £	31 March 2013 £
Finished goods for resale	<u>28,993</u>	<u>24,444</u>

### 8 Debtors

	31 March 2014 £	31 March 2013 £
<b>Amounts falling due within one year</b>		
Trade debtors	181,386	189,387
Amounts owed by group undertakings	869,160	732,927
Other debtors	1,007	822
Deferred tax (see note 4)	5,808	7,344
	<u>1,057,361</u>	<u>930,480</u>

# Hypergraph Laboratory Supplies Limited

## NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2014

### 9 Creditors: amounts falling due within one year

	31 March 2014 £	31 March 2013 £
Trade creditors	119,226	181,514
Amounts owed to group undertakings	126,559	126,559
Corporation tax	36,982	38,478
Other creditors including taxation and social security	20,311	15,467
	<u>303,078</u>	<u>362,018</u>

The amounts owed to group undertakings are unsecured and interest free.

### 10 Called-up share capital

	31 March 2014 £	31 March 2013 £
<b>Authorised</b>		
1,000 (2013: 1,000) Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
	31 March 2014 £	31 March 2013 £
<b>Allotted, and fully paid</b>		
1 (2013:1) Ordinary share of £1 each	<u>1</u>	<u>1</u>

### 11 Profit and loss account

	£
At 1 April 2013	697,864
Profit for the financial period	<u>122,272</u>
At 31 March 2014	<u>820,136</u>

### 12 Reconciliation of movements in shareholder's funds

	Year Ended 31 March 2014 £	15 months Ended 31 March 2013 £
Opening shareholder's funds	697,865	575,071
Profit for the financial period	<u>122,272</u>	<u>122,794</u>
Closing shareholder's funds	<u>820,137</u>	<u>697,865</u>

# **Hypergraph Laboratory Supplies Limited**

## **NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2014**

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### **13 Capital commitments**

There were no capital commitments at 31 March 2014 (31 March 2013: £nil).

### **14 Financial commitments**

At 31 March 2014, the company had no annual commitments under non-cancellable operating leases (31 March 2013: £nil).

### **15 Directors' emoluments**

During the period directors' emoluments were £nil (2013: £nil), as these costs were borne by another group company.

### **16 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.

### **17 Immediate and ultimate controlling undertaking**

At 31 March 2014, 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, 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. The consolidated financial statements of this group for the year ended 31 March 2014 can be accessed from the company's website at [www.alsglobal.com](http://www.alsglobal.com).