

REGISTERED NUMBER: 04105738 (England and Wales)

Unaudited Financial Statements for the Year Ended 31 October 2021

for

NORTH ENGLAND LABORATORY SUPPLIES LTD

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for the Year Ended 31 October 2021**

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NORTH ENGLAND LABORATORY SUPPLIES LTD

**Company Information
for the Year Ended 31 October 2021**

DIRECTORS:

Mr W G C McQuilkin
Mr W S K McQuilkin

SECRETARY:

Mrs L R McQuilkin

REGISTERED OFFICE:

7 Cumbie Way
Aycliffe Industrial Estate
Newton Aycliffe
Co. Durham
DL5 6YA

REGISTERED NUMBER:

04105738 (England and Wales)

ACCOUNTANTS:

McAllisters
Paxton House
11 Woodside Crescent
Charing Cross
Glasgow
G3 7UL

NORTH ENGLAND LABORATORY SUPPLIES LTD (REGISTERED NUMBER: 04105738)

Balance Sheet
31 October 2021

| | Notes | 31.10.21 £ | £ | 31.10.20 £ | £ |
|--|-------|----------------|----------------|----------------|----------------|
| FIXED ASSETS | | | | | |
| Intangible assets | 4 | | - | | - |
| Tangible assets | 5 | | <u>39,973</u> | | <u>43,449</u> |
| | | | 39,973 | | 43,449 |
| CURRENT ASSETS | | | | | |
| Stocks | | 194,933 | | 178,469 | |
| Debtors | 6 | 707,422 | | 680,426 | |
| Cash at bank and in hand | | <u>31,678</u> | | <u>147,034</u> | |
| | | 934,033 | | 1,005,929 | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 7 | <u>635,346</u> | | <u>713,339</u> | |
| NET CURRENT ASSETS | | | <u>298,687</u> | | <u>292,590</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 338,660 | | 336,039 |
| PROVISIONS FOR LIABILITIES | | | <u>7,874</u> | | <u>7,874</u> |
| NET ASSETS | | | <u>330,786</u> | | <u>328,165</u> |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 9 | | 112 | | 112 |
| Capital redemption reserve | 10 | | 3 | | 3 |
| Retained earnings | 10 | | <u>330,671</u> | | <u>328,050</u> |
| SHAREHOLDERS' FUNDS | | | <u>330,786</u> | | <u>328,165</u> |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 October 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 October 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

Balance Sheet - continued
31 October 2021

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 31 May 2022 and were signed on its behalf by:

Mr W S K McQuilkin - Director

**Notes to the Financial Statements
for the Year Ended 31 October 2021**

1. STATUTORY INFORMATION

North England Laboratory Supplies Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Significant judgements and estimates

The preparation of the financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies. The directors are of the opinion that due to the nature of the business, there are no critical accounting estimates or judgements used in the preparation of these financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discount and value added taxes. Turnover includes revenue earned from the sale of goods. The company sells laboratory consumables.

Sale of goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and any impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged to profit or loss over the estimated useful economic lives, as follows:

Improvements to property - 2% on cost
Plant & Machinery - 20% on reducing balance
Fixtures & Fittings - 20% on reducing balance
Motor vehicles - 25% on reducing balance
Computer equipment - 20% on reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined, which is the higher of its fair value less costs to sell and its value in use. Any impairment loss is recognised immediately as an expense within profit or loss

**Notes to the Financial Statements - continued
for the Year Ended 31 October 2021**

2. ACCOUNTING POLICIES - continued

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Financial instruments

Trade and other debtors/creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised within profit or loss.

For financial assets that are measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the assets original effective interest rate. If a financial asset has a variable interest rate, the discount rate of measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the assets 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 balance sheet date.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Notes to the Financial Statements - continued
for the Year Ended 31 October 2021**

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Provisions

A provision is recognised when a company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

Share based payments

The company provides share-based payment arrangements to certain employees in the form of share option agreements.

All of the company's share option agreements are equity-settled arrangements. In accordance with FRS 102 these share option agreements are accounted for in the financial statements as follows. The share options are valued at fair value (excluding the effect of non-market based vesting conditions) at the date they are granted. The fair value is then expensed in each year's financial statements on a straight-line basis over the vesting period. The amount recognised as an expense is adjusted each year to reflect the actual number of shares or options that will vest as circumstances change or share options lapse.

There is no observable market value available for the fair value of the share options. Fair value at the grant date has therefore been established as £3.90 per share by an independent party valuation and this has received the relevant tax clearance.

The share option agreements were granted in 2019 and vested over the subsequent 3 years. The final option is vesting in 2021.

Where equity-settled arrangements are modified, and are of benefit to the employee, the incremental fair value is recognised over the period from the date of modification to date of vesting. Where a modification is not beneficial to the employee there is no change to the charge for share-based payment.

Settlements and cancellations are treated as an acceleration of vesting and the unvested amount is recognised immediately in the income statement.

The company has no cash-settled arrangements.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was NIL (2020 - 17).

4. INTANGIBLE FIXED ASSETS

| | Goodwill £ |
|---|----------------|
| COST | |
| At 1 November 2020 and 31 October 2021 | <u>299,994</u> |
| AMORTISATION | |
| At 1 November 2020 and 31 October 2021 | <u>299,994</u> |
| NET BOOK VALUE | |
| At 31 October 2021 | <u>-</u> |
| At 31 October 2020 | <u>-</u> |

Notes to the Financial Statements - continued
for the Year Ended 31 October 2021

5. TANGIBLE FIXED ASSETS

| | Improvements to property £ | Plant and machinery £ | Fixtures and fittings £ |
|-----------------------|-------------------------------------|-----------------------------|----------------------------------|
| COST | | | |
| At 1 November 2020 | 29,111 | 20,930 | 20,906 |
| Additions | - | 1,700 | - |
| At 31 October 2021 | <u>29,111</u> | <u>22,630</u> | <u>20,906</u> |
| DEPRECIATION | | | |
| At 1 November 2020 | 8,733 | 19,897 | 20,282 |
| Charge for year | 582 | - | 125 |
| At 31 October 2021 | <u>9,315</u> | <u>19,897</u> | <u>20,407</u> |
| NET BOOK VALUE | | | |
| At 31 October 2021 | <u>19,796</u> | <u>2,733</u> | <u>499</u> |
| At 31 October 2020 | <u>20,378</u> | <u>1,033</u> | <u>624</u> |
| | Motor vehicles £ | Computer equipment £ | Totals £ |
| COST | | | |
| At 1 November 2020 | 20,875 | 86,352 | 178,174 |
| Additions | - | - | 1,700 |
| At 31 October 2021 | <u>20,875</u> | <u>86,352</u> | <u>179,874</u> |
| DEPRECIATION | | | |
| At 1 November 2020 | 17,160 | 68,653 | 134,725 |
| Charge for year | 929 | 3,540 | 5,176 |
| At 31 October 2021 | <u>18,089</u> | <u>72,193</u> | <u>139,901</u> |
| NET BOOK VALUE | | | |
| At 31 October 2021 | <u>2,786</u> | <u>14,159</u> | <u>39,973</u> |
| At 31 October 2020 | <u>3,715</u> | <u>17,699</u> | <u>43,449</u> |

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | | |
|-----------------------------|----------------|----------------|
| | 31.10.21 £ | 31.10.20 £ |
| Trade debtors | 690,466 | 652,354 |
| Other debtors | - | 1,472 |
| Directors' current accounts | 12,797 | 12,797 |
| S455 tax recoverable | 4,159 | 4,159 |
| Prepayments | - | 9,644 |
| | <u>707,422</u> | <u>680,426</u> |

Notes to the Financial Statements - continued
for the Year Ended 31 October 2021

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.10.21 | 31.10.20 |
|---------------------------------|----------------|----------------|
| | £ | £ |
| Trade creditors | 554,944 | 589,508 |
| Tax | 16,530 | 30,397 |
| Social security and other taxes | 9,066 | 9,215 |
| VAT | 26,233 | 42,988 |
| Other creditors | 12,069 | 26,519 |
| Directors' current accounts | 2 | 2 |
| Accrued expenses | 16,502 | 14,710 |
| | <u>635,346</u> | <u>713,339</u> |

8. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

| | 31.10.21 | 31.10.20 |
|----------------------------|----------|----------------|
| | £ | £ |
| Within one year | - | 31,169 |
| Between one and five years | - | 69,583 |
| In more than five years | - | 29,700 |
| | <u>-</u> | <u>130,452</u> |

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

| Number: | Class: | Nominal value: | 31.10.21 | 31.10.20 |
|---------|------------|----------------|------------|------------|
| | | | £ | £ |
| 10,000 | Ordinary | £0.01 | 100 | 100 |
| 695 | A Ordinary | £0.01 | 12 | 12 |
| 1 | B Ordinary | £0.01 | - | - |
| | | | <u>112</u> | <u>112</u> |

The company had an equity-settled share-based payment arrangement in place with two employees. During the year both employees exercised their share options and 473 shares at £0.01 each were issued.

10. RESERVES

| | Retained earnings | Capital redemption reserve | Totals |
|---------------------|-------------------|----------------------------|----------------|
| | £ | £ | £ |
| At 1 November 2020 | 328,050 | 3 | 328,053 |
| Profit for the year | 66,621 | | 66,621 |
| Dividends | (64,000) | | (64,000) |
| At 31 October 2021 | <u>330,671</u> | <u>3</u> | <u>330,674</u> |

Notes to the Financial Statements - continued
for the Year Ended 31 October 2021

11. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 31 October 2021 and 31 October 2020:

| | 31.10.21 £ | 31.10.20 £ |
|--------------------------------------|---------------|---------------|
| Mr W G C McQuilkin | | |
| Balance outstanding at start of year | (3) | (3) |
| Amounts advanced | - | 12,000 |
| Amounts repaid | - | (12,000) |
| Amounts written off | - | - |
| Amounts waived | - | - |
| Balance outstanding at end of year | <u>(3)</u> | <u>(3)</u> |
| Mr W S K McQuilkin | | |
| Balance outstanding at start of year | 12,797 | 12,639 |
| Amounts advanced | - | 158 |
| Amounts repaid | - | - |
| Amounts written off | - | - |
| Amounts waived | - | - |
| Balance outstanding at end of year | <u>12,797</u> | <u>12,797</u> |

Interest is charged at 2.5% on any overdrawn balances throughout the year and there is no fixed date for repayment.

12. ULTIMATE CONTROLLING PARTY

WGC McQuilkin, WSK McQuilkin and L McQuilkin own share capital in the company in the following proportions; WGC McQuilkin 32%, L McQuilkin 31% and WSK McQuilkin 31%. They are therefore collectively the ultimate controlling parties.

Notes to the Financial Statements - continued
for the Year Ended 31 October 2021

13. SHARE-BASED PAYMENT TRANSACTIONS

The company operates a share-based payment scheme for certain employees.

A) Service Agreement Options- EMI

Certain employees participated in a Key-employee share-option scheme with a view to retaining any option holders services as an employee. The options are granted with a fixed exercise price of £0.01 and can only be exercised following vesting date. If the option is not exercised within two calendar months of the vesting date the option shall become void unless otherwise permitted by the Directors. Employees are required to remain in employment within the company until exercise, otherwise the awards lapse. Existing company shares were converted from ordinary shares to B ordinary shares and will be issued as part of the options being exercised.

A reconciliation of share option movements over the year to 31 October 2021 is shown below:

| | | 2021 Weighted average exercise price |
|-----------------------------|-----|--|
| | No. | £ |
| Outstanding at 1st November | 155 | £0.00 |
| Granted | 0 | £0.01 |
| Forfeited | 0 | £0.00 |
| Exercised | 0 | £0.01 |
| Expired | 0 | £0.00 |
| Outstanding at 31st October | 155 | £0.01 |
| Exercisable at 31st October | 155 | £0.01 |

In accordance with FRS 102 the fair value of the share options at the grant date has been established and this is being expensed on a straight-line basis dependent on the vesting period disclosed within the share option agreement. There was no charge in the year.

**Chartered Accountants' Report to the Board of Directors
on the Unaudited Financial Statements of
North England Laboratory Supplies Ltd**

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Statement of Comprehensive Income and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of North England Laboratory Supplies Ltd for the year ended 31 October 2021 which comprise the Statement of Income and Retained Earnings, Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of ICAS, we are subject to its ethical and other professional requirements which are detailed at <http://www.icas.com/accountspreparationguidance>.

This report is made solely to the Board of Directors of North England Laboratory Supplies Ltd, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of North England Laboratory Supplies Ltd and state those matters that we have agreed to state to the Board of Directors of North England Laboratory Supplies Ltd, as a body, in this report in accordance with the requirements of ICAS as detailed at <http://www.icas.com/accountspreparationguidance>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that North England Laboratory Supplies Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of North England Laboratory Supplies Ltd. You consider that North England Laboratory Supplies Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of North England Laboratory Supplies Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

McAllisters
Paxton House
11 Woodside Crescent
Charing Cross
Glasgow
G3 7UL

31 May 2022

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.