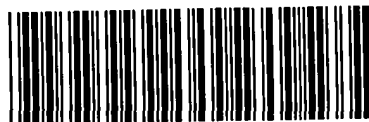


PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

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PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED

COMPANY INFORMATION

Directors	A I Mills P D Coles (resigned 9 December 2020) W E Moran (appointed 26 January 2021)
Company secretary	A I Mills
Registered number	07444185
Registered office	i54 Business Park Valiant Way Wolverhampton WV9 5GB
Independent auditor	Mazars LLP Chartered Accountants and Statutory Auditor First Floor Two Chamberlain Square Birmingham B3 3AX
Bankers	HSBC UK Bank plc 8 Canada Square London E14 5HQ

PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED

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PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their report and the financial statements for the year ended 31 December 2020.

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 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

The principal activity of the Company during the year was the provision of the consulting services of its Public Analysts to Local Authorities in England, Wales and Scotland. The Company carries out tests to establish the safety, composition, authenticity, origin, traceability and purity of food and foodstuffs to Local Authorities and the food industry.

Results and dividends

The loss for the year, after taxation, amounted to £118,000 (2019 - profit £26,000).

The directors do not recommend payment of a final dividend.

Directors

The directors who served during the year were:

A I Mills
P D Coles (resigned 9 December 2020)

PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Brexit impact

United Kingdom withdrawing from the European Union, has created uncertainty and it is therefore not currently possible to evaluate all the potential implications to the Company's trade customers, suppliers and the wider economy. The Company continues to monitor any potential implication with respect to the business.

COVID-19 Impact

The Covid-19 virus will affect the company in 2021 and risk assessments have been carried out and will be updated on an ongoing basis to protect employees against infection risk and to ensure stable services. Several measures have been taken to reduce the risk of infection and mitigate the impact on the company. There are no known current consequences for the company with the Covid-19 virus, but longer-term consequences cannot be ruled out.

Future developments

The management foresee no material changes in the business model in 2021.

Disclosure 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 the director is aware, there is no relevant audit information of which the Company's auditor is 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 auditor is aware of that information.

Post balance sheet events

There were no significant events after the balance sheet date.

Auditor

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

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 24 August 2021 and signed on its behalf.



A I Mills
Director

PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED

Opinion

We have audited the financial statements of Public Analyst Scientific Services Limited (the 'Company') for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, 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 101 "Reduced Disclosure Framework" (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 31 December 2020 and of its loss 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.

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.

PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; 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 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.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report.

PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 1, 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 to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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.

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 identified that the principal risks of non-compliance with laws and regulations related to the UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

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 loss reserves, and significant one-off or unusual transactions.

PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the directors and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our 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.

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.

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.



Louis Burns (Senior statutory auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
First Floor
Two Chamberlain Square
Birmingham
B3 3AX

Date: 25 August 2021

PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £000	2019 £000
Turnover	4	1,331	1,982
Cost of sales		(659)	(1,032)
Gross profit		672	950
Administrative expenses		(877)	(897)
Other operating income	5	110	-
Operating (loss)/profit	6	(95)	53
Interest payable and expenses	9	(23)	(27)
(Loss)/profit before tax		(118)	26
Tax on (loss)/profit	10	-	-
(Loss)/profit for the financial year		(118)	26

There were no recognised gains and losses for 2020 or 2019 other than those included in the Statement of Comprehensive Income.

There was no other comprehensive income for 2020 (2019:Nil).

The notes on pages 11 to 26 form part of these financial statements.

PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED
REGISTERED NUMBER: 07444185

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	2020 £000	2019 £000
Fixed assets			
Goodwill	11	360	371
Tangible assets	12	37	40
		<u>397</u>	<u>411</u>
Current assets			
Debtors: amounts falling due within one year	13	400	442
Cash at bank and in hand	14	69	92
		<u>469</u>	<u>534</u>
Creditors: amounts falling due within one year	15	(356)	(316)
Net current assets		<u>113</u>	<u>218</u>
Total assets less current liabilities		<u>510</u>	<u>629</u>
Creditors: amounts falling due after more than one year	16	(455)	(463)
		<u>55</u>	<u>166</u>
Net assets		<u>55</u>	<u>166</u>
Capital and reserves			
Called up share capital	17	475	475
Capital contribution reserve	19	12	5
Profit and loss account	19	(432)	(314)
		<u>55</u>	<u>166</u>

PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED
REGISTERED NUMBER: 07444185

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2020

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

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

A I Mills
Director



Date: 24 August 2021

The notes on pages 11 to 26 form part of these financial statements.

PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital £000	Capital contribution reserve £000	Profit and loss account £000	Total equity £000
At 1 January 2019	475	-	(340)	135
Comprehensive income for the year				
Profit for the year	-	-	26	26
Share options	-	5	-	5
At 1 January 2020	475	5	(314)	166
Comprehensive income for the year				
Loss for the year	-	-	(118)	(118)
Share options	-	7	-	7
At 31 December 2020	475	12	(432)	55

The notes on pages 11 to 26 form part of these financial statements.

PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. General information

Public Analyst Scientific Services Limited is a private company limited by shares, registered in England and Wales and domiciled in England. The registered office can be found on the company information page. The financial statements of the Company for the year ended 31 December 2020 were authorised for issue in accordance with the resolution of the directors.

The financial statements are prepared in Sterling, which is considered to be the functional currency of the company, and are rounded to the nearest £1,000.

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 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based payment
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases. The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details in indebtedness relating to amounts payable after 5 years required by company law is presented separately for lease liabilities and other liabilities, and in total
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
 - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
 - paragraph 50 of IAS 41 Agriculture
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

For certain disclosure exemptions listed above, the equivalent disclosures are included in the consolidated financial statements of Eurofins Scientific SE which are available to the public and can be obtained as set out in note 23.

PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)**2.3 Going concern**

The directors have no reason to believe that a material uncertainty exists that may cast significant doubt the ability of this company to continue as a concern or its ability to continue with current banking arrangements.

The Covid-19 virus will affect the company in 2021 and risk assessments have been carried out and will be updated on an ongoing basis to protect employees against infection risk and to ensure stable services. Several measures have been taken to reduce the risk of infection and mitigate the impact on the company. There are no known current consequences for the company with the Covid-19 virus, but longer-term consequences cannot be ruled out.

In view of the above, the directors believe that it is appropriate to prepare the financial statements on a going concern basis.

2.4 Impact of new international reporting standards, amendments and interpretations

The adoption of the following mentioned standards, amendments and interpretations in the current year have not had a material impact on the Company's financial statements for the year ended 31 December 2020:

Endorsed	EU effective date: Periods beginning on or after	IASB effective date: Periods beginning on or after
IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (Amendment): Definition of Material	1 January 2020	1 January 2020
IFRS 9 Financial Instruments, IAS 39 Financial Instruments: Recognition and Measurement and IFRS 7 Financial Instruments: Disclosures (Amendments): Interest Rate Benchmark Reform-Phase 1	1 January 2020	1 January 2020
Conceptual Framework (Amendment): Amendments to References to the Conceptual Framework in IFRS Standards	1 January 2020	1 January 2020
IFRS 3 Business Combinations (Amendment): Definition of a Business	1 January 2020	1 January 2020

PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.5 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

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 the Statement of Comprehensive Income 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 the Statement of Comprehensive Income within 'other operating income'.

PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.6 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:

The Company has contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company adjusts the transaction prices of these contracts for the time value of money.

Sale of goods

Revenue from the sale of goods is recognised on the satisfaction of performance obligations, such as the transfer of a promised good, identified in the contract between the Company and the customer.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Rendering of services

Revenue from providing services is recognised in the accounting period in which the services are rendered.

For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

2.7 Government grants

Government grants are recognised on the accrual model. The grant monies receivable in the year relate to compensation for staff costs under the furlough scheme, already incurred and recognised as an expense in the Statement of Comprehensive Income.

2.8 Finance costs

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

PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.9 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.10 Goodwill

Goodwill represents the excess of the cost of a business combination over the total acquisition date fair value of the identifiable assets, liabilities and contingent liabilities acquired.

Cost comprises the fair value of assets given, liabilities assumed and equity instruments issued.

When a business combination agreement provides for an adjustment to the cost of the combination which is contingent on future events, the company includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably. However, if the potential adjustment is not recognised at the acquisition date but subsequently becomes probable and can be measured reliably, the additional consideration shall be treated as an adjustment to the cost of the combination. Changes in the estimated value of contingent consideration arising on business combinations completed as a consequence result in a change in the carrying value of the related goodwill.

Goodwill is capitalised as an intangible asset and is not amortised. Instead it is reviewed annually for impairment with any impairment in carrying value being charged to profit or loss. The Companies Act 2006 requires acquired goodwill to be reduced by provisions for depreciation calculated to write off the amount systematically over a period chosen by the directors, not exceeding its useful economic life. It has been deemed, however, the non-amortisation of goodwill is a departure, for the overriding purpose of giving a true and fair view. The effect of this departure has not been quantified because it is impracticable and, in the opinion of the directors, would be misleading.

2.11 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.

PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.11 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	- Shorter of underlying lease end and 10 years
Plant and equipment	- 5 years
Fixtures and fittings	- 3 years
Assets under construction	- Not depreciated

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 the Statement of Comprehensive Income.

2.12 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.

2.13 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.

2.14 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.15 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 the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position 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 Statement of Financial Position.

2.16 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

Fair value through profit or loss

All of the Company's financial assets are subsequently measured at fair value at the end of each reporting period, with any fair value gains or losses being recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and other receivables.

PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Group's accounting policies described above, management has made the following judgements that have significant effects on the amounts recognised in the financial statements (apart from those involving estimates, which are dealt with in the following paragraphs).

Provisions and accruals

Management bases its judgements on the circumstances relating to each specific event and upon currently available information. However, given the inherent difficulties in estimating liabilities in these areas, it can't be guaranteed that additional costs will not be incurred beyond the amounts accrued as shown in note 15.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience as well as manufacturers' warranties (for plant and equipment) and lease terms (for leased equipment). In addition, the condition of the assets is assessed annually and considered against the remaining useful life. Adjustments to useful life are made when considered necessary. Depreciation charges are included in note 12.

Impairment of accounts receivable

An estimate of the collectible amount of trade receivables is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied according to the length of time past due, based on historical recovery rates. Any impairments are shown within note 13.

4. Turnover

The whole of the turnover is attributable to the principal activity of the Company.

All turnover arose within the United Kingdom.

PUBLIC ANALYST SCIENTIFIC SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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5. Other operating income

	2020 £000	2019 £000
Coronavirus job retention scheme grants receivable	110	-
	110	-

6. Operating (loss)/profit

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

	2020 £000	2019 £000
Property rental costs	75	40
Depreciation of tangible fixed assets	21	22
Amortisation of software licences	-	1
Impairment of goodwill	11	-
Exchange differences	(5)	7
Defined contribution pension cost	26	19
	26	19

The property rental costs relates to charges between Eurofins Food Testing UK Limited and Public Analyst Scientific Services Limited and there is no formal rental agreement between the two companies and thus does not fall within the scope of IFRS 16.

7. Auditor's remuneration

Fees payable to the Company's auditor and its associates in respect of:

Audit-related assurance services	4	4
Taxation compliance services	3	2
Services relating to the financial statements	-	2
	7	8

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8. Employees

Staff costs were as follows:

	2020	<i>2019</i>
	£000	<i>£000</i>
Wages and salaries	444	437
Social security costs	58	42
Cost of defined contribution scheme	26	19
	<u>528</u>	<u>498</u>

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

	2020	<i>2019</i>
	No.	<i>No.</i>
Operational, management and administration	<u>13</u>	<u>11</u>

No directors were remunerated by the company during the year (2019 - 0)

9. Interest payable and similar expenses

	2020	<i>2019</i>
	£000	<i>£000</i>
Loans from group undertakings	23	27
	<u>23</u>	<u>27</u>

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10. Taxation

	2020 £000	2019 £000
Current tax		
Current tax on profits for the year	-	-
Total current tax	<u>-</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	-	-
Total deferred tax	<u>-</u>	<u>-</u>
Taxation on profit on ordinary activities	<u>-</u>	<u>-</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than *(2019 - lower than)* the standard rate of corporation tax in the UK of 19% *(2019 - 19%)*. The differences are explained below:

	2020 £000	2019 £000
(Loss)/profit on ordinary activities before tax	<u>(118)</u>	<u>26</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	(22)	5
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1	1
Capital allowances for year in excess of depreciation	1	-
Group relief surrendered/(claimed)	28	5
Deferred tax not recognised	(8)	(11)
Total tax charge for the year	<u>-</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

11. Goodwill

	2020 £000
Cost	
At 1 January 2020	437
At 31 December 2020	<u>437</u>
Impairment	
At 1 January 2020	66
Charge for the year	11
At 31 December 2020	<u>77</u>
Net book value	
At 31 December 2020	<u><u>360</u></u>
<i>At 31 December 2019</i>	<u><u>371</u></u>

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12. Tangible fixed assets

	Plant and equipment £000	Fixtures and fittings £000	Assets under construction £000	Total £000
Cost				
At 1 January 2020	577	34	2	613
Additions	11	3	-	14
At 31 December 2020	588	37	2	627
Depreciation				
At 1 January 2020	536	33	-	569
Charge for the year on owned assets	20	1	-	21
At 31 December 2020	556	34	-	590
Net book value				
At 31 December 2020	32	3	2	37
At 31 December 2019	41	1	2	44

13. Debtors

	2020 £000	2019 £000
Trade debtors	161	140
Amounts owed by group undertakings	170	176
Prepayments and accrued income	69	126
	400	442

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14. Cash and cash equivalents

	2020 £000	2019 £000
Cash at bank and in hand	69	92
	<u>69</u>	<u>92</u>

15. Creditors: Amounts falling due within one year

	2020 £000	2019 £000
Trade creditors	74	18
Amounts owed to group undertakings	71	113
Other taxation and social security	128	17
Other creditors	-	1
Accruals and deferred income	83	167
	<u>356</u>	<u>316</u>

16. Creditors: Amounts falling due after more than one year

	2020 £000	2019 £000
Amounts owed to group undertakings	455	463
	<u>455</u>	<u>463</u>

The loan from Eurofins Scientific SE is denominated in GBP and is provided on an interest only basis at a floating rate equal to a 12 month index of the LIBOR plus a spread of 4.5%. The loan was agreed on 12 November 2018 and has a maturity date of 11 November 2025. The Company has not pledged any of its assets as security for this loan.

17. Share capital

	2020 £000	2019 £000
Allotted, called up and fully paid		
475,001 (2019 - 475,001) Ordinary shares of £1.00 each	475	475
	<u>475</u>	<u>475</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Deferred tax

The Company has a deferred tax asset of £97,444 (2019 - £87,514) relating to tax losses and temporary differences which has not been recognised due to the uncertainty over the availability of future taxable profits.

19. Reserves

Capital contribution reserve

Share options granted to Eurofins business directors and senior management are held in the capital redemption reserve. The share options are equity settled and have a life of 10 years with a condition the employee must remain employed with the company until the shares are available to exercise.

Profit and loss account

The profit and loss account represents the cumulative gains and losses recognised in the income statement together with those gains or losses required to be taken directly to equity.

20. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £26,631 (2019 - £16,158). Contributions totalling £4,054 (2019 - £15,483) were payable to the fund at the reporting date and are included in creditors.

21. Related party transactions

The Company did not enter into any related party transactions other than with group undertakings that are wholly owned members of the same group.

22. Events after the reporting period

There were no significant events after the balance sheet date.

23. Controlling party

Eurofins Food Testing UK Holding Limited is the immediate parent of the Company. The ultimate parent and controlling party is Eurofins Scientific SE, a company incorporated in Luxembourg and the only company to consolidate the financial statements of Public Analyst Scientific Services Limited.

Copies of the Group's financial statement are publicly available and can be obtained from:
Eurofins Scientific SE
23 Val Fleuri
L-1526, Luxembourg