

Company Registration No. 01231087 (England and Wales)

HAEMONETICS LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2015

HAEMONETICS LIMITED

COMPANY INFORMATION

Directors	Mr C J Lindop Mr D S Weibel
Company number	01231087
Registered office	Lynwood House 373-375 Station Road Harrow Middlesex HA1 2AW
Auditors	RDP Newmans LLP Lynwood House 373-375 Station Road Harrow Middlesex HA1 2AW
Business address	Business Innovation Centre Harry Weston Road Coventry West Midlands CV3 2TX

HAEMONETICS LIMITED

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HAEMONETICS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2015

The directors present the strategic report and financial statements for the year ended 31 March 2015.

Review of the business

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect growth in the foreseeable future.

The company saw a decrease in turnover during the year. Gross profit margin has increased very slightly to 35.75%. However, net profit margin has increased significantly due to a decrease in administrative expenses as a result of tighter controls on overheads. The balance sheet position has increased from £1.88m to £2.11m.

The principal risks facing the company are:

- anticipation and meeting the needs of the medical field;
- obtaining regulatory approval to market and sell products.

The Key Performance Indicators of Haemonetics Limited over the last two years are detailed below:

GBP £'000	2015	2014
Turnover	7,990	8,537
Gross profit %	35.75	34.16
Net (loss)/ profit %	5.10	(7.70)
On behalf of the board		

Mr C J Lindop

Director

22 March 2016

HAEMONETICS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2015

The directors present their report and financial statements for the year ended 31 March 2015.

Principal activities

The principal activity of the company continued to be that of the marketing of blood processing equipment and disposables with full after sales services.

Results and dividends

The results for the year are set out on page 5.

Directors

The following directors have held office since 1 April 2014:

Mr C J Lindop

Mr D S Weibel

Creditor payment policy

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

On average, trade creditors at the year end represented 4 (2014: 8) days' purchases.

Auditors

The auditors, RDP Newmans LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' 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). 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

HAEMONETICS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board

Mr C J Lindop

Director

22 March 2016

HAEMONETICS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF HAEMONETICS LIMITED

We have audited the financial statements of Haemonetics Limited for the year ended 31 March 2015 set out on pages 6 to 16. 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 pages 2 - 3, 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

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 March 2015 and of its 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

HAEMONETICS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF HAEMONETICS LIMITED

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Lyndon Perez FCA (Senior Statutory Auditor)
for and on behalf of RDP Newmans LLP

29 March 2016

Chartered Accountants
Statutory Auditor

Lynwood House
373-375 Station Road
Harrow
Middlesex
HA1 2AW

HAEMONETICS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2015

	Notes	2015 £	2014 £
Turnover	2	7,989,657	8,537,391
Cost of sales		(5,134,046)	(5,620,644)
Gross profit		2,855,611	2,916,747
Administrative expenses		(2,524,121)	(2,902,163)
Other operating income		120,000	120,000
Operating profit	3	451,490	134,584
Other interest receivable and similar income	4	1,062	101
Amounts written off investments	5	-	(744,482)
Interest payable and similar charges	6	(45,716)	(47,904)
Profit/(loss) on ordinary activities before taxation		406,836	(657,701)
Tax on profit/(loss) on ordinary activities	7	(171,208)	23,156
Profit/(loss) for the year	17	235,628	(634,545)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

HAEMONETICS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2015

	Notes	2015 £	2014 £
Fixed assets			
Intangible assets	8	924,067	1,080,471
Tangible assets	9	1,809,240	1,626,383
		<u>2,733,307</u>	<u>2,706,854</u>
Current assets			
Stocks	10	315,532	305,218
Debtors: amounts falling due within one year	11	1,552,383	1,733,251
Cash at bank and in hand		989,423	938,182
		<u>2,857,338</u>	<u>2,976,651</u>
Creditors: amounts falling due within one year	12	<u>(1,812,782)</u>	<u>(1,787,275)</u>
Net current assets		<u>1,044,556</u>	<u>1,189,376</u>
Total assets less current liabilities		<u>3,777,863</u>	<u>3,896,230</u>
Creditors: amounts falling due after more than one year	13	(1,463,283)	(1,963,285)
Provisions for liabilities	14		
Deferred tax liability		(202,083)	(56,076)
		<u>2,112,497</u>	<u>1,876,869</u>
Capital and reserves			
Called up share capital	16	50,000	50,000
Profit and loss account	17	2,062,497	1,826,869
Shareholders' funds	18	<u>2,112,497</u>	<u>1,876,869</u>

Approved by the Board and authorised for issue on 22 March 2016

Mr C J Lindop
Director

Company Registration No. 01231087

HAEMONETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently.

1.3 Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of VAT and trade discounts.

1.4 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 9-11 years. It is reviewed for impairment at the end of the first financial year following acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings freehold	Straight line over 30 to 50 years
Land and buildings leasehold	Straight line over 4 years
Plant & machinery	Straight line over 3 to 5 years
Computer equipment	Straight line over 5 years
Fixtures, fittings & equipment	Straight line over 5 years

1.6 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7 Stock

Stock is valued at the lower of cost and net realisable value.

Provision is made for obsolete, slow moving or defective items where appropriate.

1.8 Revenue recognition

The company's revenue from selling and marketing activities is largely derived from machines installed at customer sites under use-plan agreements. These agreements generally include a commitment for certain minimum levels of disposable product usage and stated disposable prices over the contract term. Under these agreements, the equipment remains the property of the company. Contracts for use-plan arrangements generally vary in length from one to four years.

As the equipment remains the property of the company, no equipment revenue is recognised and the equipment is carried in fixed assets in the balance sheet and amortised over the contract life. Income attributable to these contracts is recognised over the term of the arrangement.

HAEMONETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

1 Accounting policies

(Continued)

1.9 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

1.10 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.11 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

1.12 Cash Flow Statement

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

2 Turnover

Geographical market

	Turnover	
	2015	2014
	£	£
United Kingdom	7,901,504	8,438,916
Rest of Europe	88,153	98,475
	<u>7,989,657</u>	<u>8,537,391</u>

HAEMONETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

3	Operating profit	2015	2014
		£	£
	Operating profit is stated after charging:		
	Amortisation of intangible assets	156,404	207,736
	Depreciation of tangible assets	349,963	274,420
	Loss on disposal of tangible assets	12,560	-
	Loss on disposal of intangible assets	-	24,547
	Loss on foreign exchange transactions	19,855	-
	Operating lease rentals		
	- Plant and machinery	117,192	172,675
	- Other assets	61,437	139,746
	Fees payable to the company's auditor:		
	- Audit of the company's annual accounts	14,000	12,000
	- Tax related services	988	10,728
	- Accountancy services	17,000	16,000
	and after crediting:		
	Profit on disposal of tangible assets	-	(2,442)
	Profit on foreign exchange transactions	-	(2,214)
		<u><u> </u></u>	<u><u> </u></u>
4	Investment income	2015	2014
		£	£
	Other interest	1,062	101
		<u><u> </u></u>	<u><u> </u></u>
5	Amounts written off investments	2015	2014
		£	£
	Amounts written off fixed asset investments:		
	- permanent diminution in value	-	744,482
		<u><u> </u></u>	<u><u> </u></u>
6	Interest payable	2015	2014
		£	£
	Other interest	45,716	47,904
		<u><u> </u></u>	<u><u> </u></u>

HAEMONETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

7	Taxation	2015 £	2014 £
	Domestic current year tax		
	U.K. corporation tax	25,200	(71,161)
	Total current tax	25,200	(71,161)
	Deferred tax		
	Origination and reversal of timing differences	146,008	48,005
		171,208	(23,156)
	Factors affecting the tax charge for the year		
	Profit/(loss) on ordinary activities before taxation	406,836	(657,701)
	Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2014 - 24.00%)	85,436	(157,848)
	Effects of:		
	Non deductible expenses	4,914	7,434
	Depreciation add back	101,639	98,029
	Capital allowances	(138,032)	(103,648)
	Tax losses utilised	(28,757)	-
	Losses carried forward	-	84,872
		(60,236)	86,687
	Current tax charge for the year	25,200	(71,161)

The company has estimated losses of £216,695 (2014 -£353,635) available for carry forward against future trading profits.

HAEMONETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

8 Intangible fixed assets

	Goodwill £
Cost	
At 1 April 2014 & at 31 March 2015	3,169,582
Amortisation	
At 1 April 2014	2,089,111
Charge for the year	156,404
At 31 March 2015	2,245,515
Net book value	
At 31 March 2015	924,067
At 31 March 2014	1,080,471

9 Tangible fixed assets

	Land and buildings freehold £	Land and buildings leasehold £	Plant & machinery £	Fixtures, fittings & equipment £	Total £
Cost					
At 1 April 2014	1,859,677	11,766	2,291,396	57,747	4,220,586
Additions	-	-	681,865	312	682,177
Disposals	-	-	(303,415)	-	(303,415)
At 31 March 2015	1,859,677	11,766	2,669,846	58,059	4,599,348
Depreciation					
At 1 April 2014	1,384,273	1,471	1,158,628	49,831	2,594,203
On disposals	-	-	(154,058)	-	(154,058)
Charge for the year	46,860	2,942	294,873	5,288	349,963
At 31 March 2015	1,431,133	4,413	1,299,443	55,119	2,790,108
Net book value					
At 31 March 2015	428,544	7,353	1,370,403	2,940	1,809,240
At 31 March 2014	475,404	10,295	1,132,768	7,916	1,626,383

HAEMONETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

10	Stocks	2015	2014
		£	£
	Finished goods and goods for resale	315,532	305,218
		<u> </u>	<u> </u>
11	Debtors	2015	2014
		£	£
	Trade debtors	1,255,224	1,298,217
	Amounts owed by group undertakings	-	244,696
	Corporation tax	167,512	75,227
	Other debtors	2,396	2,396
	Prepayments and accrued income	127,251	112,715
		<u> </u>	<u> </u>
		1,552,383	1,733,251
		<u> </u>	<u> </u>
12	Creditors: amounts falling due within one year	2015	2014
		£	£
	Trade creditors	54,339	129,614
	Amounts owed to parent and fellow subsidiary undertakings	339,857	430,061
	Corporation tax	25,200	-
	Other taxes and social security costs	314,865	248,317
	Accruals and deferred income	1,078,521	979,283
		<u> </u>	<u> </u>
		1,812,782	1,787,275
		<u> </u>	<u> </u>
13	Creditors: amounts falling due after more than one year	2015	2014
		£	£
	Other loans	1,463,283	1,963,285
		<u> </u>	<u> </u>
	Analysis of loans		
	Wholly repayable within five years	1,463,283	1,963,285
		<u> </u>	<u> </u>
		1,463,283	1,963,285
		<u> </u>	<u> </u>
	Loan maturity analysis		
	In more than two years but not more than five years	1,463,283	1,963,285
		<u> </u>	<u> </u>

HAEMONETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

14 Provisions for liabilities

	Deferred tax liability £
Balance at 1 April 2014	56,076
Profit and loss account	146,007
Balance at 31 March 2015	<u>202,083</u>

The deferred tax liability is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	247,589	56,076
Tax losses available	(45,506)	-
	<u>202,083</u>	<u>56,076</u>

15 Retirement Benefits

Defined contribution scheme

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund. At the year end there was an unpaid amount of £12,373 (2014: £9,997).

	2015 £	2014 £
Contributions payable by the company for the year	85,290	75,904
	<u>85,290</u>	<u>75,904</u>

16 Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
50,000 Ordinary shares of £1 each	50,000	50,000
	<u>50,000</u>	<u>50,000</u>

HAEMONETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

17 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 April 2014	1,826,869
Profit for the year	235,628
Balance at 31 March 2015	<u>2,062,497</u>

18 Reconciliation of movements in Shareholders' funds

	2015 £	2014 £
Profit/(Loss) for the financial year	235,628	(634,545)
Opening Shareholders' funds	<u>1,876,869</u>	<u>2,511,414</u>
Closing Shareholders' funds	<u>2,112,497</u>	<u>1,876,869</u>

19 Financial commitments

At 31 March 2015 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2016:

	Land and buildings		Other	
	2015 £	2014 £	2015 £	2014 £
Operating leases which expire:				
Within one year	11,097	19,024	14,301	33,030
Between two and five years	-	30,312	69,336	101,187
	<u>11,097</u>	<u>49,336</u>	<u>83,637</u>	<u>134,217</u>

HAEMONETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

20 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2015 Number	2014 Number
Selling and distribution	34	34
Administration	1	1
	<u>35</u>	<u>35</u>

Employment costs

	2015 £	2014 £
Wages and salaries	1,152,665	1,025,427
Social security costs	217,746	232,197
Other pension costs	85,290	75,904
	<u>1,455,701</u>	<u>1,333,528</u>

21 Control

The company is a subsidiary undertaking of Haemonetics Corporation incorporated in USA. The shares of Haemonetics Corporation are publicly traded on the New York Stock Exchange.

The largest and smallest group in which the results of Haemonetics Limited are consolidated is headed by Haemonetics Corporation. The consolidated financial statements are available to the public and may be obtained from Haemonetics Corporation, 400 Wood Road, Braintree, Massachusetts, USA.

22 Related party relationships and transactions

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

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.