

Registration number: 10348004

Bio-Rad Services UK Limited (formerly Bio-Rad Laboratories Services UK Limited)

Annual Report and Financial Statements

for the Period from 26 August 2016 to 31 December 2017

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Bio-Rad Services UK Limited (formerly Bio-Rad Laboratories Services UK Limited)

Company Information

Directors R K Chopra
N.D. Schwartz

Company secretary Taylor Wessing Secretaries Limited

Registered office The Junction 3rd and 4th Floor
Station Road
Watford
WD17 1ET

Solicitor Taylor Wessing LLP
5 New Street Square
London
EC4A 3TW

Auditor KPMG LLP
58 Clarendon Road
Watford
Hertfordshire
WD17 1DE

Bio-Rad Services UK Limited (formerly Bio-Rad Laboratories Services UK Limited)

Strategic Report for the Period from 26 August 2016 to 31 December 2017

The directors present their Strategic Report for the period from 26 August 2016 to 31 December 2017.

Principal activity

The principal activity of the company is that of a shared services centre, providing back office accounting services to companies in the Bio-Rad Laboratories group based in Europe, the Middle East and Africa.

Fair review of the business

The company was incorporated on 26 August 2016, and has prepared its first set of financial statements for the period beginning on the date of incorporation and ending 31 December 2017. The company is a wholly owned subsidiary of Bio-Rad Laboratories, Inc., a Delaware USA corporation, traded on the New York Stock Exchange.

The company's business operations commenced on 1 April 2017 when a new SAP® Enterprise Resource Planning (ERP) System was implemented at the company and 31 affiliated entities in ten countries. The company provides various customer care and finance support services for these affiliates. Prior to 1 April 2017, the company's activities consisted of hiring staff and other preparations to commence operations.

The company plans to support an additional eight affiliates after they implement SAP in 2018.

The company's key financial and other performance indicators during the period were as follows:

	Unit	2017
Turnover	£000	9,901
Operating profit	£000	35
Profit after tax	£000	19

Principal risks and uncertainties

The company has no specific exposure to price risk or cash flow risk. The company's principal financial assets are bank balances and cash and amounts due from group companies. The company is not considered to be exposed to credit risk on these financial assets as they are with other group companies. The credit risk on liquid funds is limited because counterparties are banks with high credit ratings assigned by international credit-rating agencies. The company does not enter into derivative financial instruments for hedging, speculative or any other purpose.

Approved by the Board on 31/12/18 and signed on its behalf by:


N D Schwartz
Director

Bio-Rad Services UK Limited (formerly Bio-Rad Laboratories Services UK Limited)

Directors' Report for the Period from 26 August 2016 to 31 December 2017

The directors present their report and the financial statements for the period from 26 August 2016 to 31 December 2017.

Incorporation

The company was incorporated on 26 August 2016.

Directors of the company

The directors who held office during the period were as follows:

S Esteban (appointed 30 August 2016 and resigned 25 September 2017);

R K Chopra (appointed 25 September 2017)

Huntsmoor Nominees Limited (appointed 26 August 2016 and resigned 30 August 2016)

N D Schwartz (appointed 26 August 2016)

Huntsmoor Limited (appointed 26 August 2016 and resigned 30 August 2016)

Dividends

The directors do not recommend the payment of a dividend.

Future developments

The directors do not anticipate any significant changes to the key activities of the company in the foreseeable future.

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing the financial statements.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken 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. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Reappointment of auditors

The auditors KPMG LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 31/8/18 and signed on its behalf by:



N D Schwartz
Director

Bio-Rad Services UK Limited (formerly Bio-Rad Laboratories Services UK Limited)

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report, 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 UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the Members of Bio-Rad Services UK Limited (formerly Bio-Rad Laboratories Services UK Limited)

Opinion

We have audited the financial statements of Bio-Rad Services UK Limited (formerly Bio-Rad Laboratories Services UK Limited) (the company) for the period from incorporation on 26 August 2016 to 31 December 2017, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the period then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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. We have fulfilled our ethical responsibilities under, and are independent of the company, in accordance with UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate, or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Independent Auditor's Report to the Members of Bio-Rad Services UK Limited (formerly Bio-Rad Laboratories Services UK Limited) (continued)

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

K Tasker

Karen Tasker (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor,
Chartered Accountants
58 Clarendon Road
Watford
Hertfordshire
WD17 1DE

Date: 7 September 2018

Bio-Rad Services UK Limited (formerly Bio-Rad Laboratories Services UK Limited)

Profit and Loss Account for the Period from 26 August 2016 to 31 December 2017

	Note	Period to 31 December 2017 £'000'
Turnover	3	9,901
Administrative expenses		(9,866)
Operating profit	4	35
Interest receivable and similar income	6	1
Interest payable and similar expenses	7	(2)
Profit before tax		34
Taxation	10	(15)
Profit for the financial period		19

The above results were derived from continuing operations.

The company has no recognised gains or losses for the period other than the results above.

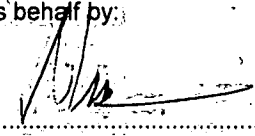
Bio-Rad Services UK Limited (formerly Bio-Rad Laboratories Services UK Limited)

(Registration number: 10348004)

Balance Sheet as at 31 December 2017

	Note	2017 £ 000
Current assets:		
Debtors	11	5,430
Creditors: Amounts falling due within one year	12	(4,661)
Net assets		<u>769</u>
Capital and reserves		
Called up share capital	14	750
Profit and loss account	15	19
Total equity		<u>769</u>

The financial statements were approved and authorised by the Board on 31/12/18 and signed on its behalf by:


N D Schwartz
Director

The notes on pages 10 to 18 form an integral part of these financial statements.

Bio-Rad Services UK Limited (formerly Bio-Rad Laboratories Services UK Limited)

Statement of Changes in Equity for the Period from 26 August 2016 to 31 December 2017

	Share capital £ 000	Profit and loss account £ 000	Total £ 000
Profit for the period		19	19
New share capital subscribed	750		750
At 31 December 2017	750	19	769

The notes on pages 10 to 18 form an integral part of these financial statements.

Bio-Rad Services UK Limited (formerly Bio-Rad Laboratories Services UK Limited)

Notes to the Financial Statements for the Period from 26 August 2016 to 31 December 2017

1 General information

The company is a private company limited by share capital, incorporated, domiciled and registered in England in the UK.

The address of its registered office is:

The Junction 3rd and 4th Floor

Station Road

Watford

WD17 1ET

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102").

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are presented in pound sterling and rounded to thousands. The company's functional and presentation currency is the pound sterling.

Critical accounting judgements and estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. There are no significant areas of estimation for the company in preparing the financial statements for the current year.

Summary of disclosure exemptions

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of the exemptions by the company's shareholders.

The company has taken advantage of the following exemptions:

Bio-Rad Services UK Limited (formerly Bio-Rad Laboratories Services UK Limited)

Notes to the Financial Statements for the Period from 26 August 2016 to 31 December 2017 (continued)

2 Accounting policies (continued)

- from disclosing the company key management personnel compensation;
- from disclosing transactions with other wholly owned entities for the period that they form part of the same group;
- from preparing a statement of cash flows and the related notes on the basis that it is a qualifying entity and its ultimate parent company, Bio-Rad Laboratories Inc., includes the company's cash flows in its own consolidated financial statements; and
- from the financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, including:
 - categories of financial instruments;
 - items of income, expenses, gains or losses relating to financial instruments; and
 - exposure to management of financial risks.

Name of parent of group

These financial statements are consolidated in the financial statements of Bio-Rad Laboratories Inc.

The financial statements of Bio-Rad Laboratories Inc. may be obtained from the Company Secretary, Bio-Rad Laboratories, Inc., 1000 Alfred Nobel Drive, Hercules, California 94547, USA.

Disclosure of long or short period

The company was incorporated on 26 August 2016 and on 31 August 2016, the company extended its year end to 31 December to align with the Bio-Rad group. Accordingly, the current period information contained in these financial statements is for the 16 month and 5 day period to 31 December 2017.

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing the financial statements.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax.

The company recognises revenue when: (a) the amount of revenue can be reliably measured; (b) it is probable that future economic benefits will flow to the entity; and (c) the specific criteria detailed below has been met.

Services rendered

Revenue from the provision of shared service centre services is recognised on a cost plus basis as the cost is incurred in accordance with the arrangement between the parties.

Bio-Rad Services UK Limited (formerly Bio-Rad Laboratories Services UK Limited)

Notes to the Financial Statements for the Period from 26 August 2016 to 31 December 2017 (continued)

2 Accounting policies (continued)

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Bio-Rad Services UK Limited (formerly Bio-Rad Laboratories Services UK Limited)

Notes to the Financial Statements for the Period from 26 August 2016 to 31 December 2017 (continued)

3. Revenue

The analysis of the company's revenue for the period from continuing operations is as follows:

	Period to 31 December 2017 £ 000
Rendering of services	9,901

The analysis of the company's turnover for the period by market is as follows:

	Period to 31 December 2017 £ 000
Europe	9,901

4. Operating profit

Arrived at after charging:

	Period to 31 December 2017 £ 000
Foreign exchange losses	4

5. Auditor's remuneration

	Period to 31 December 2017 £ 000
Audit of the financial statements	40

6. Other interest receivable and similar income

	Period to 31 December 2017 £ 000
Interest receivable from group undertakings	1

Bio-Rad Services UK Limited (formerly Bio-Rad Laboratories Services UK Limited)

Notes to the Financial Statements for the Period from 26 August 2016 to 31 December 2017 (continued)

7 Interest payable and similar expenses

Interest payable on loans from group undertakings.

Period to 31
December
2017
£ 000

2

8 Staff costs and numbers

The aggregate payroll costs (including directors' remuneration) were as follows:

Wages and salaries;
Social security costs
Pension costs, defined contribution scheme;

Period to 31
December
2017
£ 000

6,081

493

194

6,768

The average number of persons employed by the company (including directors) during the period, analysed by category, was as follows:

Administration and support

Period to 31
December
2017
No.

101

9 Directors' remuneration

The directors' remuneration for the period was as follows:

Remuneration
Contributions paid to money purchase schemes

Period to 31
December
2017
£ 000

132

7

139

Bio-Rad Services UK Limited (formerly Bio-Rad Laboratories Services, UK Limited)

Notes to the Financial Statements for the Period from 26 August 2016 to 31 December 2017 (continued)

9 Directors' remuneration (continued)

During the period the number of directors who were receiving benefits and share incentives was as follows:

	Period to 31 December 2017 No.
Accruing benefits under money purchase pension scheme	1

Directors' emoluments for one of the directors has been borne by another group company. This director is also a director or officer of a number of companies within the Bio-Rad Laboratories Group. The director's services to the company do not occupy a significant amount of his time. As such, the director does not consider that he has received any remuneration for his incidental services to the company for the current period.

10 Taxation

Tax charged in the income statement:

	Period to 31 December 2017 £ 000
Current taxation:	
UK corporation tax	15

The tax on profit before tax for the period is higher than the standard rate of corporation tax in the UK of 19.25%.

The differences are reconciled below:

	Period to 31 December 2017 £ 000
Profit before tax	34
Corporation tax at standard rate	7
Effect of expenses not deductible	8
Total tax charge	15

Bio-Rad Services UK Limited (formerly Bio-Rad Laboratories Services UK Limited)

Notes to the Financial Statements for the Period from 26 August 2016 to 31 December 2017 (continued)

10 Taxation (continued)

A reduction to the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and a further reduction to 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

11 Debtors

	2017 £ 000
Amounts owed by group undertakings	5,428
Other debtors	2
	<u>5,430</u>

Amounts owed by group undertakings are unsecured and are repayable on demand. Interest is levied on outstanding balances at the rate of the 3 month LIBOR minus 0.1% p.a.

12 Creditors

	2017 £ 000
Due within one year	
Bank loans and overdrafts	16
Trade creditors	196
Amounts due to group undertakings	2,205
Social security and other taxes	1,066
Other creditors	1,140
Accruals	23
Corporation tax liability	15
	<u>4,661</u>

Amounts owed to group undertakings are unsecured and are repayable on demand. Interest is levied on outstanding balances at the rate of the 3 month LIBOR plus 1.5% p.a.

Bio-Rad Services UK Limited (formerly Bio-Rad Laboratories Services UK Limited)

Notes to the Financial Statements for the Period from 26 August 2016 to 31 December 2017 (continued)

13 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £194,000.

Contributions totalling £32,000 were payable to the scheme at the end of the period and are included in other creditors.

14 Share capital

Allotted, called up and fully paid shares

	2017	
	No. 000	£ 000
Ordinary shares of £1 each	750	750

New shares allotted

During the period 750,000 Ordinary shares having an aggregate nominal value of £750,000 were allotted for an aggregate consideration of £750,000. The shares were allotted on incorporation to provide the capital base of the company.

Rights, preferences and restrictions

There are no restrictions on the distribution of dividends and the repayment of capital.

15 Reserves

Called up share capital

Called-up share capital represents the nominal value of shares that have been issued.

Profit and loss account

The profit and loss account reserve includes all current period retained profits and losses.

Bio-Rad Services UK Limited (formerly Bio-Rad Laboratories Services UK Limited)

Notes to the Financial Statements for the Period from 26 August 2016 to 31 December 2017 (continued)

16 Parent and ultimate parent undertaking

The company's immediate parent is Bio-Rad Laboratories, Inc., incorporated in the USA.

These financial statements are available upon request from 1000 Alfred Nobel Drive, Hercules, California 94547, USA, the registered office of Bio-Rad Laboratories, Inc.

The most senior parent entity producing publicly available financial statements is Bio-Rad Laboratories, Inc. These financial statements are available upon request from 1000 Alfred Nobel Drive, Hercules, California 94547, USA. Bio-Rad Laboratories, Inc. is the only company preparing consolidated financial statements which include the company.