

**DIASORIN LIMITED**

**Report and Financial Statements**

**31 December 2010**

WEDNESDAY



\*L7SIQTN8\*

L11

27/04/2011

80

COMPANIES HOUSE

# **DIASORIN LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2010**

### **CONTENTS**

### **Page**

<b>Officers and professional advisers</b>	<b>1</b>
<b>Director's report</b>	<b>2</b>
<b>Directors' responsibilities statement</b>	<b>4</b>
<b>Independent auditor's report</b>	<b>5</b>
<b>Profit and loss account</b>	<b>6</b>
<b>Balance sheet</b>	<b>7</b>
<b>Notes to the accounts</b>	<b>8</b>

# **DIASORIN LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2010**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

P Bäckgren (resigned 31 October 2010)  
U Gay

#### **SECRETARY**

S A Barrett

#### **REGISTERED OFFICE**

Salisbury House  
54 Queens Road  
Reading  
Berkshire  
RG1 4AZ

#### **AUDITORS**

Deloitte LLP  
Reading, United Kingdom

## **DIASORIN LIMITED**

### **DIRECTOR'S REPORT**

The director presents his annual report on the affairs of the company, together with the financial statements and auditors' report, for the year ended 31 December 2010

This director's report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption

### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company continued to be servicing the UK clients on behalf of DiaSorin AB for cost plus 5%, per the intercompany agreement from 2008. The services include sales and after sales services to the UK customers. The directors do not expect any changes in the company's activities in the foreseeable future.

The company's cash levels have increased by £181,053 from £112,323 at the end of 2009 to £293,376 at the end of the current financial year. The intercompany creditor account has also increased, from £356,528 to £394,084 by the end of 2010. The company made a profit of £78,121 before tax in 2010 compared to £90,572 in 2009, and moved from net assets of £3,339 in 2009 to net assets of £59,586 in 2010.

### **GOING CONCERN**

Based on the 2010 profit of £78,121 before tax and the service agreement for cost plus 5%, and following the appointment in early 2011 of a commercial director to help strengthen the position of DiaSorin in the UK market, the director believes that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook, and has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus he continues to adopt the going concern basis in preparing the annual report and accounts.

### **DIRECTORS**

The directors who have held office during the period and to the date of the signing of the financial statements were as detailed on page 1.

### **FUTURE PROSPECTS**

The company is planning further significant expansion in the coming years. The Group will both introduce and expand new products as well as putting together the staffing and infra-structure to achieve this growth.

### **RESULTS AND DIVIDENDS**

The company's profit for the financial year was £56,247 (2009: £71,650). The directors do not recommend payment of a dividend (2009: nil).

# DIASORIN LIMITED

## DIRECTOR'S REPORT (Continued)

### AUDITORS

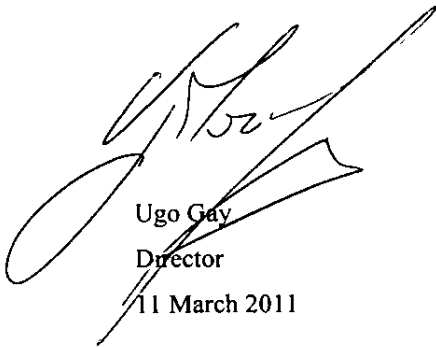
Each of the persons who is a director at the date of approval of this report confirms that

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting

Approved by the Board and signed on its behalf by



Ugo Gay  
Director  
11 March 2011

**DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the Annual 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 judgments and accounting estimates that are reasonable and prudent, and
- 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DIASORIN LIMITED**

We have audited the financial statements of DiaSorin Limited for the year ended 31 December 2010 which comprise the profit and loss account, the balance sheet and the related notes 1 to 15. 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 auditor's 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 auditor**

As explained more fully in the directors' responsibilities statement, 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**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of 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 December 2010 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 director's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **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,
- the financial statements are not in agreement with the accounting records and returns,
- certain disclosures of directors' remuneration specified by law are not made,
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to take advantage of the small companies exemption in preparing the director's report.



Duncan Leslie (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Reading, United Kingdom  
11 March 2011

## DIASORIN LIMITED

### PROFIT AND LOSS ACCOUNT Year ended 31 December 2010

	Note	2010 £	2009 £
<b>TURNOVER</b>	2	1,514,072	1,200,509
Cost of sales		(1,092,235)	(898,952)
Gross profit		421,837	301,557
Administrative expenses		(342,009)	(203,808)
<b>OPERATING PROFIT</b>	3	79,828	97,749
Other interest receivable and similar income	5	20	31
Interest payable and similar charges	6	(1,727)	(7,208)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		78,121	90,572
Tax on profit on ordinary activities	7	(21,874)	(18,922)
<b>PROFIT FOR THE YEAR</b>	12	56,247	71,650

All amounts are derived from continuing operations

There have been no recognised gains and losses other than the losses for the current and preceding financial periods and accordingly, no statement of total recognised gains and losses is shown



# DIASORIN LIMITED

## BALANCE SHEET 31 December 2010

	Note	2010 £	2009 £
<b>FIXED ASSETS</b>			
Tangible assets	8	25,906	34,084
<b>CURRENT ASSETS</b>			
Debtors	9	379,984	350,817
Cash at bank and in hand		293,376	112,323
		673,360	463,140
<b>CREDITORS: amounts falling due within one year</b>	10	(639,680)	(493,885)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		33,680	(30,745)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		59,586	3,339
<b>NET ASSETS</b>		59,586	3,339
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	500	500
Profit and loss account	12	59,086	2,839
<b>SHAREHOLDER'S FUNDS</b>	12	59,586	3,339

AY

The financial statements of of DiaSorn Limited, company number 01993990, were approved by the Board and authorised for issue on 11 March 2011. They were signed on its behalf by

  
Ugo Gay  
Director

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2010**

**1. ACCOUNTING POLICIES**

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

**Basis of accounting**

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, and under the historical cost convention.

**Going concern**

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the director's report on page 2. The director believes that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook and has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus he continues to adopt a going concern basis in the preparing the accounts.

**Turnover**

Turnover is based on a cost plus 5% basis in agreement with a sister company DiaSorin AB, in return for services provided to UK customers on behalf of DiaSorin AB.

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold improvement	20% on cost
Furniture and fixtures	20% on cost

Residual value is calculated based on prices prevailing at the date of acquisition.

**Pension costs**

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme. They are included as part of staff costs. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

**Taxation**

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

# NOTES TO THE ACCOUNTS (CONTINUED)

## Year ended 31 December 2010

### 1. ACCOUNTING POLICIES (CONTINUED)

#### Leases

Rentals under operating leases are charged to the profit and loss account as incurred

#### Foreign currency translation

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. All differences are included in the profit and loss account.

#### Cash flow statement

The company has taken advantage of the exemption from the requirements of FRS 1 to prepare a cash flow statement because it is a wholly owned subsidiary of DiaSorin SpA which prepares consolidated financial statements which are publicly available.

### 2. TURNOVER

Turnover represents the costs incurred plus a 5% mark up which is charged to Diasorin AB, Sweden. All revenue is derived within the UK and relates to sales and after sales services provided.

### 3. OPERATING PROFIT

	2010 £	2009 £
Operating profit is stated after charging/(crediting)		
- Depreciation of tangible assets	8,909	8,873
- Auditors' remuneration	21,390	18,180
- Operating lease – others	99,945	96,413
- Foreign exchange gain	(9,554)	(39,884)
	<u>119,690</u>	<u>82,582</u>

### 4. STAFF COSTS

The average monthly number of employees (excluding executive directors) was

	2010 Number	2009 Number
Sales	8	7
Service	7	6
	<u>15</u>	<u>13</u>

Their aggregate remuneration comprised

	2010 £	2009 £
Wages and salaries	627,106	506,945
Social security costs	62,874	48,144
Other pension costs	31,522	18,582
	<u>721,502</u>	<u>573,671</u>

The directors receive remuneration from other group companies in respect of services to the group. The allocation of these amounts to the company is £nil (2009 £nil).

# DIASORIN LIMITED

## NOTES TO THE ACCOUNTS (CONTINUED) Year ended 31 December 2010

### 5. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	2010	2009
	£	£
Bank interest	20	31

### 6. INTEREST PAYABLE AND SIMILAR CHARGES

	2010	2009
	£	£
Intercompany loan interest	1,727	7,208

### 7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2010	2009
	£	£
UK corporation tax	21,874	18,922

#### Factors affecting the current period tax charge

	2010	2009
	£	£
Profit on ordinary activities before taxation	78,121	90,572
Profit on ordinary activities before taxation multiplied by the standard rate of corporation tax in the UK of 28% (2009 21%)	21,874	18,922
Current tax charge for the year	21,874	18,922

# DIASORIN LIMITED

## NOTES TO THE ACCOUNTS (CONTINUED)

Year ended 31 December 2010

### 7. TAX ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

The net deferred tax asset of £51,664 (2009 £52,373) has not been recognised in the accounts since the timing of the utilisation of these losses is uncertain. The amount of the asset not recognised is made up as follows

	2010 £	2009 £
Capital allowances in excess of depreciation	(2,742)	(2,033)
Other timing differences		
Tax losses carried forward	54,406	54,406
Total undiscounted deferred tax asset	<u>51,664</u>	<u>52,373</u>

### 8. TANGIBLE FIXED ASSETS

	Leasehold improve- ments £	Furniture and fixtures £	Total £
<b>Cost</b>			
At 1 January 2010	15,886	28,480	44,366
Additions	-	731	731
At 31 December 2010	<u>15,886</u>	<u>29,211</u>	<u>45,097</u>
<b>Depreciation</b>			
At 1 January 2010	3,442	6,840	10,282
Charge for the year	3,176	5,733	8,909
At 31 December 2010	<u>6,618</u>	<u>12,573</u>	<u>19,191</u>
<b>Net book value</b>			
At 31 December 2010	<u>9,268</u>	<u>16,638</u>	<u>25,906</u>
At 31 December 2009	<u>12,444</u>	<u>21,640</u>	<u>34,084</u>

### 9. DEBTORS

	2010 £	2009 £
Other debtors	56,357	51,648
VAT	20,783	13,505
Amount owing from Group companies	302,844	285,664
	<u>379,984</u>	<u>350,817</u>

# DIASORIN LIMITED

## NOTES TO THE ACCOUNTS (CONTINUED) Year ended 31 December 2010

### 10. CREDITORS

Amounts falling due within one year:	2010 £	2009 £
Amount owed to Group company	394,084	356,528
Taxation and social security	17,260	17,326
Accruals and deferred income	133,037	81,155
Corporation tax payable	40,794	18,922
Other creditors	54,505	19,954
	<u>639,680</u>	<u>493,885</u>

### 11. SHARE CAPITAL

	2010 £	2009 £
Authorised 1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Called up, allotted and fully paid 500 ordinary shares of £1 each	<u>500</u>	<u>500</u>

### 12. STATEMENT OF MOVEMENTS ON PROFIT AND LOSS ACCOUNT AND SHAREHOLDER'S FUNDS

	Called-up share capital £	Profit and loss account £	Total shareholder's funds £
At 1 January 2009	500	(68,811)	(68,311)
Profit for the year	-	71,650	71,650
At 1 January 2010	<u>500</u>	<u>2,839</u>	<u>3,339</u>
Profit for the year	-	56,247	56,247
At 31 December 2010	<u>500</u>	<u>59,086</u>	<u>59,586</u>

### 13. FINANCIAL COMMITMENTS

At 31 December 2010 the company was committed to making the following payments under non-cancellable operating leases in the next year

	2010 £	2009 £
Operating leases which expire		
- Within one year	1,477	6,160
- Between two and five years	80,987	41,615
	<u>82,464</u>	<u>47,775</u>

**NOTES TO THE ACCOUNTS (CONTINUED)**  
**Year ended 31 December 2010**

**14. RELATED PARTY TRANSACTIONS**

The amounts due to group companies are shown separately in the creditors within one year. The company has taken advantage of the exemption available under FRS 8 in respect of group transactions on the grounds that details of the company's results are included and publicly available in the consolidated accounts of the parent entity.

**15. ULTIMATE PARENT COMPANY**

The director regards DiaSorin SpA as the immediate and ultimate parent company and ultimate controlling party. DiaSorin SpA is the parent undertaking of the largest and smallest group of which DiaSorin Limited is a member and for which group accounts are drawn up.

The consolidated accounts of DiaSorin SpA, a company incorporated in Italy, are available to the public and may be obtained from DiaSorin SpA Via Crescentino, 13040 Saluggia, Italy.