

BioReliance U.K. Acquisition Limited

Annual report and financial statements

Registered number 06131176

31 December 2013

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Company information

Directors

G Cottier
AFS Cullen
G Lucas
CC Harwood (resigned 31 March 2013)

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

Strategic report

The directors present their annual report and financial statements for the year ended 31 December 2013

Results

The company loss for the year, after taxation, is £939,000 (2012 loss of £974,000)

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, indirectly, BioReliance KK. The principal activity of BioReliance Limited is to provide biological safety testing and manufacturing services and BioReliance KK, represents the group in the Japanese market. The loss for the year represents interest payable on amounts due to group undertakings.


Future developments

The company will continue as a holding company for its subsidiaries.

Going concern

The company's principal activities, together with the factors likely to affect its future development, performance and position are set out above. These financial statements have been prepared on a going concern basis in accordance with the group support received per note 1 to the financial statements.

By order of the board



John A Begg
Secretary

Pinsent Masons LLP
5 Old Bailey
London
EC4M 7BA

20 March 2014

Directors' report

Dividends

The directors do not recommend the payment of a dividend (2012 £nil)

Financial instruments

The company does not enter into complex financial instruments

Political and charitable donations

The company made no political or charitable donations in the year

Directors

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

G Cottier
AFS Cullen
G Lucas
CC Harwood (resigned 31 March 2013)

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.

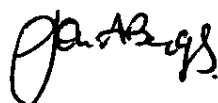
Disclosure of information to auditor

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

In accordance with section 487 of the Companies Act 2006 the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



John A Begg
Secretary

Pinsent Masons LLP
5 Old Bailey
London
EC3M 7BA

20 March 2014

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

The directors are responsible for preparing the Strategic Report and 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, 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 2013 set out on pages 6 to 11. 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 4, 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.

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 2013 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 Strategic Report and 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

20 March 2014

Profit and Loss Account
for the year ended 31 December 2013

	<i>Note</i>	2013 £000	2012 £000
Turnover		-	-
Cost of sales		-	-
		<hr/>	<hr/>
Gross profit		-	-
Other operating expenses		-	(4)
		<hr/>	<hr/>
Operating profit / (loss)	2	-	(4)
Interest payable and similar charges	4	(939)	(970)
		<hr/>	<hr/>
Loss on ordinary activities before taxation		(939)	(974)
Tax on loss on ordinary activities	5	-	-
		<hr/>	<hr/>
Loss for the financial year	9	(939)	(974)
		<hr/>	<hr/>

All amounts relate to continuing activities

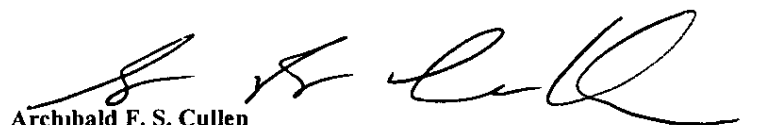
There are no recognised gains or losses other than those stated above

A reconciliation of movement in reserves is provided in note 9

Balance Sheet
at 31 December 2013

	<i>Note</i>	2013 £000	2013 £000	2012 £000	2012 £000
Investments	<i>6</i>		50,815		50,815
Creditors* amounts falling due within one year	<i>7</i>	(41,774)		(40,835)	
Net current liabilities			(41,774)		(40,835)
Net assets			9,041		9,980
Capital and reserves					
Called up share capital	<i>8</i>		-		-
Other reserves	<i>9</i>		20,783		20,783
Profit and loss account	<i>9</i>		(11,742)		(10,803)
Equity shareholders' funds	<i>9</i>		9,041		9,980

These financial statements were approved by the board of directors on 20 March 2014 and were signed on its behalf by


Archibald F. S. Cullen
Director

Company registered number 06131176

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 2013 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 £41,774,000 as at 31 December 2013 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.

Notes (continued)

2 Operating profit

	2013 £000	2012 £000
Auditor's remuneration – Audit of financial statements	5	5

These costs were incurred on behalf of the company by its subsidiary, BioReliance Limited

3 Staff costs and directors' remuneration

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

4 Interest payable and similar charges

	2013 £000	2012 £000
Group interest payable	939	939
Bank loan	-	31
	<u>939</u>	<u>970</u>

5 Taxation

	2013 £000	2012 £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 (2012 higher) than the standard rate of corporation tax in the UK at 23.25% (2012 24.5%) The differences are explained below

	2013 £000	2012 £000
<i>Current tax reconciliation</i>		
Loss on ordinary activities before tax	(939)	(974)
	<u>(939)</u>	<u>(974)</u>
Current tax at 23.25% (2012 24.5%)	(218)	(239)
	<u>(218)</u>	<u>(239)</u>
<i>Effects of</i>		
Group relief surrendered	218	239
	<u>218</u>	<u>239</u>
Corporation tax	<u>-</u>	<u>-</u>

Notes (continued)

5 Taxation (continued)

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013.

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

6 Investments

	Subsidiary undertakings £000
<i>Cost</i>	
At beginning and end of year	50,815

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 incorporation	Principal Activity	Class and Percentage of shares Held
BioReliance Limited	United Kingdom	Biosafety testing and biomanufacturing	Ordinary 100%
BioReliance KK*	Japan	Sales function – Asia Pacific	Ordinary 100%

* shares held indirectly

7 Creditors, amounts falling due within one year

	2013 £000	2012 £000
Amounts due to group undertakings	41,774	40,835
	<u>41,774</u>	<u>40,835</u>

8 Called up share capital

	2013 £	2012 £
<i>Allotted, called up and fully paid</i>		
100 (2012: 100) ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

Notes (continued)

9 Reconciliation of shareholders' funds and movements on reserves

	Other reserves £000	Profit and loss account £000	Total £000
At 1 January 2012	15,165	(9,829)	5,336
Capital Introduced	5,618	-	5,618
Loss for the financial year	-	(974)	(974)
	<hr/>	<hr/>	<hr/>
At 1 January 2013	20,783	(10,803)	9,980
Loss for the financial year	-	(939)	(939)
	<hr/>	<hr/>	<hr/>
At 31 December 2013	20,783	(11,742)	9,041
	<hr/>	<hr/>	<hr/>

10 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