

Company Registration No. 08665244 (England and Wales)

**ALDERLEY ANALYTICAL LTD**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**  
**PAGES FOR FILING WITH REGISTRAR**

# ALDERLEY ANALYTICAL LTD

## COMPANY INFORMATION

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<b>Directors</b>	A Ferns	{Appointed 23 November 2016}
	G Crocker	
	P Holme	
	M O'Brien	{Appointed 23 November 2016}
	E Thomas	
<b>Company number</b>	08665244	
<b>Registered office</b>	The BioHub at Alderley Park Mereside Alderley Edge Cheshire SK10 4TG	
<b>Auditor</b>	Champion Accountants LLP 1 Worsley Court High Street Worsley Manchester M28 3NJ	
<b>Business address</b>	The BioHub at Alderley Park Mereside Alderley Edge Cheshire SK10 4TG	

# ALDERLEY ANALYTICAL LTD

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# ALDERLEY ANALYTICAL LTD

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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The directors present their annual report and financial statements for the year ended 31 December 2016.

### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

A Ferns	(Appointed 23 November 2016)
G Crocker	
P Holme	
M O'Brien	(Appointed 23 November 2016)
E Thomas	
Nwf4b Directors Limited	(Resigned 30 September 2016)

### Results and dividends

The results for the year 2016 are set out in the Profit & Loss Account. The loss for the financial year was £167,598 (2015: loss of £145,581).

### Auditor

The auditor, Champion Accountants LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

### Statement of directors' responsibilities

The directors are responsible for preparing the annual 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;
- 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.

### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

**ALDERLEY ANALYTICAL LTD**

**DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2016***

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On behalf of the board

E Thomas

**Director**

28 September 2017

# ALDERLEY ANALYTICAL LTD

## BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Tangible assets	3		384,861		39,468
<b>Current assets</b>					
Debtors	4	183,621		87,100	
Cash at bank and in hand		220,620		117,345	
		<u>404,241</u>		<u>204,445</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(183,739)</u>		<u>(82,369)</u>	
<b>Net current assets</b>			220,502		122,076
<b>Total assets less current liabilities</b>			605,363		161,544
<b>Creditors: amounts falling due after more than one year</b>	6		(239,966)		-
<b>Provisions for liabilities</b>			<u>(8,686)</u>		<u>-</u>
<b>Net assets</b>			<u>356,711</u>		<u>161,544</u>
<b>Capital and reserves</b>					
Called up share capital	7		3,072		1,619
Share premium account			650,836		364,011
Profit and loss reserves			<u>(297,197)</u>		<u>(204,086)</u>
<b>Total equity</b>			<u>356,711</u>		<u>161,544</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 28 September 2017 and are signed on its behalf by:

E Thomas  
**Director**

**Company Registration No. 08665244**

# ALDERLEY ANALYTICAL LTD

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2015</b>		1,000	-	(58,505)	(57,505)
<b>Year ended 31 December 2015:</b>					
Loss and total comprehensive income for the year		-	-	(145,581)	(145,581)
Issue of share capital	7	619	364,011	-	364,630
<b>Balance at 31 December 2015</b>		1,619	364,011	(204,086)	161,544
<b>Year ended 31 December 2016:</b>					
Loss and total comprehensive income for the year		-	-	(92,799)	(92,799)
Issue of share capital	7	1,141	286,825	-	287,966
Bonus issue of shares	7	312	-	(312)	-
<b>Balance at 31 December 2016</b>		3,072	650,836	(297,197)	356,711

# ALDERLEY ANALYTICAL LTD

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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### **1 Accounting policies**

#### **Company information**

Alderley Analytical Ltd is a private company limited by shares incorporated in England and Wales. The registered office is The BioHub at Alderley Park, Mereside, Alderley Edge, Cheshire, SK10 4TG.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2016 are the first financial statements of Alderley Analytical Ltd prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

#### **1.2 Going concern**

These financial statements are prepared on the going concern basis. The directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future. The company recognised a net loss of £167,598 for the year ended 31 December 2016 and, as at that date, current assets exceeded current liabilities by £137,017. The company has had significant backing from investors to enable it to continue as a going concern and as a result is forecasted to be profit making for year ended 31 December 2017.

#### **1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

#### **1.4 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.



# ALDERLEY ANALYTICAL LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	20% straight line
Computers	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### 1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# ALDERLEY ANALYTICAL LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

### 1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

### 1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

# ALDERLEY ANALYTICAL LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

(Continued)

#### 1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.11 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

#### 1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 8 (2015 - 6).

# ALDERLEY ANALYTICAL LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 3 Tangible fixed assets

	Plant and equipment £	Computers £	Total £
<b>Cost</b>			
At 1 January 2016	20,358	33,937	54,295
Additions	347,813	16,678	364,491
At 31 December 2016	368,171	50,615	418,786
<b>Depreciation and impairment</b>			
At 1 January 2016	5,958	8,869	14,827
Depreciation charged in the year	8,709	10,389	19,098
At 31 December 2016	14,667	19,258	33,925
<b>Carrying amount</b>			
At 31 December 2016	353,504	31,357	384,861
At 31 December 2015	14,400	25,068	39,468

### 4 Debtors

	2016 £	2015 £
<b>Amounts falling due within one year:</b>		
Trade debtors	85,708	76,413
Other debtors	14,428	10,687
	100,136	87,100
<b>Amounts falling due after more than one year:</b>		
Deferred tax asset	83,485	-
<b>Total debtors</b>	183,621	87,100

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

	2016 £	2015 £
Trade creditors	59,615	68,131
Other taxation and social security	16,797	5,711
Other creditors	107,327	8,527
	183,739	82,369

Included within other creditors is an amount of £97,036 which is secured on the assets concerned

# ALDERLEY ANALYTICAL LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 6 Creditors: amounts falling due after more than one year

	2016 £	2015 £
Other creditors	239,966	-
	<u>239,966</u>	<u>-</u>

Included within other creditors is an amount of £239,966 which is secured on the assets concerned

### 7 Called up share capital

	2016 £	2015 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
275,987 Ordinary of 1p each	3,072	1,133
	<u>3,072</u>	<u>1,133</u>
	<u>3,072</u>	<u>1,133</u>
<b>Preference share capital</b>		
<b>Issued and fully paid</b>		
nil (2015: 48,600) of 1p each	-	486
	<u>-</u>	<u>486</u>
	<u>-</u>	<u>486</u>

### Reconciliation of movements during the year:

	Ordinary Number	Preference Number
At 1 January 2016	113,335	48,600
Issue of fully paid shares	82,873	-
Share re-classification	48,600	(48,600)
Bonus issue	31,179	-
	<u>163,987</u>	<u>-</u>
At 31 December 2016	275,987	-
	<u>275,987</u>	<u>-</u>

On 23 November 2016 48,600 preference shares were re-classified as ordinary shares. On the same date 31,179 ordinary £0.01 shares were issued as bonus shares and 82,873 ordinary 0.01 shares were issued at a premium of £3.62 per share.

Issue costs of £12,034 associated with the issue of the new shares have been deducted from the share premium account.

## ALDERLEY ANALYTICAL LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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#### **8 Audit report information**

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.  
The senior statutory auditor was Mark Turner FCA.  
The auditor was Champion Accountants LLP.  
The date of signing the audit report was 28 September 2017.

#### **9 Operating lease commitments**

##### **Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2016	2015
£	£
13,064	55,440
<u>          </u>	<u>          </u>

#### **10 Related party transactions**

By way of a common director, Biocity Group Limited is a related party.  
During the year the company made purchases of £13,347 (2015: £nil) from Biocity Group Limited and at 31 December owed a balance of £2,250 (2015: £nil) to Biocity Group Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.