

ACCULABS DIAGNOSTICS UK LIMITED

**Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2017**

Acculabs Diagnostics UK Limited

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Acculabs Diagnostics UK Limited

Company Information

Directors Mr C Gordon
 Mr R Singh

Company secretary Mrs S Gordon

Registered office Unit 12
 Wynyard Park Business Village
 Wynyard Park
 Billingham
 TS22 5TB

Accountants Tait Walker LLP
 Chartered Accountants
 Bulman House
 Regent Centre
 Gosforth
 Newcastle Upon Tyne
 NE3 3LS

Acculabs Diagnostics UK Limited

(Registration number: 07179157)

Statement of Financial Position as at 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	<u>4</u>	86,575	74,274
Tangible assets	<u>5</u>	86,063	88,345
		<u>172,638</u>	<u>162,619</u>
Current assets			
Stocks	<u>6</u>	166,723	161,748
Debtors	<u>7</u>	322,274	306,768
Cash at bank and in hand		8,954	7,962
		<u>497,951</u>	<u>476,478</u>
Creditors: Amounts falling due within one year	<u>8</u>	(552,952)	(586,388)
Net current liabilities		<u>(55,001)</u>	<u>(109,910)</u>
Total assets less current liabilities		117,637	52,709
Creditors: Amounts falling due after more than one year	<u>8</u>	(78,257)	(89,673)
Provisions for liabilities		<u>(16,486)</u>	<u>(2,310)</u>
Net assets/(liabilities)		<u>22,894</u>	<u>(39,274)</u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		<u>22,892</u>	<u>(39,276)</u>
Total equity		<u>22,894</u>	<u>(39,274)</u>

For the financial year ending 31 December 2017 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.

The notes on pages 4 to 12 form an integral part of these financial statements.

Acculabs Diagnostics UK Limited

(Registration number: 07179157)

Statement of Financial Position as at 31 December 2017 (continued)

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.

Approved and authorised by the Board on 3 July 2018 and signed on its behalf by:

.....

Mr C Gordon

Director

The notes on pages 4 to 12 form an integral part of these financial statements.

Acculabs Diagnostics UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

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.

Acculabs Diagnostics UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2017 (continued)

2 Accounting policies (continued)

Judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Assessing indicators of impairment - In assessing whether there have been indicators of impairment of assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability.

Assessing nature of lease - The Company has entered into commercial leases and as a lessee it obtains use of property, plant and equipment. The classification as operating or finance lease requires the Company to determine, based on an evaluation of the terms and conditions of the arrangements, whether it acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet.

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 sales/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 2017 (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 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.

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 2017 (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

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

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 2017 (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.

Acculabs Diagnostics UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2017 (continued)

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 27 (2016 - 26).

4 Intangible assets

	Development costs £	Total £
Cost or valuation		
At 1 January 2017	109,660	109,660
Additions acquired separately	39,601	39,601
At 31 December 2017	149,261	149,261
Amortisation		
At 1 January 2017	35,386	35,386
Amortisation charge	27,300	27,300
At 31 December 2017	62,686	62,686
Carrying amount		
At 31 December 2017	86,575	86,575
At 31 December 2016	74,274	74,274

The aggregate amount of research and development expenditure recognised as an expense during the period is £ 20,643 (2016 - £25,216).

Acculabs Diagnostics UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2017 (continued)

5 Tangible assets

	Land and buildings £	Other plant and machinery £	Total £
Cost or valuation			
At 1 January 2017	2,136	183,929	186,065
Additions	-	27,090	27,090
At 31 December 2017	2,136	211,019	213,155
Depreciation			
At 1 January 2017	2,136	95,584	97,720
Charge for the year	-	29,372	29,372
At 31 December 2017	2,136	124,956	127,092
Carrying amount			
At 31 December 2017	-	86,063	86,063
At 31 December 2016	-	88,345	88,345

6 Stocks

	2017 £	2016 £
Other inventories	166,723	161,748

7 Debtors

	2017 £	2016 £
Trade debtors	203,635	213,228
Directors loan accounts	57,226	10,920
Other debtors	61,413	82,620
	322,274	306,768

Acculabs Diagnostics UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2017 (continued)

8 Creditors

Creditors: amounts falling due within one year

	2017 £	2016 £
Due within one year		
Trade creditors	220,005	203,376
Taxation and social security	56,944	49,893
Deferred income	3,573	8,214
Other creditors	272,430	324,905
	<u>552,952</u>	<u>586,388</u>

Creditors includes debt secured against assets of the company of £188,240 (2016 - £229,967).

Creditors: amounts falling due after more than one year

	2017 £	2016 £
Due after one year		
Other non-current financial liabilities	<u>78,257</u>	<u>89,673</u>

Creditors include debt secured against assets of the company of £13,838 (2016 - £41,461).

9 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £188,468 (2016 - £244,091).

Acculabs Diagnostics UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2017 (continued)

9 Financial commitments, guarantees and contingencies (continued)

Amounts disclosed in the balance sheet

Included in the balance sheet are pensions of £780 (2016 - £Nil).

10 Related party transactions

Transactions with directors

	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

	Advances to directors £	Repayments by director £	At 31 December 2016 £
2016 Mr C Gordon	50,620	(39,700)	10,920

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 £31,412 (2016: £62,058).

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.