

Company Registration No. 3044694

Bio-Rad Laboratories Limited

Report and Financial Statements

31 December 2010

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Bio-Rad Laboratories Limited

Report and financial statements 2010

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Bio-Rad Laboratories Limited

Report and financial statements 2010

Officers and professional advisers

Directors

D Schwartz
D W Forrester
N Schwartz

Secretary

S J Lawrence

Registered office

Bio-Rad House
Maxted Road
Hemel Hempstead
Hertfordshire
HP2 7DX

Bankers

Lloyds TSB Bank PLC
City office
11-15 Monument Street
London
EC3V 9JA

Solicitors

Baker & McKenzie
100 New Bridge Street
London
EC4V 6JA

Nauta Dutilh
Terhulpsessesteenweg 177/6
1170 Brussel
Belgium

Paul Linton & Co
17 King Street
Watford
Herts
WD1 8BT

Auditors

Ernst & Young LLP
300 Capability Green
Luton, LU1 3LU

Bio-Rad Laboratories Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2010

Business review and principal activities

The company is a wholly owned subsidiary of Bio-Metrics (UK) Limited, registered in England and Wales, which is in turn a wholly owned subsidiary of Bio-Rad Laboratories, Inc, an entity incorporated in the United States of America

The principal activities of the company are sales of chemicals, infra-red spectra of chemical compounds and equipment for medical and research purposes. It sells directly to medical establishments in the UK, and indirectly in the UK and worldwide through its fellow-subsiidiaries and through its one branch in Israel. The directors are not aware of any likely major changes in the company's activities in the next year

As shown in the company's profit and loss account on page 7, the company's sales are relatively flat year on year but cost of sales has increased by 8%, which had the effect of reducing gross profit by 14% compared to the prior year. Operating expenses reduced by 4%, largely because of a reduction in net intercompany commissions and cross-charges. The net effect of these movements, coupled with the fact that there was no dividend this year from the company's subsidiary, caused a 76% reduction in pre-tax profit compared to 2009

The balance sheet on page 8 of the financial statements shows that the company's financial position at the year end is still strong with significant current and net assets. The strength of the company and group ensure that the company is well placed to service customers and develop the business. The net assets as at 31 December 2010 were £18,798,000 (2009 £17,479,000)

The directors do not recommend payment of a dividend (2009 £nil)

The audited financial statements for the year ended 31 December 2010 are set out on pages 7 to 19

Directors

The directors who served throughout the year and subsequently were as follows

D Schwartz
D W Forrester
N Schwartz

Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements

Further details regarding the adoption of the going concern basis can be found in the Statement of accounting policies per note 1 to the financial statements

Bio-Rad Laboratories Limited

Directors' report

Financial risk management

The company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. The most important components of financial risk are interest rate risk, credit risk, currency risk, liquidity risk, cash flow risk and price risk. Due to the nature of the company's business and assets and liabilities contained within the company's balance sheet the only financial risks the directors consider relevant to this company are credit risk and liquidity risk. These risks are mitigated by the nature of the debtor balances owed, with many of these due from other group companies who are able to repay them if required plus the UK NHS, a UK public organisation.

Principal risks and uncertainties

The current recession is still impacting on NHS budgets, in particular with regard to capital expenditure on instruments. BioRad is continuing to focus on providing flexible solutions to retain its competitive advantage.

Much of the company's business is transacted with the NHS either directly or indirectly, where significant long term relationships have been built, and overall indications are that the market for the company's products will continue into the foreseeable future.

Environment

The company's activities are considered by the directors to have no environmental impact.

Employees

Details of the number of employees and related costs can be found in note 7 to the financial statements on page 12.

Directors' statement as to disclosure of information to auditors

The directors who were members of the board at the time of approving the directors' report are listed on page 1. Having made enquiries of fellow directors and of the company's auditors, each of these directors confirms that:

- To the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditors are unaware, and
- each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

A resolution to re-appoint Ernst & Young LLP will be submitted at the forthcoming Annual General Meeting.

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



N Schwartz
Director

19 December 2011

Bio-Rad Laboratories Limited

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, 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 proper accounting records that 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 1985. 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 auditors' report to the members of Bio-Rad Laboratories Limited

We have audited the financial statements of Bio-Rad Laboratories Limited for the year ended 31 December 2010 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' 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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK & Ireland).

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report and Financial Statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of the company's 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us, or
- the company's 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

Ernst & Young LLP

Fraser Bull (Senior Statutory Auditor)

For and on behalf of Ernst & Young LLP (Statutory Auditors)

Luton

19 / 12 / 2011

Bio-Rad Laboratories Limited

Profit and loss account Year ended 31 December 2010

	Note	2010 £'000	2009 £'000
Turnover	1,2	52,793	52,994
Cost of sales		(35,981)	(33,651)
Gross profit		16,812	19,343
Other operating expenses	3	(15,369)	(15,884)
Operating profit		1,443	3,459
Interest (payable) / receivable (net)	4	(187)	(596)
Dividend received	5	-	2,000
Profit on ordinary activities before taxation	6	1,256	4,863
Tax on profit on ordinary activities	8	(88)	(433)
Retained profit for the financial year	17	1,168	4,430

All results were derived from continuing operations

There are no recognised gains or losses in either year other than as stated above. Accordingly no statement of total recognised gains and losses is presented.

Bio-Rad Laboratories Limited

Balance sheet 31 December 2010

	Note	2010 £'000	2009 £'000
Fixed assets			
Fixed asset investment	9	12,060	12,060
Tangible assets	10	737	596
		<u>12,797</u>	<u>12,656</u>
Current assets			
Stock	11	3,216	3,453
Debtors - due within one year	12	16,603	10,910
- due after more than one year	12	9,094	12,027
Cash at bank and in hand		1,916	1,128
		<u>30,829</u>	<u>27,518</u>
Creditors: amounts falling due within one year	13	<u>(21,180)</u>	<u>(20,309)</u>
Net current assets		<u>9,649</u>	<u>7,209</u>
Total assets less current liabilities		<u>22,446</u>	<u>19,865</u>
Creditors: amounts falling due after more than one year	14	(2,960)	(2,260)
Provisions	15	(688)	(126)
Net assets		<u>18,798</u>	<u>17,479</u>
Capital and reserves			
Called up share capital	16	100	100
Profit and loss account	17	18,698	17,379
Total shareholders' funds	18	<u>18,798</u>	<u>17,479</u>

These financial statements were approved and authorised for issue by the Board of Directors on

Nov, 21, 2011

Signed on behalf of the Board of Directors


N. Schwartz
Director

Company Registration No: 3044694

Bio-Rad Laboratories Limited

Notes to the accounts

Year ended 31 December 2010

1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted, all of which, with the exception of the policy for share-based payments, have been applied consistently throughout the year and the preceding year, are as follows

Accounting convention

The financial statements are prepared under the historical cost convention except for share-based payments where a valuation model is used

Going concern

The company's business activity is described in the directors' report, which also describes its financial position and its exposure to financial risks. The company is financed by share capital and a loan from a fellow subsidiary undertaking and has no third party debt. The loan continues for one year, with automatic annual renewals, but may be terminated by either the borrower or lender by giving 30 days written notice. The loan is guaranteed by Bio-Rad Laboratories, Inc., the ultimate parent company of Bio-Rad Laboratories Ltd, so that Bio-Rad Laboratories, Inc. will guarantee any and all obligations of the borrower under the loan agreement.

Bio-Rad Laboratories Limited has considerable financial resources and as a consequence the directors believe that the company is well placed to manage its business successfully despite the current uncertain economic outlook.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Cash flow statements

A cash flow statement has not been presented as the company has taken advantage of the exemption available to companies within Financial Reporting Standard 1 (Revised) whereby a subsidiary undertaking, whose rights are controlled within the group, need not produce cash flow statements if the consolidated accounts of its parent undertaking are publicly available.

Basis of consolidation

The directors have not prepared consolidated financial statements as permitted by sections 400-402 of Companies Act 2006, as the results of the group are consolidated in the publicly available financial statements of Bio-Rad Laboratories, Inc., a company incorporated in the USA.

Investments

Fixed asset investments are stated at cost, less provision for impairment.

Tangible fixed assets

Tangible fixed assets are stated at original cost net of depreciation and any provision for impairment. Depreciation is provided on a straight-line basis at rates calculated to write off the costs of assets, less estimated residual value, over their expected useful lives as follows:

Leasehold improvements	Over the life of the lease
Fixtures, fittings and equipment	10%-33 33%

Residual values are calculated at the prices prevailing at the date of acquisition.

Stocks

Stocks consist of goods held for resale and are valued at the lower of cost and net realisable value. Cost comprises purchase price from suppliers determined on a first-in, first-out basis plus freight and duty charges. Net realisable value is based on estimated normal selling price less further costs expected to be incurred to disposal. Provision is made for obsolete, slow-moving or defective items where appropriate.

Bio-Rad Laboratories Limited

Notes to the accounts

Year ended 31 December 2010

1. Accounting policies (continued)

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the accounts that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the accounts

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on a non-discounted basis

Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes. Revenue is recognised upon provision of goods and services to customers

Foreign currency

Transactions in foreign currency are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. All exchange differences are included in the profit and loss account

Pension costs

The company participates in a defined contribution pension scheme. The amount charged to the profit and loss account represents the amount of contributions payable by the company to the pension scheme in respect of the period. The assets are held separately from those of the company in an independently administered fund

Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet

Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis

Related party transactions

The company has taken advantage of the exemption available in Financial Reporting Standard 8, whereby a subsidiary undertaking, 90% of whose voting rights are controlled within the group, need not disclose transactions with entities which are part of the same group

Share-based payments

The company has applied the requirements of FRS 20 Share-based Payments. In accordance with the transitional provisions, FRS 20 has been applied to all grants of equity instruments after 7 November 2002 that were unvested as of 1 January 2005

Bio-Rad Laboratories Limited

Notes to the accounts

Year ended 31 December 2010

Share-based payments (continued)

The company's US parent, Bio-Rad Laboratories, Inc, issued equity-settled share-based payments (share options and restricted stock units) to certain employees under its 2003 STOCK OPTION PLAN and its 2007 INCENTIVE AWARD PLAN. Equity-settled share-based payments are measured at fair value (excluding the effect of non market-based vesting conditions) at the date of grant. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions. Fair value is measured by use of the Black-Scholes pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

2. Turnover

The turnover and profit on ordinary activities before taxation related to one activity, the sale of chemicals and equipment for medical and research purposes. All turnover was generated in the United Kingdom. The analysis of turnover by destination is given below.

	2010 £'000	2009 £'000
United Kingdom	25,047	25,158
Europe	25,537	25,650
Middle East	2,175	2,185
Africa	0	1
	<u>52,759</u>	<u>52,994</u>

3. Other operating expenses

	2010 £'000	2009 £'000
Distribution costs	12,679	13,683
Administrative expenses	2,585	2,201
	<u>15,264</u>	<u>15,884</u>

4. Interest (payable) / receivable (net)

	2010 £'000	2009 £'000
Interest receivable and similar income:		
Bank interest income	1	10
Other interest income	-	62
Interest receivable from other group undertakings	65	52
Interest payable and similar charges:		
Interest payable to other group undertakings	(253)	(720)
	<u>(187)</u>	<u>(596)</u>

Bio-Rad Laboratories Limited

Notes to the accounts Year ended 31 December 2010

5. Dividend received

A dividend of £2,000,000 was received in December 2009 from the company's subsidiary, DiaMed (G B) Limited. No dividend was received in 2010.

6. Profit on ordinary activities before taxation

Stated after charging / (crediting)

	2010 £'000	2009 £'000
Depreciation and amounts written off owned tangible fixed assets	334	372
Operating lease rentals		
- plant and machinery	366	353
- property	310	300
Exchange (gains) / losses	40	(33)
Auditors' remuneration		
- audit	38	-
- other services	46	13

The 2009 audit fees of £34,000 were borne by the ultimate parent company

7. Information regarding directors and employees

	2010 No.	2009 No.
Average number of persons employed (including executive directors)		
Administration	48	48
Sales and distribution	85	85
	133	133
	£'000	£'000
Staff costs during the year (including executive directors)		
Wages and salaries	5,310	4,960
Social security costs	619	565
Pension costs (<i>see note 19</i>)	270	254
	6,199	5,779
	£'000	£'000
Directors' remuneration		
Emoluments	287	311
Company contributions to money purchase pension schemes	16	16
	303	327
	No.	No.
Number of directors who are members of money purchase pension schemes	1	1
	£'000	£'000
Emoluments of highest paid director	287	311

Bio-Rad Laboratories Limited

Notes to the accounts Year ended 31 December 2010

8. Tax on profit on ordinary activities

	2010 £'000	2009 £'000
Current year tax charge	0	245
Current year deferred tax (credit)/charge (<i>see note 12</i>)	15	(6)
Adjustments in respect of prior years - current taxation	73	194
	<u>88</u>	<u>433</u>

The differences between the current tax and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax are as follows

	2010 £'000	2009 £'000
Profit on ordinary activities before tax	1,256	4,863
Tax at 28% thereon (2009 28%)	352	1,362
Expenses not deductible for tax purposes	29	(548)
Other short term timing differences	(26)	48
Group relief	(355)	(617)
Current tax charge for year	<u>0</u>	<u>245</u>

9. Fixed asset investment

Company	2010 £'000	2009 £'000
DiaMed (G B) Limited	<u>12,060</u>	<u>12,060</u>

In December 2008 the company acquired 100% of the share capital of the Scotland-based company DiaMed (G B) Limited, registered in England and Wales, which acts as a distributor for the products of the Swiss group DiaMed AG acquired in 2007 by Bio-Rad Laboratories, Inc. No revaluation nor provision for depreciation or diminution in value has been applied to the purchase price of this investment

Bio-Rad Laboratories Limited

Notes to the accounts Year ended 31 December 2010

10. Tangible fixed assets

	Leasehold improvements £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost			
At 1 January 2010	345	2,517	2,862
Additions	57	418	475
Disposals	-	(107)	(107)
At 31 December 2010	402	2,828	3,230
Accumulated depreciation			
At 1 January 2010	200	2,066	2,266
Charge for the year	78	256	334
Disposals	-	(107)	(107)
At 31 December 2010	278	2,215	2,493
Net book value			
At 31 December 2010	124	613	737
At 31 December 2009	145	451	596

11. Stock

	2010 £'000	2009 £'000
Finished goods and goods for resale	3,216	3,453

The directors consider there to be no material difference between the balance sheet value of stock and its replacement cost

Bio-Rad Laboratories Limited

Notes to the accounts

Year ended 31 December 2010

12. Debtors

	2010	2009
	£'000	£'000
Amounts falling due within one year:		
Trade debtors	8,141	8,592
Amounts owed by other group undertakings	7,001	1,267
UK corporation tax	410	283
Value added tax	106	-
Prepayments and accrued income	645	453
Deferred tax	300	315
	<u>16,603</u>	<u>10,910</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	<u>9,094</u>	<u>12,027</u>
	<u>25,697</u>	<u>22,937</u>

All receivables and payables falling due within one year from group undertakings are interest-free with the exception of any part which remains outstanding for over 90 days, which did not occur in either year
Receivables over one year comprise interest-free loans to fellow-subsiidiaries

Deferred taxation assets have been recognised in full and relate to timing differences in fixed assets and current assets and liabilities

The movements on the deferred tax asset comprise

	£'000	£'000
Beginning of year	315	309
Credited / (charged) to profit and loss account		
Current year movement	<u>(15)</u>	<u>6</u>
End of year	<u>300</u>	<u>315</u>

Bio-Rad Laboratories Limited

Notes to the accounts

Year ended 31 December 2010

13. Creditors: amounts falling due within one year

	2010 £'000	2009 £'000
Trade creditors	311	454
Overdraft	-	144
Amounts owed to other group undertakings	18,655	17,221
Other taxes and social security	215	432
Other creditors	281	567
Accruals and deferred income	1,718	1,491
	<u>21,180</u>	<u>20,309</u>

The above amount owed to other group undertakings for 2010 includes a loan of £2.6 million (2009: £3.3 million) from DiaMed AG to finance the acquisition of the DiaMed investment, plus accrued interest at 3% per annum totalling £51,000 (2009: £301,000). The loan will be repaid during the course of 2011. The loan is guaranteed by Bio-Rad Laboratories, Inc., the ultimate parent company of Bio-Rad Laboratories Ltd, so that Bio-Rad Laboratories, Inc. will guarantee any and all obligations of the borrower under the loan agreement.

14. Creditors: amounts falling due after more than one year

	2010 £'000	2009 £'000
Loan from dormant fellow-subsiary	2,260	2,260
Loan from subsidiary	700	-
	<u>2,960</u>	<u>2,260</u>

The loan payable to a dormant fellow-subsiary is interest-free with a period of settlement after five years. The loan from the subsidiary bears interest at 0.5% per annum and is repayable after over one year.

15. Provisions for liabilities

	2010 £'000	2009 £'000
Provision for warranties	219	126
Provision for dilapidations	413	-
Provision for Sales Returns	56	-
	<u>688</u>	<u>126</u>

Warranty provision

Bio-Rad Laboratories Limited

Notes to the accounts

Year ended 31 December 2010

The movement on the warranty provision during the year was as follows

	£'000	£'000
Beginning of year	126	114
Utilisation of provision	(199)	(191)
Provided during the year	292	203
End of year	219	126

Warranties are for a period of one year. No utilisation took place during the year in order to make up a deficiency in the provision.

The provision for dilapidations is a reclassification from accruals as it is now considered long-term.

16. Called up share capital

	2010 £'000	2009 £'000
Authorised, allotted, called up and fully paid: 100,000 ordinary shares of £1 each	100	100

17. Profit and loss account

	£'000
At 1 January 2010	17,380
Profit for the financial year	1,183
Additional capital contribution (share-based payments)	150
At 31 December 2010	18,595

18. Reconciliation of movements in shareholders' funds

	2010 £'000	2009 £'000
Profit on ordinary activities after taxation	1,168	4,430
Additional capital contribution (share-based payments)	150	117
Opening shareholders' funds	17,380	12,932
Closing shareholders' funds	18,698	17,479

Bio-Rad Laboratories Limited

Notes to the accounts

Year ended 31 December 2010

19. Guarantees and financial commitments

Capital commitments

There were no outstanding capital commitments at either year end

Operating lease commitments

Future annual commitments under non-cancellable operating leases are as follows

	2010		2009	
	Plant and machinery £'000	Property £'000	Plant and machinery £'000	Property £'000
Expiry date				
- within 1 year			51	-
- within 2-5 years			977	675
- over 5 years			-	-

Contingent liabilities

The company has made a Duty Deferment Guarantee to HM Revenue and Customs of £[30,000] (2009 £30,000)

Pension arrangements

The company participates in a defined contribution pension scheme. The pension charge for the year was £269,900 (2009 £253,836). At the end of the year the accrued pension contributions were £nil (2009 - £nil).

20. Share-based payments

The company participates in an equity-settled share option scheme administered by the ultimate parent undertaking. Options are exercisable at a price equal to the average quoted market price of the company shares on the date of grant. The vesting period is five years. If the options remain unexercisable after a period of ten years from the grant date the options expire. Options are forfeited if the employee leaves the company before the options vest.

The 2007 Incentive Award Plan was approved in April 2007. The plan authorises the grant to employees of stock options, restricted stock awards, stock appreciation rights and other types of equity awards. Generally stock awards issued under this plan vest in increments of 20% per year over a five-year period on the yearly anniversary date of the grant. Only restricted stock units ("RSUs") were granted to company's employees during the year under this plan.

The share-based payments charge for the year was £ (2009 £117,000).

Bio-Rad Laboratories Limited

Notes to the accounts

Year ended 31 December 2010

Details of the options outstanding during the year are as follows

	2010		2009	
	Number of options	Weighted average exercise price (\$)	Number of options	Weighted average exercise price (\$)
Outstanding at the beginning of the period	3,500	61 3317	10,286	51 7652
Forfeited during the period	(100)	62 4700	(320)	59 9800
Exercised during the period	(1,800)	60 2567	(6,466)	46 1803
Outstanding at the end of the period	1,600	62 4700	3,500	61 3317
Exercisable at the end of the period	500	62 4700	300	62 4700

Fair value

The fair value of share options is estimated using the Black-Scholes option pricing model, which takes into account assumptions such as dividend yield, risk-free interest rate, expected stock price volatility and the expected life of the options

The weighted average fair value of share options granted was \$27 69 and \$19 66 for the years ended 31 December, 2006 and 2005 respectively. The fair value of each option granted is estimated on the date of grant using the Black-Scholes option pricing model, utilising the following weighted average assumptions

	2006	2005
Dividend yield	-	-
Expected volatility	35 57%	36 81%
Risk-free interest rate	4 43%	3 408%
Expected life	6 5 years	4 25 years

The dividend yield assumption is excluded from the calculation, as it is the present intention to retain all earnings. The expected volatility is based on a combination of the historical stock price and implied volatility

20. Share-based payments (continued)

The selection of implied volatility data to estimate expected volatility is based upon the availability of actively traded options on the stock. The risk-free interest rate is based upon the US Treasury yield curve in effect at the time of grant for periods corresponding with the expected life of the options

Share options are 100% of fair market value on the date of grant. The share options outstanding during the year were granted as follows

2005

On 9 February 2005 options in Bio-Rad Laboratories, Inc. were granted with an exercisable price of \$57 49. The options become exercisable with respect to 20% of the shares on the first, second, third, fourth and fifth anniversaries of the date of grant. The share options expire ten years from the date of grant and are subject to earlier termination under certain conditions

2006

Bio-Rad Laboratories Limited

Notes to the accounts

Year ended 31 December 2010

On 3 April 2006 options in Bio-Rad Laboratories, Inc were granted with an exercisable price of \$62.47. The options become exercisable with respect to 20% of the shares on the first, second, third, fourth and fifth anniversaries of the date of grant. The share options expire ten years from the date of grant and are subject to earlier termination under certain conditions.

Details of the RSU's outstanding during the year are as follows:

	2010		2009	
	Number of units	Weighted average purchase price (\$)	Number of units	Weighted average purchase price (\$)
Outstanding at the beginning of the period	9,646	-	6,432	-
Granted during the period	4,440	-	4,790	-
Forfeited during the period	(1,594)	-	(179)	-
Released during the period	(2,300)	-	(1,397)	-
Outstanding at the end of the period	10,192	-	9,646	-
Exercisable at the end of the period	-	-	-	-

21. Ultimate controlling party

The company is a subsidiary undertaking of Bio-Metrics (UK) Limited, registered in England and Wales.

The ultimate parent company and largest and smallest group in which the results of the company are consolidated is that headed by Bio-Rad Laboratories, Inc., incorporated in the United States of America. The consolidated accounts of this group are available to the public and may be obtained from 1000 Alfred Nobel Drive, Hercules, California 94547, USA.

The ultimate controlling party of the group is D Schwartz.