

ALBA DIAGNOSTICS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

ALBA DIAGNOSTICS LIMITED

COMPANY INFORMATION

Directors	E Reid S Whittom L W Mills
Registered number	SC147684
Registered office	Unit 1 Bankhead Avenue Bankhead Industrial Estate Glenrothes Fife KY7 6JG
Accountants	EQ Accountants LLP Chartered Accountants Pentland House Saltire Centre Glenrothes Fife KY6 2AH

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

		2020 £	2019 £
Fixed assets			
Tangible assets	4	<u>74,256</u>	<u>84,544</u>
		74,256	84,544
Current assets			
Stocks		337,669	355,313
Debtors: amounts falling due within one year	5	124,899	340,302
Cash at bank and in hand		<u>237,372</u>	<u>70,472</u>
		699,940	766,087
Creditors: amounts falling due within one year	6	<u>(39,824)</u>	<u>(158,276)</u>
Net current assets		<u>660,116</u>	<u>607,811</u>
Total assets less current liabilities		<u>734,372</u>	<u>692,355</u>
Creditors: amounts falling due after more than one year		(44,167)	-
Provisions for liabilities			
Deferred tax		<u>(936)</u>	<u>(731)</u>
		<u>(936)</u>	<u>(731)</u>
Net assets		<u><u>689,269</u></u>	<u><u>691,624</u></u>
Capital and reserves			
Called up share capital	8	64,167	64,167
Capital redemption reserve		15,833	15,833
Profit and loss account		<u>609,269</u>	<u>611,624</u>
		<u><u>689,269</u></u>	<u><u>691,624</u></u>

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

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 10 May 2021.

S Whitton
Director

E Reid
Director

The notes on pages 3 to 9 form part of these financial statements.

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

1. General information

Alba Diagnostics Limited is a private company, limited by shares and incorporated in Scotland, registration number SC147684. The registered office address is Unit 1, Bankhead Avenue, Bankhead Industrial Estate, Glenrothes, Fife, KY7 6JG.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The directors have considered the impact of the Covid-19 pandemic and the impact on the business including the impact of government imposed restrictions on our continued operation and the operation of our customers and suppliers and the potential interruption to production resulting from an absence of employees due to sickness and shielding.

At the time of approving the financial statements the company's trading levels continue to recover following the height of the disruption, but the directors acknowledge that the future impact of Covid -19 on the wider economy is uncertain and could result in a range of potential outcomes.

Although recognising that Covid-19 gives rise to potential uncertainty over the company's trading levels in the foreseeable future the directors have considered the range of possible outcomes and having also taking account of the cash and working capital availability remain confident that the company will continue to have sufficient resources to meet liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements.

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

2.3 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 profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

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

2. Accounting policies (continued)

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

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

2. Accounting policies (continued)

2.7 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of income and retained earnings in the same period as the related expenditure.

2.8 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

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 profit or loss 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 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current 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 income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

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

2. Accounting policies (continued)

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.

Land is not depreciated. Depreciation on other assets 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:

Freehold property	-	4% straight line
Plant and machinery	-	15% straight line
Office equipment	-	15% and 33.33% straight line

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 profit or loss.

2.12 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.13 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

3. Employees

The average monthly number of employees, including directors, during the year was 8 (2019 - 8).

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

4. Tangible fixed assets

	Freehold property £	Plant and machinery £	Office equipment £	Total £
Cost or valuation				
At 1 January 2020	350,943	34,353	25,632	410,928
Additions	-	640	1,846	2,486
At 31 December 2020	<u>350,943</u>	<u>34,993</u>	<u>27,478</u>	<u>413,414</u>
Depreciation				
At 1 January 2020	269,027	32,039	25,318	326,384
Charge for the year on owned assets	11,767	430	577	12,774
At 31 December 2020	<u>280,794</u>	<u>32,469</u>	<u>25,895</u>	<u>339,158</u>
Net book value				
At 31 December 2020	<u>70,149</u>	<u>2,524</u>	<u>1,583</u>	<u>74,256</u>
At 31 December 2019	<u>81,916</u>	<u>2,314</u>	<u>314</u>	<u>84,544</u>

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

5. Debtors

	2020 £	2019 £
Trade debtors	118,615	247,286
Other debtors	982	58,789
Prepayments and accrued income	5,302	19,774
Tax recoverable	-	14,453
	<u>124,899</u>	<u>340,302</u>

6. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank loans	5,833	-
Trade creditors	12,334	119,512
Other taxation and social security	5,966	5,294
Other creditors	1,028	-
Accruals and deferred income	14,663	33,470
	<u>39,824</u>	<u>158,276</u>

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

	2020 £	2019 £
Bank loans	44,167	-
	<u>44,167</u>	<u>-</u>

8. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
64,167 (2019 - 64,167) Ordinary shares of £1.00 each	<u>64,167</u>	<u>64,167</u>

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

9. Commitments under operating leases

At 31 December 2020 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020 £	2019 £
Not later than 1 year	-	1,707
	<u>-</u>	<u>1,707</u>
	<u>-</u>	<u>1,707</u>

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