

ACCULABS DIAGNOSTICS UK LIMITED

**Filleted Annual Report and Unaudited Financial Statements
for the Period from 1 January 2020 to 31 March 2021**

Acculabs Diagnostics UK Limited

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Acculabs Diagnostics UK Limited

(Registration number: 07179157)

Statement of Financial Position as at 31 March 2021

	Note	31 March 2021 £	31 December 2019 £
Fixed assets			
Intangible assets	<u>5</u>	371,256	261,272
Tangible assets	<u>6</u>	407,364	71,342
		<u>778,620</u>	<u>332,614</u>
Current assets			
Stocks		140,269	332,579
Debtors	<u>7</u>	642,780	547,165
Cash at bank and in hand		662	6,416
		<u>783,711</u>	<u>886,160</u>
Creditors: Amounts falling due within one year	<u>8</u>	<u>(2,095,392)</u>	<u>(1,061,505)</u>
Net current liabilities		<u>(1,311,681)</u>	<u>(175,345)</u>
Total assets less current liabilities		<u>(533,061)</u>	<u>157,269</u>
Creditors: Amounts falling due after more than one year	<u>8</u>	<u>(513,061)</u>	<u>(144,861)</u>
Provisions for liabilities		<u>-</u>	<u>(18,175)</u>
Net liabilities		<u>(1,046,122)</u>	<u>(5,767)</u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		<u>(1,046,124)</u>	<u>(5,769)</u>
Total equity		<u>(1,046,122)</u>	<u>(5,767)</u>

For the financial period ending 31 March 2021 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 period 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 3 to 10 form an integral part of these financial statements.

Acculabs Diagnostics UK Limited

(Registration number: 07179157)

Statement of Financial Position as at 31 March 2021 (continued)

Approved and authorised by the Board on 22 December 2021 and signed on its behalf by:

Mr C Gordon
Director

The notes on pages 3 to 10 form an integral part of these financial statements.

Acculabs Diagnostics UK Limited

Notes to the Financial Statements for the Period from 1 January 2020 to 31 March 2021

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, Teesside, 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 company meets its day to day working capital requirements through cash generated from operations, shareholder and external funding. The directors have assessed the potential impact of the COVID-19 on the company and have implemented a business continuity plan to mitigate against this.

At the balance sheet date, the company reported an excess of liabilities over assets totalling £1,046,122 (2019: £5,767). Under the circumstances, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for a period of at least 12 months from the date of signing these financial statements. The company therefore continues to adopt the going concern basis in preparing its financial statements.

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 Period from 1 January 2020 to 31 March 2021 (continued)

2 Accounting policies (continued)

Government grants

Government grants are recognised based on the accruals model and are measured at the fair value of the asset received or receivable. Grants are classified as related either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of the grant relating to an asset is deferred, it is recognised as deferred income.

Other operating income includes UK Government assistance of £19,847 provided through the Coronavirus Business Interruption Loan Scheme, £50,121 provided through the Coronavirus Job Retention Scheme and £12,500 released to the income statement from prior year claims in relation to capital expenditure.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge 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.

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

Intangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Acculabs Diagnostics UK Limited

Notes to the Financial Statements for the Period from 1 January 2020 to 31 March 2021 (continued)

2 Accounting policies (continued)

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.

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.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Income Statement over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest rate method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Acculabs Diagnostics UK Limited

Notes to the Financial Statements for the Period from 1 January 2020 to 31 March 2021 (continued)

2 Accounting policies (continued)

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 period, was 36 (2019 - 34).

4 Exceptional items

During the year a £240,810 adjustment was made as an impairment to stock. This is recognised in cost of sales in the profit and loss account.

Acculabs Diagnostics UK Limited

Notes to the Financial Statements for the Period from 1 January 2020 to 31 March 2021 (continued)

5 Intangible assets

	Development costs £
Cost or valuation	
At 1 January 2020	408,627
Additions acquired separately	<u>383,720</u>
At 31 March 2021	<u>792,347</u>
Amortisation	
At 1 January 2020	147,355
Amortisation charge	129,835
Impairment	<u>143,901</u>
At 31 March 2021	<u>421,091</u>
Carrying amount	
At 31 March 2021	<u><u>371,256</u></u>
At 31 December 2019	<u><u>261,272</u></u>

6 Tangible assets

	Land and buildings £	Other plant and machinery £	Total £
Cost or valuation			
At 1 January 2020	2,136	263,554	265,690
Additions	<u>-</u>	<u>401,661</u>	<u>401,661</u>
At 31 March 2021	<u>2,136</u>	<u>665,215</u>	<u>667,351</u>
Depreciation			
At 1 January 2020	2,136	192,212	194,348
Charge for the period	<u>-</u>	<u>65,639</u>	<u>65,639</u>
At 31 March 2021	<u>2,136</u>	<u>257,851</u>	<u>259,987</u>
Carrying amount			
At 31 March 2021	<u><u>-</u></u>	<u><u>407,364</u></u>	<u><u>407,364</u></u>
At 31 December 2019	<u><u>-</u></u>	<u><u>71,342</u></u>	<u><u>71,342</u></u>

Acculabs Diagnostics UK Limited

Notes to the Financial Statements for the Period from 1 January 2020 to 31 March 2021 (continued)

7 Debtors

	2021 £	2019 £
Trade debtors	289,982	330,717
Directors loan accounts	-	74,950
Other debtors	345,770	141,498
Corporation tax asset	7,028	-
	<u>642,780</u>	<u>547,165</u>

Acculabs Diagnostics UK Limited

Notes to the Financial Statements for the Period from 1 January 2020 to 31 March 2021 (continued)

8 Creditors

Creditors: amounts falling due within one year

	Note	2021 £	2019 £
Due within one year			
Bank loans and overdrafts	9	682	-
Trade creditors		1,205,946	513,202
Taxation and social security		347,422	107,350
Deferred income		5,905	6,233
Other creditors		530,144	403,321
Corporation tax liability		-	31,399
Directors loan accounts		5,293	-
		<u>2,095,392</u>	<u>1,061,505</u>

Creditors includes debt secured against assets of the company.

Creditors: amounts falling due after more than one year

	2021 £	2019 £
Due after one year		
Other non-current financial liabilities	<u>513,061</u>	<u>144,861</u>

Creditors include debt secured against assets of the company.

9 Loans and borrowings

	2021 £	2019 £
Current loans and borrowings		
Bank overdrafts	<u>682</u>	<u>-</u>

Acculabs Diagnostics UK Limited

Notes to the Financial Statements for the Period from 1 January 2020 to 31 March 2021 (continued)

10 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 £182,702 (2019 - £293,270).

Amounts disclosed in the statement of financial position

Included in the statement of financial position are pensions of £14,992 (2019 - £3,587).

11 Related party transactions

Transactions with directors

	At 1 January 2020 £	Advances to directors £	Repayments by director £	At 31 March 2021 £
2021				
C Gordon	74,950	51,769	(144,136)	(17,416)
R Singh	(13,877)	26,000	-	12,123
	<u>61,073</u>	<u>77,769</u>	<u>(144,136)</u>	<u>(5,293)</u>

	At 1 January 2019 £	Advances to directors £	Repayments by director £	At 31 December 2019 £
2019				
C Gordon	93,102	24,961	(43,112)	74,950
R Singh	(13,877)	-	-	(13,877)
	<u>79,225</u>	<u>24,961</u>	<u>(43,112)</u>	<u>61,073</u>

Summary of transactions with other related parties

Mr C Gordon has provided personal guarantees in respect of certain company finance lease contracts and invoice discounting liabilities. At the balance sheet date, the net amount due under these contracts amounted to £238,121 (2019: £256,358). The wife of Mr C Gordon has provided personal guarantees in respect of other company interest bearing loans. At the balance sheet date, the net amount due under these arrangements amounted to £50,162 (2019: £Nil).

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