

LABPAK LIMITED

Annual Report and Financial Statements

For the Year Ended 30 September 2017



ANNUAL REPORT AND FINANCIAL STATEMENTS 2017

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OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

J F Cleary Jr
M P Thompson
B Topper

COMPANY SECRETARY

A D Paull

REGISTERED OFFICE

Centaur House
Torbay Road
Castle Cary
Somerset
BA7 7EU

BANKERS

HSBC Bank plc
Bristol City Office
PO Box 120
49 Corn Street
Bristol
BS99 7PP

SOLICITORS

Osborne Clarke LLP
2 Temple Back East
Temple Quay
Bristol
BS1 6EG

AUDITOR

Ernst & Young LLP
The Paragon
Counterslip
Bristol
BS1 6BX

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 30 September 2017.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company in the year under review was that of the supply of veterinary and laboratory products and equipment. The company is expected to continue these activities during the next year. The profit for the year after taxation amounted to £240,546 (2016 - £263,135). The company has enjoyed a period of sustained growth in terms of turnover. The company has maintained a positive cash position throughout the financial year.

GOING CONCERN

On the basis of their assessment of the company's financial position, banking arrangements and current year forecast, and of the enquiries made by the directors of the company's parent, Centaur Services Limited, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

DIVIDENDS

No dividends were paid during the current or prior financial year.

DIRECTORS

The directors of the company, who held office throughout the financial year and subsequently to the date of this report, are as shown on page 1.

AUDITOR

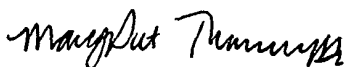
In the case of each of the persons who are directors of the company at the date when this report is approved:

- so far as each of the directors is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each of the directors has taken all the 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.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The report of the directors has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

Approved by the Board of Directors
and signed on behalf of the Board



M P Thompson
Director

26/6/18

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF LABPAK LIMITED

We have audited the financial statements of Labpak Limited (the 'company') for the year ended 30 September 2017 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of changes in equity and the related notes 1 to 12, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework".

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 30 September 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provisions available for small entities, in the circumstances set out in note 1 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jane Barwell (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

Bristol, United Kingdom

Date: 28 June 2018

STATEMENT OF COMPREHENSIVE INCOME
Year ended 30 September 2017

	Note	2017 £	2016 £
TURNOVER	2	2,901,080	4,246,870
Cost of sales		(2,201,388)	(3,327,470)
GROSS PROFIT		699,692	919,400
Administrative expenses		(510,297)	(666,566)
Other income	2	51,699	-
OPERATING PROFIT AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	241,094	252,834
Tax on profit on ordinary activities	6	(548)	10,301
PROFIT FOR THE FINANCIAL YEAR		240,546	263,135
Other comprehensive income for the year		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		240,546	263,135

All amounts relate to continuing activities.

STATEMENT OF CHANGES IN EQUITY
Year ended 30 September 2017

	Share capital £	Share premium £	Retained earnings £	Total equity £
At 1 October 2015	200,000	266,666	571,539	1,038,205
Profit for the year	-	-	263,135	263,135
At 30 September 2016	200,000	266,666	834,674	1,301,340
Profit for the year	-	-	240,546	240,546
At 30 September 2017	200,000	266,666	1,075,220	1,541,886

BALANCE SHEET
As at 30 September 2017

	Note	2017 £	2016 £
NON-CURRENT ASSETS			
Tangible assets	7	152,928	130,210
Deferred Tax asset		7,121	7,669
TOTAL NON-CURRENT ASSETS		<u>160,049</u>	<u>137,879</u>
CURRENT ASSETS			
Trade and other receivables	8	997,382	759,312
Cash at bank and in hand		466,995	481,387
TOTAL CURRENT ASSETS		<u>1,464,377</u>	<u>1,240,699</u>
CURRENT LIABILITIES			
Trade and other payables	9	(82,540)	(77,238)
NET CURRENT ASSETS		<u>1,381,837</u>	<u>1,163,461</u>
NET ASSETS		<u>1,541,886</u>	<u>1,301,340</u>
CAPITAL AND RESERVES			
Called up share capital	10	200,000	200,000
Share premium account		266,666	266,666
Retained earnings		1,075,220	834,674
SHAREHOLDER'S FUNDS		<u>1,541,886</u>	<u>1,301,340</u>

The financial statements of Labpak Limited, registered number 01264218, were approved by the Board of Directors and authorised for issue on 13 Jun - 26

Signed on behalf of the Board of Directors



M P Thompson
 Director

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 September 2017

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements during the current and prior financial year.

Statement of compliance

Labpak Limited is a limited liability company registered in England and Wales. Its registered office is Centaur House, Torbay Road, Castle Cary, Somerset, BA7 7EU. The financial statements of Labpak Limited for the year ended 30 September 2017 were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and in accordance with applicable accounting standards.

The company's financial statements are presented in Sterling and all values are rounded to the nearest pound except where otherwise indicated.

Basis of preparation

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A cash flow statement and related notes,
- Certain comparative information,
- The effect of new but not yet effective IFRSs,
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of the compensation of key management personnel; and
- Disclosures in respect of capital management.

As the consolidated financial statements of the company's parent include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 *Fair value measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

The ultimate parent company, AmerisourceBergen, has financial statements that are publicly available from www.amerisourcebergen.com.

Going concern

On the basis of their assessment of the company's financial position, banking arrangements and current year forecast, and of the enquiries made by the directors of the company's parent, Centaur Services Limited, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Turnover

Turnover represents the supply of veterinary and laboratory products and equipment and originates in the United Kingdom. Turnover is recognised when goods are despatched to customers and is stated in the accounts exclusive of VAT.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and any provision for impairment. Depreciation is charged to the income statement at the following annual rates in order to write off each asset over its estimated useful life:

Computer equipment	-	3 years straight-line
Motor vehicles	-	3 years straight-line
Fixtures and Fittings	-	7 years straight-line

NOTES TO THE FINANCIAL STATEMENTS
Year ended 30 September 2017

1. ACCOUNTING POLICIES (continued)

Taxation

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is recognised using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the period end.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Cash

Cash and cash equivalents is defined as cash in hand, current accounts, bank deposits and overdrafts.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS
Year ended 30 September 2017

2. TURNOVER AND OTHER INCOME

Turnover recognised in the income statement is the supply of veterinary and laboratory products and equipment and originates in the United Kingdom.

Other income in the year is £51,699 (2016: £nil).

3. OPERATING PROFIT

	2017 £	2016 £
This is stated after charging		
Depreciation – owned assets	36,046	41,495
Auditor’s remuneration – audit of the financial statements	5,000	5,000
	<u> </u>	<u> </u>

4. STAFF NUMBERS AND COSTS

The average number of persons employed by the company during the year (excluding directors), analysed by category, is as follows:

	2017 No.	2016 No.
Office and management	<u>2</u>	<u>7</u>

The aggregate payroll costs of these persons were as follows:

	£	£
Wages and salaries	89,497	141,947
Social security costs	9,704	21,132
Other pension costs (note 11)	3,501	5,135
	<u>102,702</u>	<u>168,214</u>

5. DIRECTORS’ REMUNERATION

The directors’ remuneration in both periods has been paid by the parent company, Centaur Services Limited. It is not practicable to allocate their remuneration between their services as directors of this company and their services as directors of Centaur Services Limited.

NOTES TO THE FINANCIAL STATEMENTS
Year ended 30 September 2017

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2017 £	2016 £
Current taxation		
United Kingdom corporation tax:		
Current tax on income for the year at 19.5% (2016 – 20.5%)	-	-
Adjustments in respect of previous periods	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	903	(2,593)
Adjustment in respect of prior periods	(355)	(8,603)
Effect on tax rate change	-	895
	548	(10,301)
Tax on profit on ordinary activities	548	(10,301)

The difference between the total current tax shown above and the amount calculated by applying the blended rate of UK corporation tax to the profit before tax is as follows:

	£	£
Profit on ordinary activities before tax	241,094	252,834
Tax on profit on ordinary activities at 19.5% (2016 – 20.0%)	47,010	50,567
Factors affecting charge for the year		
Group relief claimed	(46,432)	(54,028)
Fixed asset differences	61	62
Adjustment to tax charge in respect of prior periods	-	(8,603)
Adjustment to tax charge in respect of prior periods – deferred tax	(355)	-
Expenses not deductible for tax purposes	397	347
Adjust opening and closing deferred tax to average rate of 19.5%	(133)	1,354
Total tax charge/(credit) for the year	548	(10,301)

NOTES TO THE FINANCIAL STATEMENTS
Year ended 30 September 2017

6. TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)

The deferred tax included in the balance sheet is as follows:

	2017 £	2016 £
Included in creditors (note 9)	-	-
Accelerated capital allowances	212	760
Short-term timing differences	6,909	6,909
(Provision for deferred tax)/Deferred tax asset	7,121	7,669
At beginning of financial year	7,669	(2,632)
(Charged)/Credited to the profit and loss account	(548)	10,301
At end of financial year	7,121	7,669

The deferred tax asset has been recognised in the financial statements on the basis that the company is expected to be profitable going forward, therefore there is evidence of sufficient future profitability to absorb such asset. All tax charges and credits are calculated based on the substantially enacted rates at the balance sheet date.

7. TANGIBLE FIXED ASSETS

	Computer equipment £	Fixtures & Fittings £	Motor vehicles £	Total £
Cost				
At 1 October 2016	233,045	2,179	54,412	289,636
Additions	58,763	-	-	58,763
Disposals	-	-	(35,434)	(35,434)
At 30 September 2017	291,808	2,179	18,978	312,965
Depreciation				
At 1 October 2016	116,723	415	42,287	159,425
Charge for year	29,409	311	6,326	36,046
Disposals	-	-	(35,434)	(35,434)
At 30 September 2017	146,132	726	13,179	160,037
Net book value				
At 30 September 2017	145,676	1,453	5,799	152,928
At 30 September 2016	116,322	1,764	12,124	130,210

NOTES TO THE FINANCIAL STATEMENTS
Year ended 30 September 2017

8. TRADE AND OTHER RECEIVABLES

	2017 £	2016 £
Trade debtors	298,691	497,653
Amounts owed by group undertakings	669,561	244,461
Other debtors	24,893	15,938
Prepaid expenses and accrued income	4,237	1,260
	<u>997,382</u>	<u>759,312</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade creditors	10,383	5,400
Taxation and social security	16,876	-
Accruals and deferred income	55,281	71,838
Deferred tax	-	-
	<u>82,540</u>	<u>77,238</u>

10. CALLED UP SHARE CAPITAL

	2017 £	2016 £
Authorised		
100,000 ordinary 'A' shares of £1 each	100,000	100,000
100,000 ordinary 'B' shares of £1 each	100,000	100,000
300,000 undesignated shares of £1 each	300,000	300,000
	<u>500,000</u>	<u>500,000</u>
Allotted, issued and fully paid		
100,000 ordinary 'A' shares of £1 each	100,000	100,000
100,000 ordinary 'B' shares of £1 each	100,000	100,000
	<u>200,000</u>	<u>200,000</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 September 2017

11. PENSIONS

The company operates a defined contribution pension scheme. The pension cost charged for the year represents contributions payable by the company to the scheme and amounted to £3,501 (2016 - £5,135). At 30 September 2017, contributions amounting to £Nil (2016 - £ Nil) were payable to the scheme and are included in creditors.

12. ULTIMATE PARENT COMPANY

The company is a subsidiary undertaking of Centaur Services Limited which is the immediate parent company incorporated in England and Wales. The ultimate parent company at 30 September 2017 was AmerisourceBergen Corporation.

The only group in which the results of the company are consolidated is that headed by AmerisourceBergen Incorporated in the USA. The consolidated financial statements of AmerisourceBergen's financial statements are publicly available from www.amerisourcebergen.com.