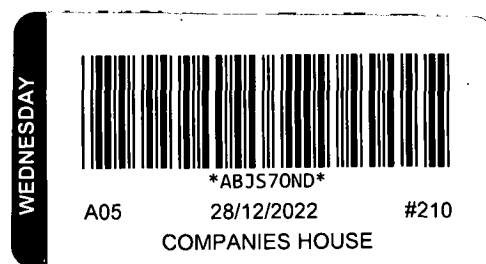


Registration number: 03044694

Bio-Rad Laboratories Limited

Report and Financial Statements

for the year ended 31 December 2021



Bio-Rad Laboratories Limited
Registration number :03044694

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Bio-Rad Laboratories Limited
Registration number :03044694

Company Information

Directors	N D Schwartz J M Tweet R K Chopra
Company secretary	Taylor Wessing Secretaries Limited
Registered office	The Junction 3rd and 4th Floor Station Road Watford WD17 1ET
Solicitor	Taylor Wessing Secretaries Limited 5 New Street Square London EC4A 3TW
Auditor	KPMG LLP 58 Clarendon Road Watford WD17 1DE

Bio-Rad Laboratories Limited
Registration number :03044694

Strategic Report

for the year ended 31 December 2021

The directors present their strategic report for the year ended 31 December 2021.

Principal activity

The principal activity of the company is the sale of products (instruments, apparatus, consumables and software) and services to further research, discovery and lab based diagnostics.

Review of the business

The company is a wholly owned subsidiary of Bio-Metrics (U.K.) Limited, registered in England and Wales, which is in turn a wholly owned subsidiary of Bio-Rad Laboratories Inc., an entity incorporated in the State of Delaware, United States of America.

The company had a branch office in Israel until 1 April 2020 when the assets and liabilities were sold to a fellow group undertaking in Israel, Bio-Rad Hafia Limited. With effect from that date, all Israel branch selling activity ceased. The company is currently in the process of de-registering the branch.

On 4 February 2021, the Bio-Rad group announced its plans to centralise its finance and customer service functions across EMEA to centralised teams located in Hungary and United Kingdom. The United Kingdom based finance function for the company was impacted by this centralisation. Management have closely monitored the transition during 2021 to ensure it has been conducted in a timely fashion without any adverse impact to the company. The company has benefited from the centralisation as there are now specialised teams overseeing the various finance functions, which has introduced synergies and process efficiencies.

The company generated revenues of £50.5m in 2021 (2020: £43.0m), an 18% increase on last year.

The company's key financial and other performance indicators during the year were as follows:

Financial KPIs	Unit	2021	2020
Turnover	£ 000	50,499	42,967
Gross profit	%	31	19
Operating profit	£ 000	2,440	681
Profit before tax	£ 000	2,530	721
Net assets	£ 000	28,676	26,164

The revenues generated by the Life Science Group (LSG) increased by 32% year on year. The group continued to see revenue growth from COVID related products particularly in the Gene Expression (GXB) and digital PCR divisions. The Protein Quantification division also performed particularly well year on year due to increased market demands as research laboratories began to re-open throughout 2021, which the pandemic had forced closed in the previous year.

The revenues generated by the Clinical Diagnostic Group (CDG) increased by 15% year on year. Last year CDG revenues suffered due to a reduction in elective operations by hospitals as hospital beds were prioritised for COVID-19 patients. In 2021, this effect started to reverse as COVID-19 related hospital admissions dropped allowing the hospitals to re-start elective operations and routine diagnostics in their labs. The IHD sub-division did particularly well as a result of this.

The company's gross profit margin increased from 19% in 2020 to 31% in 2021. In 2021, both LSG and CDG saw shifts in market demand towards higher margin products. In addition to this, the LSG products typically have a higher margin compared to the CDG products, and the growth rate was much higher for the LSG division (32%) compared to the CDG division (15%) year on year, which also contributed to the overall increase in the company's gross profit margin.

Strategic Report

for the year ended 31 December 2021 (continued)

Review of the business (continued)

The balance sheet shows that the company's financial position at the end of the year remains strong with significant current and net assets. The strength of the company and group ensure that the company is well placed to service customers and develop the business.

The company will continue to maintain its strong customer relations both in the area of clinical diagnostics and life science, and furthermore continue to support these sectors with the supply of appropriate equipment as the industry returns back to normal course of business post the pandemic, and will also support the continued fight against COVID-19 with relevant research and testing products.

Principal risks and uncertainties

Market risk

The clinical diagnostics market and the life science market are highly competitive. Some of the company's competitors have greater financial resources making them better equipped to license technologies and intellectual property from third parties or to fund research and development, manufacturing and marketing efforts.

The company's competitors can be expected to continue to improve the design and performance of their products and to introduce new products with competitive price and performance characteristics.

Bio-Rad group and the company are committed to continue investing in research and development to ensure it is at the forefront of any new developments in technology to support product development and creating new products. The Bio-Rad group and the company are also committed to invest in sales and marketing, and customer service and support, to ensure it gains and maintains its competitive advantage in the market.

Product risk

The company's future success depends on the ability of the Bio-Rad group to continue to improve its product offerings and develop and introduce new product lines and extensions that integrate new technological advances. The Bio-Rad group continues to invest heavily in new product development, however there remains a risk that such products will not receive timely market acceptance.

Customer risk

The business is impacted by constraints on NHS budgets, in particular with regard to capital expenditure on instruments. Bio-Rad is continuing to focus on providing flexible solutions to retain its competitive advantage. A large proportion of the company's business is transacted with the NHS either directly or indirectly, where significant long term relationships have been built, and overall indications are that the market for the company's products will continue into the foreseeable future. The capital spending plans of other customers can also have a significant impact on the future demand for the company's products.

Exit from the European Union

The UK left the EU on 31 January 2020. The EU-UK Trade and Cooperation Agreement (Brexit deal) was signed on 30 December 2020 and was effective from 1 January 2021. The deal imposes additional rules and regulations to govern the transfer of goods and services between the United Kingdom and European Union. The company has experienced some disruption in shipping goods between UK and warehouses in Europe due to additional administrative requirements but it has not adversely impacted the company's ability to service its customers. Moving forward, there is ongoing uncertainty about whether or not Brexit and post Brexit posturing over the Northern Ireland protocol may impact availability of Horizon Europe collaborations and funding for UK researchers.

Strategic Report

for the year ended 31 December 2021 (continued)

Financial instruments

Objectives and policies

The company is exposed to financial risk through its financial assets and liabilities. The most important components of financial risk are interest rate risk, credit risk, currency risk, liquidity risk, cash flow risk and price risk. Due to the nature of the company's business and assets and liabilities contained within the company's balance sheet, the only financial risks the directors consider relevant to this company are credit risk and liquidity risk. These risks are mitigated by the nature of the debtor balances owed, with many of these due from other group companies who are able to repay them if required plus the UK NHS, a UK public organisation. The company's exposure to currency risk is considered to be insignificant as only a small percentage of transactions are carried out in Euros or the Israel Shekel, the remaining transactions being in Sterling.

Section 172(1) statement

The company has continued to perform well during the year which is reflected by the profit for the year. Guided by the company's strategic drivers, the company continues to create value for customers, employees, suppliers and shareholders.

The directors recognise the importance of our wider stakeholders in delivering our strategy and business sustainability. We are conscientious about our responsibilities and duties to our stakeholders under section 172 of the Companies Act 2006.

The customers

We continue to focus on providing customers with quality products at competitive prices.

The employees

We want the company to be a great place to work, where employees are empowered to make decisions and can develop their skills and capabilities to serve our customers' needs.

The communities

Our products, services and people are beneficial to the communities in which we operate. Our place at the heart of our communities also makes it important that our business practices are ethical and transparent.

The environment

Our products, supply chain and operations all have an impact on the environment. We believe that, as a general matter, our policies, practices and procedures are properly designed to prevent unreasonable risk of environmental damage, and of resulting financial liability, in connection with our business. Recently the company has been proactive in its sustainability agenda and has ambitions to achieve carbon neutral status as soon as possible.

The shareholders

We continue to create long-term, sustainable value for our shareholders, by investing in our competitiveness in our chosen markets.

The suppliers

We continue to strengthen the partnerships we have with our suppliers to deliver great quality products to our customers, at great value.

Bio-Rad Laboratories Limited
Registration number :03044694

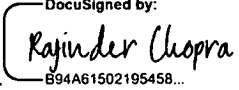
Strategic Report
for the year ended 31 December 2021 (continued)

Future developments

The ongoing military conflict in Ukraine and the related sanctions targeted against the Russian Federation may have impact on the European economies and globally. The company does not have any significant direct exposure to Ukraine, Russia or Belarus, however the company will continue to closely monitor the event as it unfolds, and take action to mitigate any impact as necessary.

There are no other significant changes currently anticipated in the foreseeable future.

Approved and authorised by the Board on 16 Dec 2022
..... and signed on its behalf by:

DocuSigned by:

... B94A61502195458...
R K Chopra
Director

Bio-Rad Laboratories Limited
Registration number :03044694

Directors' Report

for the year ended 31 December 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

Dividends

The directors do not recommend the payment of a dividend (2020 - £nil).

Directors of the company

The directors who held office during the year were as follows:

N D Schwartz

J M Tweet

P Howard (resigned 11 February 2021)

R K Chopra (appointed 24 February 2021)

Political donations

The company made no disclosable political donations or incurred any disclosable political expenditure during the year (2020 - £nil).

Branches outside the United Kingdom

The company operated a branch in Israel until 1 April 2020 (Israel Branch of Bio-Rad Laboratories Limited), when the trade and assets of the branch were sold to a fellow group undertaking. The company is in the process of deregistering the branch.

Going concern

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

The company purchases its stock from companies within the group headed by its ultimate parent undertaking, Bio-Rad Laboratories Inc, and those purchases are governed by a transfer pricing agreement. The activities of the company and hence its ability to continue as a going concern are therefore reliant on the continuing operation of the group and the continuing operation of the transfer pricing agreements.

The company has prepared cash flow forecasts covering the period to 31 December 2023. The forecasts take in to consideration the planned growth of 4% in revenues, which is also the average growth in revenues from 2019 to 2021, with no changes in the company's fixed cost base from 2021. The company has also completed sensitivity analysis considering possible downside scenarios including the scenario in which there is no growth in the period to 31 December 2023, and based on the findings, the directors have concluded that the company will be able to continue to supply products to the UK market and meet its liabilities as they fall due, from its available cash balances.

The company holds some of its available cash in a group cash pooling arrangement. Bio-Rad Laboratories Inc has indicated its intention to continue to make available such funds as are needed by the company via the company's fellow subsidiary (Bio-Rad IHC Europe GmbH) for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Directors' Report*for the year ended 31 December 2021 (continued)***Going concern (continued)**

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Streamlined energy and carbon reporting

This report only considers the emissions of the UK operations. All emissions were incurred in delivering the company's services and the company does not resell any energy.

			Location-Based GHG Emissions (tCO ₂ e)		Market-Based GHG Emissions (tCO ₂ e)	
			2021	2020	2021	2020
Scope 1:	Vehicle usage	fuel	201.59	219.71	201.59	219.71
Scope 1 Sub Total			201.59	219.71	201.59	219.71
Scope 2:	Electricity generation		16.22	30.59	22.08	49.46
Scope 2 Sub Total			16.22	30.59	22.08	49.46
	Home-workers		43.70	0	43.70	-
	Flights		3.08	0	3.08	-
Scope 3:	Electricity transmission and distribution		1.44	2.63	1.44	2.63
	Rail travel		0.50	0	0.50	-
	Hire cars		0.19	0.30	0.19	0.30
Scope 3 Sub Total			48.91	2.93	48.91	2.93
Total tonnes of CO₂e			266.72	253.23	272.58	272.10
Tonnes of CO₂e per employee			1.64	1.21	1.67	1.30

Market-based emissions takes into account the organisation's purchasing decisions (i.e. its chosen energy supplier), whereas location-based emissions are based on the fuel mix of the UK's national energy grid.

The directors believe the most relevant Intensity factors are shown in the table above.

Based on the reports and appraisals provided for the company, the company's largest contributor to the carbon footprint was fuel usage from company cars however, as of Q1 2021, the management of company cars has been transitioned to another group subsidiary outside of the UK. A new Company Car Policy was introduced in Q3 2021 which will facilitate the transition to reduced emissions by offering hybrid and fully electric car options for qualifying employees.

Bio-Rad Laboratories Limited
Registration number :03044694

Directors' Report
for the year ended 31 December 2021 (continued)

Streamlined energy and carbon reporting (continued)

In Q1 of 2022, management consolidated the two floors that the company occupied at its premises into one floor. This is expected to reduce the electricity usage and the company is also in the process of obtaining permission from the landlord to install LED energy saving lights within the one remaining floor.

The introduction of flexible working as a result of COVID-19 means that there are fewer employees travelling into the office. This has also had an impact on the energy usage at the premises.

Other information

An indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic Report on pages 2 to 5.

Reappointment of auditor


Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

16 Dec 2022

Approved by the Board on and signed on its behalf by:

DocuSigned by:

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.....
R K Chopra
Director

Bio-Rad Laboratories Limited

Statement of Directors' Responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements

The directors acknowledge their responsibilities for preparing the Strategic Report, 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 UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 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; and
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and

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 or such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent Auditor's Report

to the Members of Bio-Rad Laboratories Limited

Opinion

We have audited the financial statements of Bio-Rad Laboratories Limited (the "company") for the year ended 31 December 2021, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, and related Notes to the Financial Statements, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

Independent Auditor's Report

to the Members of Bio-Rad Laboratories Limited (continued)

Fraud and breaches of laws and regulations - ability to detect (continued)

- Enquiring of directors as to the Company's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board meeting minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet profit targets, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that revenue is recorded in the wrong period and the risk that management may be in a position to make inappropriate accounting entries.

We also performed procedures including:

- Identifying journal entries based on risk criteria and comparing the identified entries to supporting documentation. These included manual journal entries posted by users other than those in finance and accounting, journals posted to seldomly used accounts, journals posted to revenue with unusual pairings, unusual cash pairings and rounded and consistent journal entries.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations, where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of Company's license to operate. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law and GDPR. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Independent Auditor's Report

to the Members of Bio-Rad Laboratories Limited (continued)

Fraud and breaches of laws and regulations - ability to detect (continued)

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 9, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report

to the Members of Bio-Rad Laboratories Limited (continued)

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



.....
Karen Tasker (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
58 Clarendon Road
Watford
WD17 1DE

Date: 16 December 2022

Bio-Rad Laboratories Limited
Registration number :03044694

Profit and Loss Account
for the year ended 31 December 2021

	Note	2021 £ 000	2020 £ 000
Turnover	3	50,499	42,967
Cost of sales		<u>(34,784)</u>	<u>(34,658)</u>
Gross profit		15,715	8,309
Distribution costs		(8,942)	(3,522)
Administrative expenses		<u>(4,333)</u>	<u>(4,106)</u>
Operating profit	4	2,440	681
Other interest receivable and similar income	8	95	49
Interest payable and similar expenses	9	<u>(5)</u>	<u>(9)</u>
Profit before tax		2,530	721
Taxation	10	<u>(216)</u>	<u>156</u>
Profit for the financial year		<u><u>2,314</u></u>	<u><u>877</u></u>

The above results were derived from continuing operations.

The notes on pages 18 to 34 form an integral part of these financial statements.
Page 14

Bio-Rad Laboratories Limited
Registration number :03044694

Statement of Comprehensive Income
for the year ended 31 December 2021

	2021 £ 000	2020 £ 000
Profit for the year	2,314	877
Foreign currency translation losses on foreign branches	<u>88</u>	<u>12</u>
Total comprehensive income for the year	<u><u>2,402</u></u>	<u><u>889</u></u>

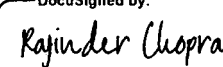
The notes on pages 18 to 34 form an integral part of these financial statements.
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Bio-Rad Laboratories Limited
Registration number :03044694

Balance Sheet
for the year ended 31 December 2021

	Note	2021 £ 000	2020 £ 000
Fixed assets			
Tangible assets	11	2,723	3,802
Current assets			
Stocks	12	2,456	2,095
Debtors (including £447,000 (2020: £447,000) which is due after 1 year)	13	32,424	21,645
Cash at bank and in hand		785	7,544
		<u>35,665</u>	<u>31,284</u>
Creditors: Amounts falling due within one year	14	<u>(8,452)</u>	<u>(7,915)</u>
Net current assets		<u>27,213</u>	<u>23,369</u>
Total assets less current liabilities		29,936	27,171
Provisions for liabilities	15	<u>(1,260)</u>	<u>(1,007)</u>
Net assets		<u>28,676</u>	<u>26,164</u>
Capital and reserves			
Called up share capital	16	100	100
Profit and loss account	17	<u>28,576</u>	<u>26,064</u>
Total equity		<u>28,676</u>	<u>26,164</u>

The financial statements have been approved and authorised for issue by the Board on 16 Dec 2022
and signed on its behalf by:

DocuSigned by:

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R K Chopra
Director

The notes on pages 18 to 34 form an integral part of these financial statements.
Page 16

Bio-Rad Laboratories Limited
Registration number :03044694

Statement of Changes in Equity
for the year ended 31 December 2021

	Note	Called up share capital £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2021		100	26,064	26,164
Profit for the year		-	2,314	2,314
Other comprehensive income		-	88	88
Total comprehensive income		-	2,402	2,402
Share based payment transactions	20	-	110	110
At 31 December 2021		100	28,576	28,676

	Note	Called up share capital £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2020		100	25,047	25,147
Profit for the year		-	877	877
Other comprehensive income		-	12	12
Total comprehensive income		-	889	889
Share based payment transactions	20	-	128	128
At 31 December 2020		100	26,064	26,164

The notes on pages 18 to 34 form an integral part of these financial statements.
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Bio-Rad Laboratories Limited
Registration number :03044694

Notes to the Financial Statements

for the year ended 31 December 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:

The Junction 3rd and 4th Floor

Station Road

Watford

WD17 1ET

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 were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements were prepared in accordance with applicable United Kingdom Accounting Standards, including FRS 102, and with the Companies Act 2006. 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.

The financial statements are presented in pound sterling and rounded to thousands. The company's functional and presentation currency is the pound sterling.

Critical accounting judgements and estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Significant areas of estimation for the company include the expected future cash flows applied in measuring the impairment debtors.

Summary of disclosure exemptions

The company's ultimate parent undertaking, Bio-Rad Laboratories Inc. includes the company in its consolidated financial statements. The consolidated financial statements of Bio-Rad Laboratories Inc. are prepared in accordance with US Generally Accepted Accounting Policies and are available to the public and may be obtained from 1000 Alfred Nobel Drive, Hercules, California 94547, USA. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

Notes to the Financial Statements
*for the year ended 31 December 2021 (continued)***2 Accounting policies (continued)**

- from disclosing the company key management personnel compensation;
- from disclosing transactions with other wholly owned entities for the period that they form part of the same group;
- from preparing a statement of cash flows and the related notes on the basis that it is a qualifying entity and its parent company, Bio-Rad Laboratories Inc., includes the company's cash flows in its own consolidated financial statements; and
- from the financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, including:
 - categories of financial instruments;
 - items of income, expenses, gains or losses relating to financial instruments; and
 - exposure to management of financial risks.

Going concern

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

The company purchases its stock from companies within the group headed by its ultimate parent undertaking, Bio-Rad Laboratories Inc, and those purchases are governed by a transfer pricing agreement. The activities of the company and hence its ability to continue as a going concern are therefore reliant on the continuing operation of the group and the continuing operation of the transfer pricing agreements.

The company has prepared cash flow forecasts covering the period to 31 December 2023. The forecasts take in to consideration the planned growth of 4% in revenues, which is also the average growth in revenues from 2019 to 2021, with no changes in the company's fixed cost base from 2021. The company has also completed sensitivity analysis considering possible downside scenarios including the scenario in which there is no growth in the period to 31 December 2023, and based on the findings, the directors have concluded that the company will be able to continue to supply products to the UK market, and meet its liabilities as they fall due, from its available cash balances.

The company holds some of its available cash in a group cash pooling arrangement.

Bio-Rad Laboratories Inc. has indicated its intention to continue to make available such funds as are needed by the company via the company's fellow subsidiary (Bio-Rad IHC Europe GmbH) for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Notes to the Financial Statements
for the year ended 31 December 2021 (continued)

2 Accounting policies (continued)**Foreign currency transactions and balances**

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Revenue recognition

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services, and the hiring of equipment to customers under operating leases.

Revenue in respect of the sales of goods is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, which normally occurs upon dispatch.

Revenue for the provision of services is recognised over the period in which the service is provided.

Reagent agreements are a diagnostic industry sales method that provides use of an instrument and consumables (reagents) to a customer on a per test basis. Reagent agreements represent one unit of accounting as the instrument and consumables are interdependent in producing a diagnostic result that neither has a stand-alone value with respect to these agreements. All revenues earned under reagent agreements are recognised pursuant to the terms of each agreement and are based and entirely contingent upon either (i) when the consumables to conduct a fixed number of tests are delivered or (ii) as reported by the customer on a per test basis.

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.

Notes to the Financial Statements
*for the year ended 31 December 2021 (continued)***2 Accounting policies (continued)****Tangible assets**

Tangible assets are stated in the balance sheet 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
Land and buildings	over the life of the lease
Furniture, fittings and equipment	10% - 33.33% straight line basis

Investments

Investments in subsidiaries are carried at cost less impairment.

Impairment of assets

The carrying amounts of the company's non-financial assets, other than stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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.

Notes to the Financial Statements

for the year ended 31 December 2021 (continued)

2 Accounting policies (continued)

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 consist of goods held for resale and trunk spares, both of which are valued at the lower of cost and net realisable value. Cost comprises purchase price from suppliers determined on a first-in, first-out basis plus freight and duty charges. Net realisable value is based on estimated normal selling price less further costs expected to be incurred to disposal. Provision is made for obsolete, slow-moving or defective items where appropriate.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors 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.

Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

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.

Notes to the Financial Statements
for the year ended 31 December 2021 (continued)

2 Accounting policies (continued)**Share based payments**

The company participates in a share-based arrangement established by the ultimate parent company, and takes advantage of the alternative treatment allowed under Section 26 of FRS 102. The company recognises the share-based payment expense based on an allocation of its share of the group's total expense, calculated in proportion to the number of participating employees. The corresponding credit is recognised in retained earnings as a component of equity.

Where the company is charged for the cost of share-based payment arrangements the amounts are treated as a reduction in the capital contribution. If the amount charged is in excess of the share-based payment charge the company treats the excess as a notional distribution and charges this to retained earnings.

Financial instruments**Classification**

Basic financial instruments, including trade receivables, trade payables, cash and bank balances, bank loans, and loans to and from group companies, are initially recognised at transaction price, unless the transaction constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Recognition and measurement

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Financial liabilities are de-recognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Impairment

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

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Notes to the Financial Statements

for the year ended 31 December 2021 (continued)

3 Turnover

The analysis of the company's revenue for the year from continuing operations is as follows:

	2021 £ 000	2020 £ 000
Sale of goods	47,662	40,520
Rendering of services	2,837	2,447
	<u>50,499</u>	<u>42,967</u>

The analysis of the company's turnover for the year by market is as follows:

	2021 £ 000	2020 £ 000
UK	50,499	40,516
Rest of world	-	2,451
	<u>50,499</u>	<u>42,967</u>

4 Operating profit

Arrived at after charging/(crediting)

	Note	2021 £ 000	2020 £ 000
Depreciation expense	11	1,551	1,933
Foreign exchange (gains)/losses		(27)	62
Operating lease expense - property		619	749
Operating lease expense - plant and machinery		226	532
Loss on disposal of tangible fixed assets		42	49
Forgiveness of intercompany liabilities received		-	(369)

In the prior year the company received forgiveness for an intercompany liability of £369,000 in the final step of the restructuring exercise commenced in 2019. This credit is not expected to be chargeable for tax purposes.

5 Auditor's remuneration

	2021 £ 000	2020 £ 000
Audit of the financial statements	<u>67</u>	<u>82</u>
Other fees to auditor		
Auditor's remuneration - The audit of the company's parent undertaking and fellow group undertaking	<u>2</u>	<u>2</u>

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Notes to the Financial Statements

for the year ended 31 December 2021 (continued)

6 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2021 £ 000	2020 £ 000
Wages and salaries	7,012	6,300
Social security costs	922	715
Pension costs, defined contribution scheme	314	348
	<u>8,248</u>	<u>7,363</u>

The wages and salaries charge above also includes £110,000 (2020 - as restated £128,000) in respect of share based payments.

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2021 No.	2020 No.
Management and administration	1	1
Sales, marketing and distribution	85	96
	<u>86</u>	<u>97</u>

7 Directors' remuneration

The directors' remuneration for the year was as follows:

	2021 £ 000	2020 £ 000
Remuneration	<u>211</u>	<u>123</u>

In respect of the highest paid director:

	2021 £ 000	2020 £ 000
Remuneration	<u>198</u>	<u>123</u>

The remuneration for the UK-based directors in 2021 was £211,000 of which £198,000 is borne by Bio-Rad Services UK Limited. The remaining directors are also directors or officers of a number of companies within the group. The directors' services to the company do not occupy a significant amount of their time. As such the directors do not consider that they have received any remuneration for their incidental services to the company for the current or prior year.

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Notes to the Financial Statements
for the year ended 31 December 2021 (continued)

8 Other interest receivable and similar income

	2021 £ 000	2020 £ 000
Interest receivable from related parties	95	49

9 Interest payable and similar expenses

	2021 £ 000	2020 £ 000
Other interest payable	1	9
Interest payable on loans from group undertakings	4	-
	5	9

10 Taxation

Tax charged in the profit and loss account:

	2021 £ 000	2020 £ 000
Current taxation		
UK corporation tax	526	56
UK corporation tax adjustment to prior periods	(71)	(184)
	455	(128)
Foreign tax	-	21
Total current income tax	455	(107)
Deferred taxation		
Arising from origination and reversal of timing differences	(36)	(38)
Arising from changes in tax rates and laws	(162)	(43)
Arising from previously unrecognised tax loss, tax credit or temporary difference of prior periods	(41)	32
Total deferred taxation	(239)	(49)
Tax expense/(receipt) in the profit and loss account	216	(156)

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2020 - lower than the standard rate of corporation tax in the UK) of 19% (2020 - 19%).

The differences are reconciled below:

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Notes to the Financial Statements
for the year ended 31 December 2021 (continued)

10 Taxation (continued)

	2021 £ 000	2020 £ 000
Profit before tax	2,530	721
Corporation tax at standard rate	481	137
Effect of revenues exempt from taxation	-	(70)
Expenses not deductible	9	13
Deferred tax credit relating to changes in tax rates or laws	(162)	(43)
Adjustment for prior period - corporation tax	(71)	(184)
Adjustment for prior period - deferred tax	(41)	32
Tax decrease from effect of exercise of employee share options	-	(41)
Total tax charge/(credit)	216	(156)

The tax rate for the current year is the same as the prior year.

The UK Budget 2021 announcements on 3 March 2021 included measures to support economic recovery as a result of the ongoing COVID-19 pandemic, which were substantively enacted in May 2021. The announcements included an increase to the UK's main corporation tax rate to 25%, which is effective from 1 April 2023. Accordingly, the deferred tax asset at the balance sheet date has been recognised at 25%.

Deferred tax

The deferred tax asset at the year end of £684,000 (2020 - £445,000) and comprises of the following:

2021	Asset £ 000
Accelerated capital allowances	287
Other timing differences	397
	684
2020	Asset £ 000
Accelerated capital allowances	174
Other timing differences	271
	445

Notes to the Financial Statements
*for the year ended 31 December 2021 (continued)***10 Taxation (continued)**

	Deferred tax £ 000
At 1 January 2021	445
Credited to profit and loss account	239
At 31 December 2021	<u>684</u>

The amount of the net reversal of deferred tax assets expected to occur during the year beginning after the reporting period is £10,000 (2020 - £-).

11 Tangible assets

	Land and buildings £ 000	Furniture, fittings and equipment £ 000	Total £ 000
Cost			
At 1 January 2021	869	9,100	9,969
Additions	-	514	514
Disposals	-	(1,997)	(1,997)
At 31 December 2021	<u>869</u>	<u>7,617</u>	<u>8,486</u>
Depreciation			
At 1 January 2021	338	5,829	6,167
Charge for the year	87	1,464	1,551
Eliminated on disposal	-	(1,955)	(1,955)
At 31 December 2021	<u>425</u>	<u>5,338</u>	<u>5,763</u>
Carrying amount			
At 31 December 2021	<u>444</u>	<u>2,279</u>	<u>2,723</u>
At 31 December 2020	<u>531</u>	<u>3,271</u>	<u>3,802</u>

Included within the net book value of land and buildings above is £444,000 (2020 - £531,000) in respect of short leasehold land and buildings.

Included in Fixtures, fittings and equipment above are reagent rental assets at 31 December 2021 with a cost of £6,619,000 (2020 - £8,103,000) accumulated depreciation of £4,413,000 (2020 - £5,070,000) and net book value of £2,206,000 (2020 - £3,033,000). These relate to assets owned by the company which are rented by third parties under operating leases.

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Notes to the Financial Statements
for the year ended 31 December 2021 (continued)

12 Stocks

	2021 £ 000	2020 £ 000
Finished goods and goods for resale	<u>2,456</u>	<u>2,095</u>

The amount of impairment loss included in profit or loss is £127,000 (2020 - £471,000). The impairment loss is included in Cost of Sales.

The directors consider there to be no material difference between the balance sheet value of stock and its replacement cost.

13 Debtors

	Note	2021 £ 000	2020 £ 000
Trade debtors		8,471	7,828
Amounts owed by group undertakings		22,259	12,370
Prepayments		1,010	1,002
Deferred tax assets	10	<u>684</u>	<u>445</u>
		32,424	21,645
Less non-current portion		<u>(447)</u>	<u>(447)</u>
		<u>31,977</u>	<u>21,198</u>

In prepayments of £1,010,000 there is £447,000 (2020 - £447,000) classified as non-current. This relates to a rent deposit for the property occupied by the company, which is not repayable until the termination of the lease in 2026.

Amounts due from group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Trade debtors are stated after provisions for impairment of £110,000 (2020 - £288,000).

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Notes to the Financial Statements
for the year ended 31 December 2021 (continued)

14 Creditors

	2021 £ 000	2020 £ 000
Due within one year		
Trade creditors	410	734
Amounts due to group undertakings	2,812	2,792
Social security and other taxes	994	770
Outstanding defined contribution pension costs	51	180
Other payables	74	82
Accruals	3,467	3,169
Corporation tax liability	644	188
	<u>8,452</u>	<u>7,915</u>

Amounts due to group undertakings falling due within one year are interest-free with the exception of any part which remains outstanding for over 90 days, which did not occur in either accounting period, are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

15 Provisions for liabilities

	Warranties £ 000	Sales return provisions £ 000	Total £ 000
At 1 January 2021	371	636	1,007
Additional provisions	2,750	575	3,325
Unused provision reversed	<u>(2,598)</u>	<u>(474)</u>	<u>(3,072)</u>
At 31 December 2021	<u>523</u>	<u>737</u>	<u>1,260</u>

Warranties are granted in respect of certain products sold for a period of one year. The provision represents the estimated warranty claims that the company expects to receive in respect of sales in the last year based on historic experience.

The sales return allowance is estimated based on historic analysis.

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Notes to the Financial Statements
for the year ended 31 December 2021 (continued)

16 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No. 000	£ 000	No. 000	£ 000
Ordinary Shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

Rights, preferences and restrictions

There are no restrictions on the distribution of dividends and the repayment of capital.

17 Capital and reserves

Called up share capital

Called-up share capital represents the nominal value of shares that have been issued.

Profit and loss account

The retained earnings reserve includes all current and prior period retained profits and losses.

18 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £314,000 (2020 - £348,000).

Contributions totalling £51,000 (2020 - £180,000) were payable to the scheme at the end of the year and are included in creditors.

19 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2021 £ 000	2020 £ 000
Not later than one year	491	979
Later than one year and not later than five years	1,637	3,132
Later than five years	<u>102</u>	<u>471</u>
	<u>2,230</u>	<u>4,582</u>

Bio-Rad Laboratories Limited
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Notes to the Financial Statements
for the year ended 31 December 2021 (continued)

19 Obligations under leases and hire purchase contracts (continued)

The amount of non-cancellable operating lease payments recognised as an expense during the year was £845,000 (2020 - £1,281,000).

Operating leases - lessor

The total of future minimum lease payments is as follows:

	2021 £ 000	2020 £ 000
Not later than one year	6,578	7,278
Later than one year and not later than five years	8,278	11,050
Later than five years	1,751	1,670
	<u>16,607</u>	<u>19,998</u>

Included in Fixtures, fittings and equipment above are reagent rental assets at 31 December 2021 with a cost of £6,619,000 (2020 - £8,103,000) accumulated depreciation of £4,413,000 (2020 - £5,070,000) and net book value of £2,206,000 (2020 - £3,033,000). These relate to assets owned by the company which are rented by third parties under operating leases.

Notes to the Financial Statements
*for the year ended 31 December 2021 (continued)***20 Share-based payments****Group share-based payment scheme****Scheme details**

The ultimate parent company has various share-based compensation plans in place to help attract and retain personnel, to reward employees and directors for past services and to motivate such individuals through added incentives to further contribute to the success of the Group. Share options have been granted in prior years to certain employees of the company, under these compensation plans, to purchase shares at the market price prevailing at the date of the grant. In all cases the options vest at the rate of 20% per year for five years. The contractual life for each option is 10 years. The share options are all equity settled. No such options were outstanding at the end of the current or prior year.

In addition, Restricted Stock Units (RSUs) in the parent company are granted to certain employees with a vesting period of 5 years at the rate of 20% per completed year, provided that employment continues beyond the date of the award. The RSUs are forfeited if this condition is not met.

The cost of an RSU is determined using the fair value of the parent company's common stock on the date of grant. An RSU award entitles the holder to receive shares of the parent company's common stock as the award vests. The total expense related to RSUs is amortised on a straight line basis over the vesting period.

The entity is part of a group share-based payment scheme and it recognises and measures its share-based payment expense on the basis of a reasonable allocation of the expense recognised for the group. The company recognises an equity-settled share-based payment expense based on a reasonable allocation of the total charge of the group. This allocation is the total charge of the group prorated for the number of RSU awards allocated to the company's employees.

The following table summarises information about awarded RSUs.

	2021		2020	
	Number of RSUs	Weighted average grant date fair value \$	Number of RSUs	Weighted average grant date fair value \$
Outstanding at 1 January	1,793	358.01	1,953	289.27
Awarded	286	814.95	435	524.30
Forfeited	(491)	364.34	-	-
Released	(458)	337.22	(595)	253.97
Outstanding at 31 December	<u>1,130</u>	<u>479.33</u>	<u>1,793</u>	<u>358.01</u>

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Notes to the Financial Statements
for the year ended 31 December 2021 (continued)

20 Share-based payments (continued)

Effect of share-based payments on profit or loss and financial position

The total expense recognised in profit or loss for the year was £110,000 (2020 - £128,000).

The weighted average remaining service period for outstanding RSUs at 31 December 2021 was 2.6 years (2020 - 3.06 years).

21 Related party transactions

The company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the group.

22 Parent and ultimate parent undertaking

The company's immediate parent is Bio-Metrics (UK) Limited, incorporated in England and Wales.

The ultimate parent is Bio-Rad Laboratories, Inc., incorporated in USA.

The most senior parent entity producing publicly available financial statements is Bio-Rad Laboratories, Inc.. These financial statements are available upon request from 1000 Alfred Nobel Drive, Hercules, California 94547, USA. Bio-Rad Laboratories, Inc. is the only company preparing consolidated financial statements which include the company.