

COMPANY REGISTRATION NUMBER: SC245466

**Express Microbiology Limited**

**Filleted Financial Statements**

**For the year ended**

**31 December 2022**

# Express Microbiology Limited

## Officers and Professional Advisers

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<b>The board of directors</b>	S Parrington (Served from 6 January 2022 to 10 January 2023) Mr W Welch (Served from 6 January 2022 to 10 January 2023) Mr R McPheeters (Served from 6 January 2022 to 31 May 2022) Mr M Hanson (Served from 6 January 2022 to 31 May 2022) Mr M Carnaghan (Appointed 10 January 2023) Mr M.R Watts (Appointed 10 January 2023) Dr J Newton (Resigned 10 January 2023) W Bates (Resigned 10 January 2023)
<b>Company secretary</b>	Mrs L Ganderton
<b>Registered office</b>	Unit 22/4 Mill Road Industrial Estate Linlithgow EH49 7SF
<b>Auditor</b>	Nelson Gilmour Smith Chartered Accountants & statutory auditor Mercantile Chambers 53 Bothwell Street Glasgow G2 6TB

# Express Microbiology Limited

## Directors' Report

### Year ended 31 December 2022

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The directors present their report and the financial statements of the company for the year ended 31 December 2022 .

#### Principal activities

The principal activities of the Company are microbiological and chemical analysis of food.

#### Directors

The directors who served the company during the year were as follows:

Dr J Newton

W Bates

S Parrington (Appointed 6 January 2022)

Mr W Welch (Appointed 6 January 2022)

Mr R McPheeters (Served from 6 January 2022 to 31 May 2022)

Mr M Hanson (Served from 6 January 2022 to 31 May 2022)

#### Dividends

The loss for the year after taxation, amounted to £32,761 (2021 - profit £435,720) The directors do not recommend payment of a final dividend.

#### Events after the end of the reporting period

Particulars of events after the reporting date are detailed in note 13 to the financial statements.

**Going concern**

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

Express Microbiology Limited will continue trading within another Eurofins entity from 1 July 2023 Eurofins Food Testing Limited

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

**Directors' responsibilities statement**

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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; - state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; - make judgments 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. Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and - they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**Small company provisions**

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

This report was approved by the board of directors on 2 June 2023 and signed on behalf of the board by:

Mr M.R Watts

Director

Registered office:

Unit 22/4

Mill Road Industrial Estate

Linlithgow

EH49 7SF

# Express Microbiology Limited

## Statement of Financial Position

31 December 2022

		2022	2021
	Note	£	£
<b>Fixed assets</b>			
Tangible assets	8	604,765	739,194
<b>Current assets</b>			
Debtors	9	827,737	700,956
Cash at bank and in hand		239,246	446,222
		1,066,983	1,147,178
<b>Creditors: amounts falling due within one year</b>	10	461,103	529,617
<b>Net current assets</b>		605,880	617,561
<b>Total assets less current liabilities</b>		1,210,645	1,356,755
<b>Creditors: amounts falling due after more than one year</b>	11	25,747	119,574
<b>Provisions</b>			
Taxation including deferred tax		100,003	119,525
<b>Net assets</b>		1,084,895	1,117,656
<b>Capital and reserves</b>			
Called up share capital		5,555	5,555
Share premium account		13,503	13,503
Profit and loss account		1,065,837	1,098,598
<b>Shareholders funds</b>		1,084,895	1,117,656

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 2 June 2023 , and are signed on behalf of the board by:

Mr M.R Watts

Director

Company registration number: SC245466

# Express Microbiology Limited

## Notes to the Financial Statements

Year ended 31 December 2022

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### 1. General information

The company is a private company limited by shares, registered in Scotland. The address of the registered office is Unit 22/4, Mill Road Industrial Estate, Linlithgow, EH49 7SF.

### 2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measure initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective method, less any impairment,

#### Going concern

The directors have no reason to believe that a material uncertainty exists that may cast significant doubt on the ability of this company to continue as a going concern or its ability to continue with current banking arrangements. Express Microbiology Limited will continue trading within another Eurofins entity from 1 July 2023 Eurofins Food Testing Limited In view of the above the directors believe that it is appropriate to prepare the financial statements on a going concern basis.

#### 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.

#### Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

**Income tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

**Operating leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

**Goodwill**

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business. Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

**Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	-	10% straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

**Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.



## **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant & Machinery	-	15% - 25% reducing balance
Motor Vehicles	-	25% reducing balance

## **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

## **Finance leases and hire purchase contracts**

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

## **Government grants**

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

## **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

## **Financial instruments**

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

## Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

## 4. Judgements in applying accounting policies

### Judgements 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 judgement to the carrying amount of the asset or liability affected in future year ends.

### 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 material adjustments 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 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 asset is assessed annually and considered against the remaining useful life. Adjustments to the useful lives are made when considered necessary. Depreciation charges are included in note 7.

## 5. Employee numbers

The average number of persons employed by the company during the year amounted to 91 (2021: 78 ).

## 6. Tax on (loss)/profit

### Major components of tax (income)/expense

	Year to 31 Dec 22 £	Period from 1 Apr 21 to 31 Dec 21 £
<b>Current tax:</b>		
UK current tax expense	14,162	91,881
Adjustments in respect of prior periods	21	—
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Total current tax	14,183	91,881
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<b>Deferred tax:</b>		
Origination and reversal of timing differences	( 19,522)	7,229
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<b>Tax on (loss)/profit</b>	<b>( 5,339)</b>	<b>99,110</b>
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## Reconciliation of tax (income)/expense

The tax assessed on the (loss)/profit on ordinary activities for the year is higher than (2021: lower than) the standard rate of corporation tax in the UK of 19 % (2021: 19 %).

	Year to 31 Dec 22	Period from 1 Apr 21 to 31 Dec 21
	£	£
(Loss)/profit on ordinary activities before taxation	( 38,100)	534,830
(Loss)/profit on ordinary activities by rate of tax	( 7,239)	101,618
Effect of expenses not deductible for tax purposes	283	333
Effect of capital allowances and depreciation	1,617	( 2,841)
Tax on (loss)/profit	( 5,339)	99,110

## 7. Intangible assets

	Goodwill £
<b>Cost</b>	
At 1 January 2022 and 31 December 2022	100,000
<b>Amortisation</b>	
At 1 January 2022 and 31 December 2022	100,000
<b>Carrying amount</b>	
At 31 December 2022	—
At 31 December 2021	—

## 8. Tangible assets

	Plant and machinery £	Motor vehicles £	Total £
<b>Cost</b>			
At 1 January 2022	1,619,072	220,710	1,839,782
Additions	20,391	40,680	61,071
Disposals	—	( 73,240)	( 73,240)
<b>At 31 December 2022</b>	<b>1,639,463</b>	<b>188,150</b>	<b>1,827,613</b>
<b>Depreciation</b>			
At 1 January 2022	964,813	135,775	1,100,588
Charge for the year	134,301	24,369	158,670
Disposals	—	( 36,410)	( 36,410)
<b>At 31 December 2022</b>	<b>1,099,114</b>	<b>123,734</b>	<b>1,222,848</b>
<b>Carrying amount</b>			
At 31 December 2022	540,349	64,416	604,765
At 31 December 2021	654,259	84,935	739,194

## 9. Debtors

	2022 £	2021 £
Trade debtors	699,594	582,239

Other debtors	128,143	118,717
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	827,737	700,956
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**10. Creditors: amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	2,868	11,755
Trade creditors	180,898	90,144
Corporation tax	14,162	91,881
Social security and other taxes	160,012	170,331
Other creditors	103,163	165,506
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	461,103	529,617
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**11. Creditors: amounts falling due after more than one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	16,013	42,209
Other creditors	9,734	77,365
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	25,747	119,574
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**12. Operating leases**

The total future minimum lease payments under non-cancellable operating leases are as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Not later than 1 year	151,490	151,490
Later than 1 year and not later than 5 years	507,936	599,426
Later than 5 years	375,123	435,123
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	1,034,549	1,186,039
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**13. Events after the end of the reporting period**

On 10 January 2023 the company was acquired by Eurofins Food Testing UK Holding Limited.

**14. Summary audit opinion**

The auditor's report for the year dated 6 June 2023 was unqualified .

The senior statutory auditor was Louise McAulay , for and on behalf of Nelson Gilmour Smith .

**15. Directors' advances, credits and guarantees**

During the year the directors entered into the following advances and credits with the company:

	<b>2022</b>			
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
Dr J Newton	14,988	—	( 16,000)	( 1,012)
W Bates	( 105)	—	—	( 105)
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	14,883	—	( 16,000)	( 1,117)
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	<b>2021</b>			
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
Dr J Newton	( 12)	35,000	( 20,000)	14,988
W Bates	( 105)	25,000	( 25,000)	( 105)
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( 117)	60,000	( 45,000)	14,883
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**16. Related party transactions**

During the year the company paid rent of £60,000 (Period ended 31 December 2021: £43,333) to Buckl Properties , a business owned by Jennifer Newton , a director.

**17. Controlling party**

From 6 January 2022 the company's immediate parent undertaking was Cawood Scientific Limited , a company registered in England and Wales. The smallest group in which the results of the company are consolidated is that headed by Meritas Scientific Holdings Limited . Copies of the financial statements of Meritas Scientific Holdings Limited can be obtained from its registered office of Coopers Bridge, Braziers Lane, Winkfield Row, Bracknell, RG42 6NS , or from the Registrar of Companies, Companies House. The largest group in which the results of the company are consolidated is that headed by Ensign-Bickford Industries Inc. which is the ultimate parent undertaking.



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