

Company registration number 3364828 (England and Wales)

**IDEXX TECHNOLOGIES LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**IDEXX TECHNOLOGIES LIMITED**

**COMPANY INFORMATION**

---

<b>Directors</b>	Mr J D Chadbourne Ms L J Lu Ms E A Arrigoni	(Appointed 20 December 2023)
<b>Secretary</b>	Ms L J Lu	
<b>Company number</b>	3364828	
<b>Registered office</b>	Units 1B and 1C Newmarket Business Park Studlands Park Avenue Newmarket Suffolk United Kingdom CB8 7ER	
<b>Auditor</b>	Azets Audit Services Suites B & D Burnham Yard London End Beaconsfield Buckinghamshire United Kingdom HP9 2JH	

---

# IDEXX TECHNOLOGIES LIMITED

## CONTENTS

---

	Page
Directors' report	1
Directors' responsibilities statement	2
Independent auditor's report	3 - 5
Statement of comprehensive income	6
Balance sheet	7
Statement of changes in equity	8
Notes to the financial statements	9 - 19

---

# **IDEXX TECHNOLOGIES LIMITED**

## **DIRECTORS' REPORT**

### ***FOR THE YEAR ENDED 31 DECEMBER 2022***

---

The directors present their annual report and financial statements for the year ended 31 December 2022.

#### **Principal activities**

The principal activity of the company continued to be that of manufacturing, distributing, selling and marketing of water diagnostic products.

#### **Results and dividends**

The results for the year are set out on page 7.

The directors recommended payment of a final dividend of £500,000 to Idexx UK Acquisition Limited.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr W Blanche Jr  
Mr J D Chadbourne  
Ms L J Lu  
Ms E A Arrigoni

(Appointed 20 December 2023)

On 20 December 2023, Mr W Blanche Jr resigned as director of the company.

#### **Research and development**

The company is committed to a continuing programme of research and development.

#### **Future developments**

The directors anticipate no significant change in the company's activities in the foreseeable future. There have been no events since the end of the year requiring comment by the directors

#### **Auditor**

The auditor, Azets Audit Services, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually 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 auditor is aware of that information.

On behalf of the board

Mr J D Chadbourne  
**Director**

20 December 2023

# **IDEXX TECHNOLOGIES LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 DECEMBER 2022***

---

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 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.

# IDEXX TECHNOLOGIES LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBER OF IDEXX TECHNOLOGIES LIMITED

---

#### Opinion

We have audited the financial statements of IDEXX Technologies Limited (the 'company') for the year ended 31 December 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 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.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

# **IDEXX TECHNOLOGIES LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBER OF IDEXX TECHNOLOGIES LIMITED**

---

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. We have nothing to report in respect of the following matters in relation to which 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 remuneration specified by law are not made; or
- 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 from the requirement to prepare a strategic report.

#### **Responsibilities of directors**

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# **IDEXX TECHNOLOGIES LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBER OF IDEXX TECHNOLOGIES LIMITED**

---

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

#### **Use of our report**

This report is made solely to the company's member 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 member those matters we are required to state to the member 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 member, for our audit work, for this report, or for the opinions we have formed.

**Jack Tatschner ACA**  
**Senior Statutory Auditor**  
**For and on behalf of Azets Audit Services**

22 December 2023

**Chartered Accountants**  
**Statutory Auditor**

Suites B & D  
Burnham Yard  
London End  
Beaconsfield  
Buckinghamshire  
United Kingdom  
HP9 2JH



# IDEXX TECHNOLOGIES LIMITED

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
Turnover	2	5,187,710	4,743,357
Cost of sales		(2,653,681)	(2,206,476)
Gross profit		2,534,029	2,536,881
Administrative expenses		(1,694,399)	(1,479,166)
Operating profit	4	839,630	1,057,715
Interest receivable and similar income	6	10,860	-
Profit before taxation		850,490	1,057,715
Tax on profit	7	51,248	(139,805)
Profit for the financial year		901,738	917,910

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

# IDEXX TECHNOLOGIES LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2022

		2022		2021	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	9		2,654,710		459,626
<b>Current assets</b>					
Stocks	10	683,262		691,576	
Debtors	11	7,454,249		9,398,758	
Cash at bank and in hand		-		89	
		8,137,511		10,090,423	
<b>Creditors: amounts falling due within one year</b>	12	(557,520)		(751,477)	
<b>Net current assets</b>			7,579,991		9,338,946
<b>Total assets less current liabilities</b>			10,234,701		9,798,572
<b>Creditors: amounts falling due after more than one year</b>	13		(100,000)		(100,000)
<b>Provisions for liabilities</b>					
Deferred tax liability	14	34,391		-	
		(34,391)		-	
<b>Net assets</b>			10,100,310		9,698,572
<b>Capital and reserves</b>					
Called up share capital	17		1,680		1,680
Share premium account	18		169,320		169,320
Profit and loss reserves	19		9,929,310		9,527,572
<b>Total equity</b>			10,100,310		9,698,572

The financial statements were approved by the board of directors and authorised for issue on 20 December 2023 and are signed on its behalf by:

Mr J D Chadbourne  
Director

Company Registration No. 3364828

# IDEXX TECHNOLOGIES LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2021</b>		1,680	169,320	8,609,662	8,780,662
<b>Year ended 31 December 2021:</b>					
Profit and total comprehensive income for the year		-	-	917,910	917,910
<b>Balance at 31 December 2021</b>		1,680	169,320	9,527,572	9,698,572
<b>Year ended 31 December 2022:</b>					
Profit and total comprehensive income for the year		-	-	901,738	901,738
Dividends	8	-	-	(500,000)	(500,000)
<b>Balance at 31 December 2022</b>		1,680	169,320	9,929,310	10,100,310

# IDEXX TECHNOLOGIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2022**

---

### **1 Accounting policies**

#### **Company information**

IDEXX Technologies Limited is a private company limited by shares incorporated in England and Wales. The registered office is Units 1B and 1C, Newmarket Business Park, Studlands Park Avenue, Newmarket, Suffolk, United Kingdom, CB8 7ER.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of IDEXX Laboratories Inc. These consolidated financial statements are available from its registered office, One Idexx Drive, Westbrook, Maine 04092, USA.

#### **1.2 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

# IDEXX TECHNOLOGIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### 1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

#### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	Over the period of the lease
Plant and equipment	Straight line over 3-5 years
Fixtures and fittings	Straight line over 3-7 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

# IDEXX TECHNOLOGIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# IDEXX TECHNOLOGIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

### 1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# IDEXX TECHNOLOGIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### 1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.12 Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black-Scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

The fair value of options granted is measured by a Black-Scholes pricing model. The fair value of Restricted Stock Units (RSU's) is measured at the market price at the grant date.

#### 1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### 1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### 2 Turnover and other revenue

	2022	2021
	£	£
<b>Turnover analysed by geographical market</b>		
United Kingdom	3,376,964	2,854,217
Overseas	1,810,745	1,889,140
	<u>5,187,709</u>	<u>4,743,357</u>
	2022	2021
	£	£
<b>Other revenue</b>		
Interest income	10,860	-
	<u>10,860</u>	<u>-</u>



# IDEXX TECHNOLOGIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 3 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	18,525	14,675
	<u>18,525</u>	<u>14,675</u>

### 4 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging:		
Exchange losses	18,838	928
Research and development costs	216,807	166,909
Depreciation of owned tangible fixed assets	63,763	66,967
Loss on disposal of tangible fixed assets	18	-
Share-based payments	46,132	71,198
Operating lease charges	82,892	39,576
	<u>408,030</u>	<u>345,678</u>

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to £18,838 (2021 - £928).

### 5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022	2021
	Number	Number
Production staff	16	16
Administrative staff	10	11
Total	<u>26</u>	<u>27</u>

Their aggregate remuneration comprised:

	2022	2021
	£	£
Wages and salaries	1,312,978	1,331,373
Social security costs	139,635	117,433
Pension costs	103,808	97,595
	<u>1,556,421</u>	<u>1,546,401</u>

# IDEXX TECHNOLOGIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 6 Interest receivable and similar income

	2022	2021
	£	£
<b>Interest income</b>		
Interest receivable from group companies	10,860	-
	<u>10,860</u>	<u>-</u>

### 7 Taxation

	2022	2021
	£	£
<b>Current tax</b>		
UK corporation tax on profits for the current period	(103,587)	140,792
	<u>(103,587)</u>	<u>140,792</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	52,339	(987)
	<u>52,339</u>	<u>(987)</u>
<b>Total tax (credit)/charge</b>	<u>(51,248)</u>	<u>139,805</u>

The actual (credit)/charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022	2021
	£	£
Profit before taxation	850,490	1,057,715
	<u>850,490</u>	<u>1,057,715</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	161,593	200,966
Tax effect of expenses that are not deductible in determining taxable profit	3	2,896
Tax effect of income not taxable in determining taxable profit	(2,063)	-
Adjustments in respect of prior years	-	(1,053)
Group relief	-	(62,472)
Permanent capital allowances in excess of depreciation	(74,044)	-
Depreciation in excess of capital allowances	-	3,778
Rounding	-	(3)
Remeasurement of deferred tax for changes in tax rate	(110,892)	(4,307)
Other differences	(25,845)	-
	<u>(51,248)</u>	<u>139,805</u>
<b>Taxation (credit)/charge for the year</b>	<u>(51,248)</u>	<u>139,805</u>

### 8 Dividends

	2022	2021
	£	£
Final paid	500,000	-
	<u>500,000</u>	<u>-</u>

# IDEXX TECHNOLOGIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 9 Tangible fixed assets

	Leasehold land and buildings	Assets under construction	Plant and equipment	Fixtures and fittings	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 January 2022	568,613	377,485	265,433	167,640	1,379,171
Additions	1,859,861	38,737	11,862	348,405	2,258,865
Disposals	(297,241)	-	(14,915)	-	(312,156)
Transfers	368,647	(377,485)	-	8,838	-
At 31 December 2022	2,499,880	38,737	262,380	524,883	3,325,880
<b>Depreciation and impairment</b>					
At 1 January 2022	568,613	-	216,403	134,529	919,545
Depreciation charged in the year	22,064	-	20,222	21,477	63,763
Eliminated in respect of disposals	(297,241)	-	(14,897)	-	(312,138)
At 31 December 2022	293,436	-	221,728	156,006	671,170
<b>Carrying amount</b>					
At 31 December 2022	2,206,444	38,737	40,652	368,877	2,654,710
At 31 December 2021	-	377,485	49,030	33,111	459,626

### 10 Stocks

	2022 £	2021 £
Raw materials and consumables	272,315	144,455
Finished goods and goods for resale	410,947	547,121
	683,262	691,576

### 11 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Corporation tax recoverable	419,791	-
Amounts owed by group undertakings	730,618	645,806
Other debtors	6,261,497	8,677,364
Prepayments and accrued income	42,343	57,640
	7,454,249	9,380,810

# IDEXX TECHNOLOGIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 11 Debtors (Continued)

	2022 £	2021 £
Amounts falling due after more than one year:		
Deferred tax asset (note 14)	-	17,948
<b>Total debtors</b>	<b>7,454,249</b>	<b>9,398,758</b>

### 12 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	370,686	363,403
Amounts owed to group undertakings	19,122	30,623
Corporation tax	-	201,358
Accruals and deferred income	167,712	156,093
	<b>557,520</b>	<b>751,477</b>

### 13 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Accruals and deferred income	100,000	100,000

### 14 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2022 £	Liabilities 2021 £	Assets 2022 £	Assets 2021 £
<b>Balances:</b>				
Accelerated capital allowances	34,391	-	-	17,948
<b>Movements in the year:</b>				<b>2022 £</b>
Asset at 1 January 2022				(17,948)
Charge to profit or loss				52,339
Liability at 31 December 2022				<b>34,391</b>

# IDEXX TECHNOLOGIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 14 Deferred taxation

(Continued)

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

### 15 Retirement benefit schemes

	2022	2021
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	103,808	97,595

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

### 16 Share-based payment transactions

Under the IDXX Laboratories, Inc. 2018 Stock Incentive Plan (the "2018 Plan") sponsored by the Company's ultimate parent, IDXX Laboratories, Inc., equity-based compensation awards are granted to certain of our employees eligible to participate in the 2018 Plan. For our eligible employees, The 2018 Plan allows for the issuance of a mix of stock options, and restricted stock unit ("RSU") awards. Stock options permit a recipient to purchase IDXX Laboratories, Inc. common stock upon vesting at the price on the date the option was granted. An RSU is an agreement to issue shares of IDXX Laboratories, Inc. common stock at the time of vesting.

Prior to December 4, 2019, all stock options granted to eligible employees primarily vest ratably over a period of five years beginning on each anniversary of the date of grant. Employee stock option grants after December 4, 2019, vest ratably over a period of four years beginning on each anniversary of the date of grant. Vesting of stock option awards issued is conditional based on continuous service by the employee. Stock option awards have a contractual expiration term of ten years from the date of grant.

Prior to December 4, 2019, RSUs granted to eligible employees vest ratably over five years beginning on the first anniversary of the date of grant. Grants made after December 4, 2019, vest ratably over four years beginning on the first anniversary of the date of grant.

The total value of the existing options and RSU's held by employees of the Company are not considered to be material and hence have not been recognised in the financial statements.

### 17 Share capital

	2022	2021	2022	2021
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary shares of 1p each	8,000	8,000	80	80
Ordinary 1 shares of 1p each	100,000	100,000	1,000	1,000
A Ordinary shares of 1p each	60,000	60,000	600	600
	168,000	168,000	1,680	1,680

# IDEXX TECHNOLOGIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 18 Share premium account

	2022 £	2021 £
At the beginning and end of the year	169,320	169,320

### 19 Profit and loss reserves

	2022 £	2021 £
At the beginning of the year	9,527,572	8,609,662
Profit for the year	901,738	917,910
Dividends declared and paid in the year	(500,000)	-
At the end of the year	9,929,310	9,527,572

### 20 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	99,690	99,690
Between two and five years	398,760	398,760
In over five years	357,846	457,536
	856,296	955,986

### 21 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2022 £	2021 £
Acquisition of tangible fixed assets	-	2,767,777

### 22 Ultimate controlling party

The immediate controlling company is IDEXX UK Acquisition Limited and the ultimate controlling company is IDEXX Laboratories Inc, a company incorporated in the USA. Copies of the group accounts incorporating the results of the company are available from IDEXX Inc, One Idexx Drive, Westbrook, Maine 04092, USA.

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.