

ACCULABS DIAGNOSTICS UK LIMITED
Filleled Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2018

Acculabs Diagnostics UK Limited

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Acculabs Diagnostics UK Limited

Company Information

| | |
|--------------------------|------------------------------------------------------------------------------------------------------------------------|
| Directors | Mr C Gordon Mr R Raj Singh |
| Company secretary | Mrs S Gordon |
| Registered office | Unit 12 Wynyard Park Business Village Wynyard Park Billingham TS22 5TB |
| Bankers | Barclays Bank Plc PO Box 235 Teesdale Business Centre Stockton-on-Tees Cleveland T17 5YJ |
| Accountants | MHA Tait Walker Chartered Accountants Medway House Fudan Way Teesdale Park Stockton on Tees TS17 6EN |

Acculabs Diagnostics UK Limited

(Registration number: 07179157)

Statement of Financial Position as at 31 December 2018

| | Note | 2018 £ | 2017 £ |
|----------------------------------------------------------------|----------|-----------------|-----------------|
| Fixed assets | | | |
| Intangible assets | <u>4</u> | 137,753 | 86,575 |
| Tangible assets | <u>5</u> | 78,128 | 86,064 |
| | | <u>215,881</u> | <u>172,639</u> |
| Current assets | | | |
| Stocks | | 188,523 | 166,723 |
| Debtors | <u>6</u> | 392,042 | 322,274 |
| Cash at bank and in hand | | 8,879 | 8,954 |
| | | <u>589,444</u> | <u>497,951</u> |
| Creditors: Amounts falling due within one year | <u>7</u> | (562,858) | (552,953) |
| Net current assets/(liabilities) | | <u>26,586</u> | <u>(55,002)</u> |
| Total assets less current liabilities | | 242,467 | 117,637 |
| Creditors: Amounts falling due after more than one year | <u>7</u> | (129,176) | (78,257) |
| Provisions for liabilities | | <u>(26,884)</u> | <u>(16,486)</u> |
| Net assets | | <u>86,407</u> | <u>22,894</u> |
| Capital and reserves | | | |
| Called up share capital | | 2 | 2 |
| Profit and loss account | | <u>86,405</u> | <u>22,892</u> |
| Total equity | | <u>86,407</u> | <u>22,894</u> |

For the financial year ending 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies' regime and the option not to file the Income Statement has been taken.

The notes on pages 4 to 10 form an integral part of these financial statements.

Acculabs Diagnostics UK Limited

(Registration number: 07179157)

Statement of Financial Position as at 31 December 2018 (continued)

Approved and authorised by the Board on 25 September 2019 and signed on its behalf by:

.....

Mr C Gordon

Director

The notes on pages 4 to 10 form an integral part of these financial statements.

Acculabs Diagnostics UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is Unit 12, Wynyard Park Business Village, Wynyard Park, Billingham, TS22 5TB.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

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

Going concern

The financial statements have been prepared on a going concern basis.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported, these estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Acculabs Diagnostics UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

2 Accounting policies (continued)

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.

Tax

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Acculabs Diagnostics UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

2 Accounting policies (continued)

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

| Asset class | Depreciation method and rate |
|------------------------------------------------------------------|------------------------------|
| Leasehold property | 20% straight line |
| Laboratory equipment, fixtures and fittings and office equipment | 20% straight line |

Intangible 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.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

| Asset class | Amortisation method and rate |
|-------------------|------------------------------|
| Development costs | 20%-33% straight line |

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Acculabs Diagnostics UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

2 Accounting policies (continued)

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Research and development

Research and development expenditure is recognised as an expense in the period in which it is incurred.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 30 (2017 - 27).

Acculabs Diagnostics UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

4 Intangible assets

| | Development costs £ |
|-------------------------------|---------------------------|
| Cost or valuation | |
| At 1 January 2018 | 149,261 |
| Additions acquired separately | <u>85,698</u> |
| At 31 December 2018 | <u>234,959</u> |
| Amortisation | |
| At 1 January 2018 | 62,686 |
| Amortisation charge | <u>34,520</u> |
| At 31 December 2018 | <u>97,206</u> |
| Carrying amount | |
| At 31 December 2018 | <u><u>137,753</u></u> |
| At 31 December 2017 | <u><u>86,575</u></u> |

5 Tangible assets

| | Land and buildings £ | Other plant and machinery £ | Total £ |
|--------------------------|----------------------------|-----------------------------------|----------------------|
| Cost or valuation | | | |
| At 1 January 2018 | 2,136 | 211,019 | 213,155 |
| Additions | <u>-</u> | <u>23,088</u> | <u>23,088</u> |
| At 31 December 2018 | <u>2,136</u> | <u>234,107</u> | <u>236,243</u> |
| Depreciation | | | |
| At 1 January 2018 | 2,136 | 124,956 | 127,092 |
| Charge for the year | <u>-</u> | <u>31,023</u> | <u>31,023</u> |
| At 31 December 2018 | <u>2,136</u> | <u>155,979</u> | <u>158,115</u> |
| Carrying amount | | | |
| At 31 December 2018 | <u><u>-</u></u> | <u><u>78,128</u></u> | <u><u>78,128</u></u> |
| At 31 December 2017 | <u><u>-</u></u> | <u><u>86,064</u></u> | <u><u>86,064</u></u> |

Acculabs Diagnostics UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

6 Debtors

| | 2018 £ | 2017 £ |
|-------------------------|----------------|----------------|
| Trade debtors | 218,932 | 203,635 |
| Directors loan accounts | 93,102 | 57,226 |
| Other debtors | 80,008 | 61,413 |
| | <u>392,042</u> | <u>322,274</u> |

7 Creditors

Creditors: amounts falling due within one year

| | 2018 £ | 2017 £ |
|------------------------------|----------------|----------------|
| Due within one year | | |
| Trade creditors | 253,745 | 220,005 |
| Taxation and social security | 50,641 | 56,945 |
| Deferred income | 7,791 | 3,573 |
| Other creditors | 243,826 | 272,430 |
| Corporation tax liability | 6,855 | - |
| | <u>562,858</u> | <u>552,953</u> |

Creditors includes debt secured against assets of the company of £128,116 (2017 - £188,240).

Creditors: amounts falling due after more than one year

| | 2018 £ | 2017 £ |
|-----------------------------------------|----------------|---------------|
| Due after one year | | |
| Other non-current financial liabilities | <u>129,176</u> | <u>78,257</u> |

Creditors include debt secured against assets of the company of £5,151 (2017 - £13,838).

Acculabs Diagnostics UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

8 Financial commitments, guarantees and contingencies

Amounts not provided for in the statement of financial position

The total amount of financial commitments not included in the statement of financial position is £163,744 (2017 - £188,468).

Amounts disclosed in the balance sheet

Included in the balance sheet are pensions of £1,955 (2017 - £780).

9 Related party transactions

Transactions with directors

| | At 1 January 2018 £ | Advances to directors £ | Repayments by director £ | At 31 December 2018 £ |
|---------------------|---------------------------|-------------------------------|--------------------------------|--------------------------------|
| 2018 Mr C Gordon | 57,226 | 35,876 | - | 93,102 |

| | At 1 January 2017 £ | Advances to directors £ | Repayments by director £ | At 31 December 2017 £ |
|---------------------|---------------------------|-------------------------------|--------------------------------|--------------------------------|
| 2017 Mr C Gordon | 10,920 | 47,104 | (798) | 57,226 |

Summary of transactions with other related parties

Mr C Gordon has provided personal guarantees in respect of certain company finance lease contracts. At the balance sheet date, the net amount due under these contracts amounted to £17,095 (2017: £31,412).

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.