

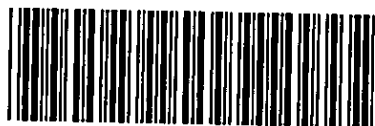
Financial Statements

Bioline Reagents Limited

For the year ended 30 September 2012

TUESDAY

COMPANIES HOUSE



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COMPANIES HOUSE

Registered number: 04838884

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Directors' report

For the year ended 30 September 2012

The directors present their report and the financial statements of the Company for the year ended 30 September 2012

Principal activities and review of business

The principal activity of the Company during the year was the development and sale of reagents for molecular biology

On 1 October 2012, net assets of Bioline Limited, a subsidiary of Bioline Reagents Limited were transferred to Bioline Reagents Limited, by way of a dividend in specie. There was a profit for the year after taxation amounting to £4,193,570. The directors do not recommend payment of a dividend.

Directors

The directors who served during the year were

Mr M J Calzavara

Miss K Hirani

Mr A Parker

Mr Richard Lee Eberly (appointed 14 September 2012)

Mr John Andrew Kraeutler (appointed 14 September 2012)

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and 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.

Directors' report

For the year ended 30 September 2012

Results

The profit for the year, after taxation, amounted to £4,193,570 (2011 - £231,626)

Provision of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditor in connection with preparing its report and to establish that the Company's auditor is aware of that information

Auditor

Grant Thornton UK LLP, having expressed willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the Company receives more notice under section 488(2) of the Companies Act 2006

This report was approved by the board and signed on its behalf



Mr A Parker
Director

Date 29 January 2013

Independent auditor's report to the members of Bioline Reagents Limited

We have audited the financial statements of Bioline Reagents Limited for the year ended 30 September 2012, which comprise the Profit and loss account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 30 September 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, 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.



Independent auditor's report to the members of Bioline
Reagents Limited

Grant Thornton UK LLP

Christopher Smith (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
London (Euston)

29 January 2013

Profit and loss account

For the year ended 30 September 2012

	Note	2012 £	2011 £
Turnover	1	8,128,769	1,273,612
Cost of sales		<u>(3,912,111)</u>	<u>(598,371)</u>
Gross profit		4,216,658	675,241
Administrative expenses		<u>(3,002,523)</u>	<u>(360,222)</u>
Operating profit	4	1,214,135	315,019
Other Income	5	3,225,617	-
Interest receivable and similar income		<u>46,707</u>	<u>2,155</u>
Profit on ordinary activities before taxation		4,486,459	317,174
Tax on profit on ordinary activities	8	<u>(292,889)</u>	<u>(85,548)</u>
Profit for the financial year		<u><u>4,193,570</u></u>	<u><u>231,626</u></u>

The notes on pages 7 to 15 form part of these financial statements

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the Profit and loss account

Balance sheet

As at 30 September 2012

	Note	£	2012 £	£	2011 £
Fixed assets					
Intangible assets	9		258,125		272,709
Tangible assets	10		303,481		4,351
Investments	11		600		600
			<u>562,206</u>		<u>277,660</u>
Current assets					
Stocks	15	611,063		222,546	
Debtors	12	2,742,995		535,502	
Cash at bank		1,622,951		113,706	
			<u>4,977,009</u>	<u>871,754</u>	
Creditors: amounts falling due within one year	13	(766,310)		(582,729)	
Net current assets			<u>4,210,699</u>		<u>289,025</u>
Total assets less current liabilities			<u>4,772,905</u>		<u>566,685</u>
Provisions for liabilities					
Deferred tax	16		(13,738)		(1,088)
Net assets			<u>4,759,167</u>		<u>565,597</u>
Capital and reserves					
Called up share capital	17		700		700
Profit and loss account	19		4,758,467		564,897
Shareholders' funds	18		<u>4,759,167</u>		<u>565,597</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by

Mr A Parker
 Director

Date 29 January 2013

Notes to the financial statements

For the year ended 30 September 2012

1. Accounting policies

1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

1.2 Turnover

Turnover is derived from sales of reagents and related products when the Company obtains the right to consideration, together with the provision of management, sales and marketing services to companies within Meridian Bioscience group of companies. Revenue is recognised from sales when the product is shipped and title has passed to the buyer. Revenue is measured net of any discount or rebates and value added tax. Service revenue is recognised on completion.

1.3 Research and development

Research and development expenditure is written off in the year in which it is incurred.

1.4 Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

License and Issuance Fees	-	5 years
Patents	-	10 years

1.5 Fixed assets and depreciation

All fixed assets are initially recorded at cost.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & equipment	-	4 years
Fixtures & fittings	-	4 years

1.6 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Stock is valued using standard costing system at the year end. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.8 Operating leases agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Notes to the financial statements

For the year ended 30 September 2012

1. Accounting policies (continued)

1.9 Pensions costs

The Company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Company. The annual contributions payable are charged to the profit and loss account.

1.10 Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

-Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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

1.11 Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

1.12 Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

2. Turnover

The whole of the turnover is attributable to sale of reagents for molecular biology.

All turnover arose within the United Kingdom.

Notes to the financial statements

For the year ended 30 September 2012

3. Other operating charges

	2012	2011
	£	£
Administrative expenses	<u>3,002,523</u>	<u>360,222</u>

4. Operating profit

The operating profit is stated after charging

	2012	2011
	£	£
Amortisation - intangible fixed assets	113,396	95,208
Depreciation of tangible fixed assets		
- owned by the company	90,981	4,351
Auditors' remuneration	15,500	7,500
Difference on foreign exchange	-	1,982

5. Other Income

On 1 October 2012, net assets of Bioline Limited, a subsidiary of Bioline Reagents Limited were transferred to Bioline Reagents Limited by way of a dividend in specie of £3,225,617. Following this Bioline Limited became dormant.

6. Staff costs

Staff costs, including directors' remuneration, were as follows

	2012	2011
	£	£
Wages and salaries	<u>1,672,374</u>	<u>105,644</u>

The average monthly number of employees, including the directors, during the year was as follows

	2012	2011
	No.	No.
Management	3	0
Sales and marketing	16	3
Production	17	0
Administration	12	0
	<u>48</u>	<u>3</u>

Notes to the financial statements

For the year ended 30 September 2012

7. Directors' remuneration

	2012 £	2011 £
Emoluments	<u>460,571</u>	<u>-</u>
Amounts receivable under long-term incentive schemes	<u>50,130</u>	<u>-</u>
Company pension contributions to defined contribution pension schemes	<u>11,927</u>	<u>-</u>

The highest paid director received remuneration of £274,395 (2011 - £NIL)

8. Taxation

	2012 £	2011 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge based on results of the year at 25% (27%)	300,187	86,810
Deferred tax (see note 16)		
Origination and reversal of timing differences	(7,298)	(1,262)
Tax on profit on ordinary activities	<u>292,889</u>	<u>85,548</u>

Factors affecting tax charge for the year

	2012 £	2011 £
Profit on ordinary activities before tax	<u>4,486,459</u>	<u>317,174</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2011 - 27%)	1,121,615	85,637
Effects of:		
Non taxable dividends (dividend in specie)	(801,942)	7
Differences between capital allowances and depreciation	6,725	1,175
R&D Relief	(26,211)	-
Tax chargeable at lower rates	-	(9)
Total current tax (see note above)	<u>300,187</u>	<u>86,810</u>

Notes to the financial statements

For the year ended 30 September 2012

9. Intangible fixed assets

	Patents £	Licence and Issuance Fees £	Total £
Cost			
At 1 October 2011	-	413,557	413,557
Additions	12,567	-	12,567
Transferred from Bioline Limited	86,245	-	86,245
At 30 September 2012	98,812	413,557	512,369
Amortisation			
At 1 October 2011	-	140,848	140,848
Charge for the year	16,870	96,526	113,396
At 30 September 2012	16,870	237,374	254,244
Net book value			
At 30 September 2012	81,942	176,183	258,125
At 30 September 2011	-	272,709	272,709

Notes to the financial statements

For the year ended 30 September 2012

10. Tangible fixed assets

	Fixtures & fittings £	Plant & Equipment £	Total £
Cost			
At 1 October 2011	-	17,405	17,405
Additions	57,796	190,956	248,752
Transferred from Bioline Limited	1,248	140,111	141,359
Disposals	-	(4,836)	(4,836)
At 30 September 2012	59,044	343,636	402,680
Depreciation			
At 1 October 2011	-	13,054	13,054
Charge for the year	6,036	84,945	90,981
On disposals	-	(4,836)	(4,836)
At 30 September 2012	6,036	93,163	99,199
Net book value			
At 30 September 2012	53,008	250,473	303,481
At 30 September 2011	-	4,351	4,351

11. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 October 2011 and 30 September 2012	600
Net book value	
At 30 September 2012	600
At 30 September 2011	600

Subsidiary undertakings

The following were subsidiary undertakings of the company

Name of subsidiary undertaking	Country of incorporation	Holding
Bioline Limited	United Kingdom	100%

Notes to the financial statements

For the year ended 30 September 2012

12. Debtors

	2012	2011
	£	£
Trade debtors	583,144	90,510
Amounts owed by group undertakings	2,003,332	419,312
Prepayments and accrued income	156,519	25,680
	<u>2,742,995</u>	<u>535,502</u>

13. Creditors: amounts falling due within one year

	2012	2011
	£	£
Trade creditors	225,668	46,936
Amounts owed to group undertakings	26,441	246,452
Corporation tax	141,922	26,810
Social security and other taxes	69,805	15,725
Other creditors	286,974	246,806
Accruals and deferred income	15,500	-
	<u>766,310</u>	<u>582,729</u>

14. Related party transactions

During the year, the Company paid £36,000 to Barringham Limited and £36,000 to Wakefore Limited, two companies controlled by Mr M Calzavara, a director of the Company, for the on-going lease of premises. At the date of the balance sheet, the Company owed £12,000 to Barringham Limited and £12,000 to Wakefore Limited.

During the year Mr M Calzavara acquired one of the Company cars for a consideration of £1,150.

No other transactions with related parties were undertaken.

15. Stocks

	2012	2011
	£	£
Finished goods and goods for resale	<u>611,063</u>	<u>222,546</u>

Notes to the financial statements

For the year ended 30 September 2012

16. Deferred taxation

	2012	2011
	£	£
Provision brought forward	1,088	2,350
Profit and loss account movement arising during the year	(7,298)	(1,262)
Transfer of Bioline Limited accelerated capital allowances and pension	19,948	-
	<u>13,738</u>	<u>1,088</u>
Provision carried forward	<u>13,738</u>	<u>1,088</u>

The provision for deferred taxations consists of the tax effect of timing differences in respect of

	2012	2011
	£	£
Excess of taxation allowances over depreciation on fixed assets	14,284	1,088
Other timing differences	(546)	-
	<u>13,738</u>	<u>1,088</u>

17. Share capital

	2012	2011
	£	£
Allotted, called up and fully paid		
700 Ordinary shares of £1 each	700	700
	<u>700</u>	<u>700</u>

18. Reconciliation of movement in shareholders' funds

	2012	2011
	£	£
Opening shareholders' funds	565,597	333,371
Profit for the year	4,193,570	231,626
Shares issued during the year	-	600
	<u>4,759,167</u>	<u>565,597</u>
Closing shareholders' funds	<u>4,759,167</u>	<u>565,597</u>

Notes to the financial statements

For the year ended 30 September 2012

19. Reserves

	Profit and loss account £
At 1 October 2011	564,897
Profit for the year	4,193,570
	<hr/>
At 30 September 2012	4,758,467
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20. Contingencies

The directors have confirmed that there were no contingent liabilities which should be disclosed at 30 September 2012 or 30 September 2011

21. Capital commitments

The directors have confirmed that there were no capital commitments at 30 September 2012 or 30 September 2011

22. Ultimate parent undertaking

The ultimate parent undertaking and controlling related party is Meridian Bioscience Inc, a Company incorporated in the United States of America and quoted on the NASDAQ, which is also the parent undertaking of the largest and smallest group which consolidates the balance sheet and the results of the Company

23. Operating lease commitments

At 30 September 2012 the Company had annual commitments under non-cancellable operating leases as follows

	2012 £	2011 £
Expiry date:		
Between 2 and 5 years	277,659	132,648
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