

REGISTERED NUMBER: 03766047 (England and Wales)

ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011
FOR
RSR LTD

WEDNESDAY



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COMPANIES HOUSE

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FOR THE YEAR ENDED 30 SEPTEMBER 2011

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RSR LTD

COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2011

DIRECTORS:

DR B REES-SMITH
MRS G BECK

SECRETARY:

G BECK

REGISTERED OFFICE:

AVENUE PARK INDUSTRIAL ESTATE
PENTWYN
CARDIFF
South Glam
CF23 8HE

REGISTERED NUMBER:

03766047 (England and Wales)

AUDITORS:

HODGE BAKSHI
CHARTERED ACCOUNTANTS &
STATUTORY AUDITORS
CHURCHGATE HOUSE
CHURCH ROAD
CARDIFF
CF14 2DX

RSR LTD (REGISTERED NUMBER: 03766047)

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2011

The directors present their report with the accounts of the company for the year ended 30 September 2011

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of manufacturing and distributing medical diagnostic kits

REVIEW OF BUSINESS

Details of the company's performance for the financial year are set out in detail on page 5.

During the year the company recorded a further £1 million increase in turnover from its previous year. The increase in turnover is due to sustained demand for its products. Operating profit also improved significantly by just over £1.9 million. This was achieved through increased revenue and royalty income generation during the year but also the company's continued focus on improving margins and driving down costs wherever possible. The company intends to continue to focus on these critical areas in the coming years.

As shown in the company's profit and loss account on page 5, the company's sales have improved again on the prior year having increased by a further 8% (2010: 8.2%).

One of the company's key measurements of effectiveness of its operations is calculating gross margin after direct costs. The company achieved a gross margin after direct costs of 63.9% (2010: 61.8%).

The company has shown growth in sales and as a result has again managed to increase profits during the year ended 30th September 2011. The business has maintained its growth this year and fully intends to carry on this trend in the forthcoming year.

DIVIDENDS

An interim dividend of £50,000 per share was paid on 27 May 2011. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 30 September 2011 will be £5,000,000.

RESEARCH AND DEVELOPMENT

The company will continue its policy of research and development in order to retain a competitive position in the market. All research and development expenditure is written off to the profit and loss account as it is incurred.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2010 to the date of this report.

DR B REES-SMITH
MRS G BECK

FINANCIAL INSTRUMENTS

The directors have considered the effect of financial instruments in these accounts and have concluded that there are no material amounts which will effect the assessment of assets, liabilities, financial position and profit and loss of the group. There is also no exposure to price risk, credit risk, liquidity risk or cash flow risk.

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2011

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 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,
- 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.

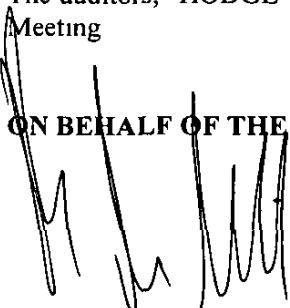
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

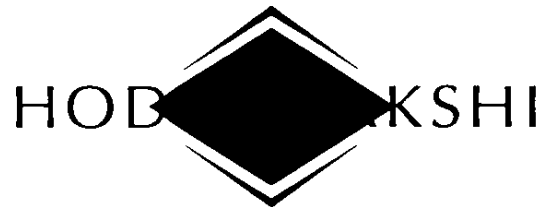
The auditors, HODGE BAKSHI, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



DR B REES-SMITH - Director

12 June 2012



CHARTERED ACCOUNTANTS
& CHARTERED TAX ADVISERS

REPORT OF THE INDEPENDENT AUDITORS TO
RSR LTD
UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages five to fifteen, together with the full financial statements of RSR Ltd for the year ended 30 September 2011 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

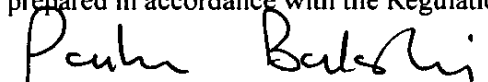
The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.


Pankaj Bakshi (Senior Statutory Auditor)

for and on behalf of HODGE BAKSHI

CHARTERED ACCOUNTANTS &

STATUTORY AUDITORS

CHURCHGATE HOUSE

CHURCH ROAD

CARDIFF, CF14 2DX

Date 12th June 2012

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Directors • Pankaj Bakshi FCA CTA • Khurshed Bamji BSc (Hons) ACA FCA (ICAI) FCCA
Churchgate House, 3 Church Road, Whitchurch, Cardiff CF14 2DX Tel 029 2052 9529 Fax 029 2052 1666
e-mail enquiries@hodgebakshi.com Web www.hodgebakshi.com

Registered to carry on audit work in the United Kingdom and regulated for a range of investment business by the Institute of Chartered Accountants in England and Wales

Registered with The Chartered Institute of Taxation as a firm of Chartered Tax Advisors

Hodge Bakshi is the trading name of Hodge Bakshi Limited Company number 07199071 Registered in Wales

RSR LTD (REGISTERED NUMBER: 03766047)

ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2011

	Notes	2011 £	2010 £
TURNOVER	2	13,974,286	12,942,667
Cost of sales and other operating income		(2,635,446)	(3,660,419)
		<hr/> 11,338,840	<hr/> 9,282,248
Administrative expenses		<hr/> 1,880,607	<hr/> 1,730,671
OPERATING PROFIT	4	<hr/> 9,458,233	<hr/> 7,551,577
Interest receivable and similar income		<hr/> 19,706	<hr/> 8,400
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<hr/> 9,477,939	<hr/> 7,559,977
Tax on profit on ordinary activities	5	<hr/> 2,245,331	<hr/> 1,813,853
PROFIT FOR THE FINANCIAL YEAR		<hr/> <hr/> 7,232,608	<hr/> <hr/> 5,746,124

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year

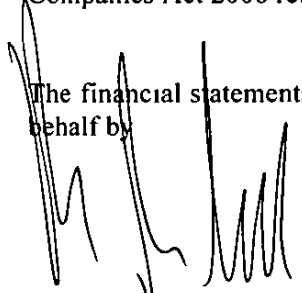
The notes form part of these abbreviated accounts

RSR LTD (REGISTERED NUMBER: 03766047)**ABBREVIATED BALANCE SHEET**
30 SEPTEMBER 2011

	Notes	2011 £	2010 £
FIXED ASSETS			
Tangible assets	7	408,994	248,174
CURRENT ASSETS			
Stocks	8	956,215	756,395
Debtors	9	4,669,023	3,219,886
Cash at bank and in hand		4,060,259	3,161,503
		<u>9,685,497</u>	<u>7,137,784</u>
CREDITORS			
Amounts falling due within one year	10	4,618,468	4,182,076
NET CURRENT ASSETS		<u>5,067,029</u>	<u>2,955,708</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,476,023</u>	<u>3,203,882</u>
CREDITORS			
Amounts falling due after more than one year	11	1,425,726	1,386,193
NET ASSETS		<u><u>4,050,297</u></u>	<u><u>1,817,689</u></u>
CAPITAL AND RESERVES			
Called up share capital	13	100	100
Profit and loss account	14	4,050,197	1,817,589
SHAREHOLDERS' FUNDS	19	<u><u>4,050,297</u></u>	<u><u>1,817,689</u></u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies

The financial statements were approved by the Board of Directors on 12 June 2012 and were signed on its behalf by



DR B REES-SMITH - Director

The notes form part of these abbreviated accounts

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2011

	Notes	2011 £	2010 £
Net cash inflow from operating activities	1	8,073,430	7,574,083
Returns on investments and servicing of finance	2	19,706	8,400
Taxation		(1,824,815)	(1,996,860)
Capital expenditure	2	(369,565)	(120,803)
Equity dividends paid		(5,000,000)	(5,000,000)
Increase in cash in the period		<u>898,756</u>	<u>464,820</u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
Increase in cash in the period		<u>898,756</u>	<u>464,820</u>
Change in net funds resulting from cash flows		<u>898,756</u>	<u>464,820</u>
Movement in net funds in the period		898,756	464,820
Net funds at 1 October		<u>3,161,503</u>	<u>2,696,683</u>
Net funds at 30 September		<u>4,060,259</u>	<u>3,161,503</u>

The notes form part of these abbreviated accounts

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2011

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2011	2010
	£	£
Operating profit	9,458,233	7,551,577
Depreciation charges	208,745	188,808
Profit on disposal of fixed assets	-	(34,995)
Increase in stocks	(199,820)	(162,516)
(Increase)/decrease in debtors	(1,449,137)	304,634
Increase/(decrease) in creditors	55,409	(273,425)
Net cash inflow from operating activities	8,073,430	7,574,083

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2011	2010
	£	£
Returns on investments and servicing of finance		
Interest received	19,706	8,400
Net cash inflow for returns on investments and servicing of finance	19,706	8,400
Capital expenditure		
Purchase of tangible fixed assets	(369,565)	(155,798)
Sale of tangible fixed assets	-	34,995
Net cash outflow for capital expenditure	(369,565)	(120,803)

3 ANALYSIS OF CHANGES IN NET FUNDS

	At	Cash flow	At
	1.10.10		30.9.11
	£	£	£
Net cash			
Cash at bank and in hand	3,161,503	898,756	4,060,259
	3,161,503	898,756	4,060,259
Total	3,161,503	898,756	4,060,259

The notes form part of these abbreviated accounts

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Plant and machinery	- 25% on cost
Fixtures and fittings	- 25% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 33% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

Research and development

Expenditure on research and development is written off in the year in which it is incurred

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Operating Leases

Operating lease rentals are charged on a straight line basis over the term of the lease.

Royalties

The company receives and pays royalties. These are accounted for in the year to which they relate.

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2011

2 TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company

An analysis of turnover by geographical market is given below

	2011 £	2010 £
United Kingdom	312,720	223,431
Export	13,661,566	12,719,236
	<u>13,974,286</u>	<u>12,942,667</u>

3 STAFF COSTS

	2011 £	2010 £
Wages and salaries	3,085,932	3,042,946
Social security costs	314,714	300,201
Other pension costs	187,478	167,413
	<u>3,588,124</u>	<u>3,510,560</u>

The average monthly number of employees during the year was as follows

2011	2010
<u>105</u>	<u>106</u>

4 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2011 £	2010 £
Depreciation - owned assets	208,745	188,807
Profit on disposal of fixed assets	-	(34,995)
Auditors' remuneration	8,000	7,930
Rent	<u>296,200</u>	<u>258,400</u>
Directors' remuneration	<u>69,806</u>	<u>85,547</u>

The number of directors to whom retirement benefits were accruing was as follows

Money purchase schemes	<u>1</u>	<u>1</u>
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NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2011

5 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	2011	2010
	£	£
Current tax		
UK corporation tax	2,245,331	1,813,853
Tax on profit on ordinary activities	2,245,331	1,813,853

UK corporation tax has been charged at 27% (2010 - 28%)

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below.

	2011	2010
	£	£
Profit on ordinary activities before tax	9,477,939	7,559,977
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 27% (2010 - 28%)	2,559,044	2,116,794
Effects of		
Depreciation & Balancing charge	56,361	52,865
Additional R&D claim	(309,460)	(298,265)
Effect of Capital allowances	(64,531)	(50,208)
Disallowable items	3,917	2,465
Profit on disposal of assets	-	(9,798)
Current tax charge	2,245,331	1,813,853

6 DIVIDENDS

	2011	2010
	£	£
Ordinary shares of £1 each		
Interim	5,000,000	5,000,000

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2011

7 TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 October 2010	1,167,179	292,214	136,070	58,948	1,654,411
Additions	322,845	20,245	-	26,475	369,565
At 30 September 2011	1,490,024	312,459	136,070	85,423	2,023,976
DEPRECIATION					
At 1 October 2010	1,017,058	214,120	136,070	38,989	1,406,237
Charge for year	150,722	42,700	-	15,323	208,745
At 30 September 2011	1,167,780	256,820	136,070	54,312	1,614,982
NET BOOK VALUE					
At 30 September 2011	322,244	55,639	-	31,111	408,994
At 30 September 2010	150,121	78,094	-	19,959	248,174

8 STOCKS

	2011 £	2010 £
Stock of Raw Material	956,215	756,395

9 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Trade debtors	3,207,165	2,017,281
Other debtors	115,910	86,477
Due from Group Companies	1,326,197	1,096,776
Prepayments	19,751	19,352
	4,669,023	3,219,886

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2011

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	£	£
Trade creditors	212,835	174,866
Tax	1,255,615	835,099
Other creditors	17,000	-
Due to group undertakings	3,034,935	3,034,935
Accrued Expenses	85,855	124,948
Directors' loan accounts	12,228	12,228
	<u>4,618,468</u>	<u>4,182,076</u>

11 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2011	2010
	£	£
Due to group undertaking	<u>1,425,726</u>	<u>1,386,193</u>

12 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

	Land and buildings	
	2011	2010
	£	£
Expiring		
In more than five years	<u>296,200</u>	<u>258,400</u>

13 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid		Nominal value	2011	2010
Number	Class		£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2011

14 RESERVES

	Profit and loss account £
At 1 October 2010	1,817,589
Profit for the year	7,232,608
Dividends	(5,000,000)
	<hr/>
At 30 September 2011	4,050,197
	<hr/>

15 CONTINGENT LIABILITIES

Counter Indemnity given by the company's bankers, HSBC Bank for £20,000 to HM Customs and Excise

16 TRANSACTIONS WITH DIRECTORS

During the year ended 30th September 2011, the director maintained an interest free loan account with the company, the movements in account were as follows

	30.09.11 £	30 09 10 £
Dr BR Smith		
Balance b/f and c/f	12,228	12,228
Maximum amount owed by the company	12,228	12,228

17 RELATED PARTY DISCLOSURES

The company is 100% controlled by Dr BR Smith as Dr BR Smith owns 100% of the issued share capital of the Parent company Dixondale Limited

During the year, RSR Limited paid rent amounting to £296,200 (2010 262,300) to Dixondale Limited

Included in the amounts due to group undertakings is £34,936 (2010 £34,936) owed to Lotem Limited a company within the group

Included in the amounts due to group undertakings is £4,425,725 (2010 £4,386,193) owed to Dixondale Limited, the parent company

Included in amounts due from group undertakings is £1,326,197 (2010 £1,095,763) due from Cosmic Corporation Limited, a subsidiary of Dixondale Limited

Included in amounts due from group undertakings is £1,013 (2010 £1,013) due from AV7 Limited, a company in which Dr BR Smith holds an interest Also included in other creditors is £17,000 due to AV7 Limited

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2011

18 ULTIMATE CONTROLLING PARTY

The company's ultimate parent undertaking is Dixondale Limited, a company incorporated in England and Wales

19 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2011	2010
	£	£
Profit for the financial year	7,232,608	5,746,124
Dividends	(5,000,000)	(5,000,000)
Net addition to shareholders' funds	2,232,608	746,124
Opening shareholders' funds	1,817,689	1,071,565
Closing shareholders' funds	4,050,297	1,817,689