

**BioReliance U.K. Acquisition Limited**

Directors' report and financial statements

Registered number 006131176

31 December 2012

THURSDAY



\*S2FRNHMZ\*

SCT

29/08/2013

#594

COMPANIES HOUSE

## Contents

|   |   |
|---|---|
| Company information   | 1 |
| Directors' report   | 2 |
| Statement of directors' responsibilities in respect of the Directors' Report and the financial statements | 3 |
| Independent auditor's report to the members of BioReliance U K Acquisition Limited                        | 4 |
| Profit and Loss Account   | 5 |
| Balance Sheet   | 6 |
| Notes   | 7 |

## **Company information**

### **Directors**

CC Harwood (resigned 31 March 2013)  
DS Walker (resigned 11 May 2012)  
G Cottier  
AFS Cullen  
G Lucas

### **Secretary**

JA Begg  
GL Miller

### **Auditor**

KPMG LLP  
191 West George Street  
Glasgow  
G2 2LJ

### **Bankers**

The Royal Bank of Scotland plc  
24/25 St Andrew Square  
Edinburgh  
EH2 1AF

### **Solicitors**

Pinsent Masons LLP  
Princes Exchange  
1 Earl Grey Street  
Edinburgh  
EH3 9AQ

### **Registered office**

Pinsent Masons LLP  
5 Old Bailey  
London  
EC4M 7BA

## Directors' report

The directors present their directors' report and financial statements for the year ended 31 December 2012

### Results and dividends

The company loss for the year, after taxation, is £974,000 (2011 loss of £1,440,000) The directors do not recommend the payment of a dividend (2011 £Nil)

### Principal activities and review of the business

The principal activity of BioReliance U K Acquisition Limited is an investment holding company owning the share capital of BioReliance Limited and BioReliance KK The principal activity of BioReliance Limited is to provide biological safety testing and manufacturing services and BioReliance K K , represents the group in the Japanese market

### Directors

The directors who held office during the year or were appointed thereafter were as follows

CC Harwood (resigned 31 March 2013)

DS Walker (resigned 11 May 2012)

G Cottier

AFS Cullen

G Lucas

### Directors' liabilities

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006 Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report

### Employee involvement

The group's policy is to consult and discuss with employees matters likely to affect employees' interests Information on matters of concern to employees is given through employee quarterly meetings and monthly team briefings and involves all levels of staff These meetings seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance

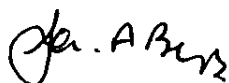
### Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information

### Auditor

A resolution to appoint KPMG LLP will be put to the members at the Annual General Meeting

By order of the board



John A Begg  
Secretary

Pinsent Masons LLP  
5 Old Bailey  
London  
EC4M 7BA

8 May 2013

## **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

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

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

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



KPMG LLP  
191 West George Street  
Glasgow  
G2 2LJ  
United Kingdom

## **Independent auditor's report to the members of BioReliance U.K. Acquisition Limited**

We have audited the financial statements of BioReliance U K Acquisition Limited for the year ended 31 December 2012 set out on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 set out on page 3, 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 Financial Reporting Council's web-site at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate)

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with UK 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

Alex Sanderson (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants

10 May 2013

**Profit and Loss Account**  
*for the year ended 31 December 2012*

|  | <i>Note</i> | <b>2012</b><br><b>£000</b> | <b>2011</b><br><b>£000</b> |
|--|-------------|----------------------------|----------------------------|
| <b>Turnover</b>                                      |             | -                          | -                          |
| Cost of sales  |             | -                          | -                          |
|  |             | <hr/>                      | <hr/>                      |
| <b>Gross profit</b>                                  |             | -                          | -                          |
| Administrative expenses                              |             | -                          | -                          |
| Other operating expenses                             |             | 4                          | 4                          |
|  |             | <hr/>                      | <hr/>                      |
| <b>Operating profit</b>                              | 2           | (4)                        | (4)                        |
| Interest receivable and similar income               |             | -                          | -                          |
| Interest payable and similar charges                 | 4           | (970)                      | (1,436)                    |
|  |             | <hr/>                      | <hr/>                      |
| <b>Profit on ordinary activities before taxation</b> |             | (974)                      | (1,440)                    |
| Tax on profit on ordinary activities                 | 5           | -                          | -                          |
|  |             | <hr/>                      | <hr/>                      |
| <b>Profit for the financial year</b>                 | 9           | (974)                      | (1,440)                    |
|  |             | <hr/>                      | <hr/>                      |

All amounts relate to continuing activities

There are no recognised gains or losses other than those stated above

A reconciliation of movement in reserves is provided in note 9

**Balance Sheet**  
*at 31 December 2012*

|  | <i>Note</i> | <b>2012<br/>£000</b> | <b>2012<br/>£000</b> | <b>2011<br/>£000</b> | <b>2011<br/>£000</b> |
|--|-------------|----------------------|----------------------|----------------------|----------------------|
| <b>Investments</b>   | 6           |                      | <b>50,815</b>        |                      | 50,815               |
| <b>Creditors: amounts falling due within one year</b>          | 7           | <b>(40,835)</b>      |                      | <b>(39,979)</b>      |                      |
| <b>Net current liabilities</b>                                 |             |                      | <b>(40,835)</b>      |                      | <b>(39,979)</b>      |
| <b>Total assets less current liabilities</b>                   |             |                      | <b>9,980</b>         |                      | <b>10,836</b>        |
| <b>Creditors: amounts falling due after more than one year</b> | 8           |                      | <b>-</b>             |                      | <b>(5,500)</b>       |
| <b>Net assets</b>  |             |                      | <b>9,980</b>         |                      | <b>5,336</b>         |
| <b>Capital and reserves</b>                                    |             |                      |                      |                      |                      |
| Called up share capital  | 9           |                      | <b>-</b>             |                      | <b>-</b>             |
| Other reserves   | 10          |                      | <b>20,783</b>        |                      | <b>15,165</b>        |
| Profit and loss account  | 10          |                      | <b>(10,803)</b>      |                      | <b>(9,829)</b>       |
| <b>Shareholders' funds</b>                                     | 10          |                      | <b>9,980</b>         |                      | <b>5,336</b>         |

These financial statements were approved by the board of directors on 8 May 2013 and were signed on its behalf by

**Archibald F S Cullen**  
*Director*



Company registered number 6131176



## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as noted below

#### *Basis of preparation*

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

As the company is a wholly owned subsidiary of Sigma Aldrich Corporation, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties)

The company has taken the exemption from preparing consolidated accounts conferred by Section 499 of the Companies Act 2006. It is entitled to this exemption as the accounts of the company and its subsidiaries are included in the consolidated accounts of a larger group, drawn up in a manner equivalent to the Seventh Directive. The accounts of the larger group for the period ended 31 December 2012 are available from the address listed in note 11.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement as it is a wholly owned subsidiary and is included in the consolidated financial statements of its parent undertaking.

#### *Group support*

The financial statements have been prepared on a going concern basis notwithstanding net current liabilities of £40,835,000 which the directors believe to be appropriate for the following reasons. BioReliance Limited has indicated that for at least 12 months from the date of approval of these financial statements, it will not seek repayment of amounts currently made available and the US parent company has indicated that it will continue to provide financial and other support as necessary to the company to ensure liabilities are met as they fall due for the foreseeable future and for at least 12 months from the signing of these accounts. The directors consider that this should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. Accordingly, the financial statements are prepared on the basis of a going concern.

#### *Investments*

Investments are carried at cost less any provision of diminution in value.

#### *Taxation*

The charge/(credit) for taxation is based on the profit/(loss) for the period and takes into account deferred taxation because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred taxation 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 right to pay less or to receive more, tax, with the following exception:

- 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 on an undiscounted basis 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.

### 2 Operating profit

This is stated after charging

|  | 2012<br>£000 | 2011<br>£000 |
|--|--------------|--------------|
| Auditor's remuneration – Audit of financial statements | 5            | 8            |

## Notes (continued)

### 3 Staff numbers details and directors' remuneration

The company has no employees and there was no remuneration paid to or receivable by the directors in respect of their services to the company

### 4 Interest payable and similar charges

|                           | 2012<br>£000 | 2011<br>£000 |
|---------------------------|--------------|--------------|
| Group interest receivable | 939          | 939          |
| Bank loan                 | 31           | 497          |
|                           | <u>970</u>   | <u>1,436</u> |

### 5 Taxation

|                     | 2012<br>£000 | 2011<br>£000 |
|---------------------|--------------|--------------|
| <i>Deferred tax</i> |              |              |
| Current year charge | -            | -            |
|                     | <u>-</u>     | <u>-</u>     |
| Deferred tax charge | -            | -            |
|                     | <u>-</u>     | <u>-</u>     |
| Total tax charge    | <u>-</u>     | <u>-</u>     |

The current tax charge for the period is higher (2011 higher) than the standard rate of corporation tax in the UK at 24.5% (2011 26.5%). The differences are explained below

|  | 2012<br>£000 | 2011<br>£000   |
|--|--------------|----------------|
| <i>Current tax reconciliation</i>      |              |                |
| Loss on ordinary activities before tax | (974)        | (1,440)        |
|  | <u>(974)</u> | <u>(1,440)</u> |
| Current tax at 24.5% (2011 26.5%)      | (239)        | (382)          |
|  | <u>(239)</u> | <u>(382)</u>   |
| <i>Effects of</i>                      |              |                |
| Group relief surrendered/(received)    | 239          | 382            |
|  | <u>239</u>   | <u>382</u>     |
| Corporation tax                        | <u>-</u>     | <u>-</u>       |

The 2012 Budget on 21 March 2012 announced that the UK corporation tax rate will reduce to 22% by 2014. A reduction in the rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, a further reduction to 24% (effective from 1 April 2012) was substantively enacted on 26 March 2012 and a further reduction to 23% (effective from 1 April 2013) was substantively enacted on 3 July 2012.

This will reduce the company's future current tax charge accordingly. The deferred tax liability at 31 December 2012 has been calculated based on the rate of 23% substantively enacted at the balance sheet date.

It has not yet been possible to quantify the full anticipated effect of the announced further 1% rate reduction, although this will further reduce the company's future current tax charge and reduce the company's deferred tax liability accordingly.

## Notes (continued)

### 6 Investments

|                            | Subsidiary<br>undertakings<br>£000 |
|----------------------------|------------------------------------|
| <i>Cost</i>                |                                    |
| At 1 January 2012          | 50,815                             |
| Additions                  | -                                  |
|                            | <hr/>                              |
| <b>At 31 December 2012</b> | <b>50,815</b>                      |
|                            | <hr/>                              |

The investments at the balance sheet date in which the group and the company hold 20% or more of the nominal value of any class of share capital of unlisted companies include the following

|                     | Country of<br>incorporation | Principal<br>activity                  | Class and<br>Percentage<br>of shares<br>Held |
|---------------------|-----------------------------|--|--|
| BioReliance Limited | United Kingdom              | Biosafety testing and biomanufacturing | Ordinary 100%                                |
| BioReliance KK      | Japan                       | Sales function – Asia Pacific          | Ordinary 100%                                |

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

|                                   | 2012<br>£000  | 2011<br>£000  |
|-----------------------------------|---------------|---------------|
| Bank loan                         | -             | 61            |
| Amounts due to group undertakings | 40,385        | 39,891        |
| Accruals and deferred income      | -             | 27            |
|                                   | <hr/>         | <hr/>         |
|                                   | <b>40,385</b> | <b>39,979</b> |
|                                   | <hr/>         | <hr/>         |

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

|                  | 2012<br>£000 | 2011<br>£000 |
|------------------|--------------|--------------|
| Bank loan        | -            | 5,636        |
| Less Issue costs | -            | (136)        |
|                  | <hr/>        | <hr/>        |
|                  | -            | 5,500        |
|                  | <hr/>        | <hr/>        |

### 9 Called up share capital

|   | 2012<br>£000 | 2011<br>£000 |
|---|--------------|--------------|
| <i>Allotted, called up and fully paid</i> |              |              |
| 100 (2011 100) ordinary shares of £0 each | -            | -            |
|   | <hr/>        | <hr/>        |

## Notes (continued)

### 10 Reconciliation of shareholders' funds and movements on reserves

|                             | Other<br>reserves<br>£000 | Profit and<br>loss account<br>£000 | Total<br>£000 |
|-----------------------------|---------------------------|------------------------------------|---------------|
| At 1 January 2011           | 15,165                    | (8,389)                            | 6,776         |
| Loss for the financial year | -                         | (1,440)                            | (1,440)       |
| At 1 January 2012           | 15,165                    | (9,829)                            | 5,336         |
| Capital introduced          | 5,618                     | -                                  | 5,618         |
| Loss for the financial year | -                         | (974)                              | (974)         |
| At 31 December 2012         | 20,783                    | (10,803)                           | 9,980         |

### 11 Ultimate parent undertaking and controlling party

The company's ultimate parent undertaking is Sigma Aldrich, 3050 Spruce Street, Saint Louis, MO, 63103 a company incorporated in the United States of America