

Concept Life Sciences (Laboratories) Limited
Annual report and unaudited financial statements
for the year ended 31 December 2020

Registered number: 09046586



Concept Life Sciences (Laboratories) Limited

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Concept Life Sciences (Laboratories) Limited

Company information

The board of directors	SFA Horder M Carnegie-Brown
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Registered office	Heritage House Church Road Egham TW20 9QD
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Concept Life Sciences (Laboratories) Limited

Strategic Report

The Directors in preparing this strategic report, have complied with s414(c) of the Companies Act 2006.

Principal activity

The principal activity of Concept Life Sciences (Laboratories) Limited (the "Company") is to act as an intermediate holding company. The principal activity of the Company's subsidiary is the provision of accredited analytical services across the food, safety, petrochemical and manufacturing sector.

Review of business

During 2020 the only transactions to go through this company relate to an impairment of an investment in subsidiary and income from shares in group undertakings upon a hive up of an owned entity.

Post balance sheet event

On 5th January 2021 the following subsidiary entities that were held by the company were sold to SGS Holding UK Limited for a consideration of £3,923,082 which was paid to Concept Life Sciences (Midco) Limited:

SGS Cambridge Limited (formerly Concept Life Sciences Analytical & Development Services Limited)

Agenda 1 Analytical Services Limited

Scientific Analysis Laboratories Limited

Key performance indicators

On the basis that the Company solely acts as a holding company, it is not considered necessary to consider key performance indicators further.

Principal risks and uncertainties

The Company monitors principal risks and uncertainties on a group wide basis.

The principal risks for the Company are as follows:

- Potential for impairment of the investments held in subsidiaries; and
- Ability of the subsidiary to pay dividends to the Company.

The Directors monitor the performance of the subsidiaries on a regular basis in order to manage these risks.

Future developments

The Directors expect that the Company will remain as a holding company for the foreseeable future.

Approval

Approved by the Board and signed on its behalf by:

mark carnegie brown

Dr M Carnegie-Brown
Director
20th September 2021

Concept Life Sciences (Laboratories) Limited

Directors' Report

The Directors present their report and the unaudited financial statements of the Company for the year ended 31 December 2020.

Results and dividends

The results for the year ended 31 December 2020 and financial position of the Company are as shown in the income statement and statement of financial position. The Directors do not recommend the payment of a dividend (2019: £nil).

Future developments

Details of future developments can be found in the Strategic Report and form part of this report by cross-reference.

Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements. Further details can be found in the statement of accounting policies within note 1.

Directors

The Directors, who served throughout the year and thereafter, were as follows:

MJ Hanson	(resigned 18 September 2020)
M Carnegie-Brown	
SFA Horder	(appointed 18 September 2020)

Directors' indemnities

The Company has made qualifying third-party indemnity provisions for the benefit of its directors which remain in force at the date of this report.

Approved by the Board and signed on its behalf by:

mark carnegie brown

Dr M Carnegie-Brown
Director
20th September 2021

Concept Life Sciences (Laboratories) Limited

Directors' responsibilities statement

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), including Financial Reporting Standard 101 Reduced Disclosure Framework. 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; 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 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.

Concept Life Sciences (Laboratories) Limited

Income statement

For the year ended 31 December 2020

		Year ended 31 December 2020 £	Year ended 31 December 2019 £
	Note		
Impairment of investment in subsidiary	4	(20,516,111)	(3,413,579)
Income from shares in group undertakings		3,682,191	-
Loss on ordinary activities before taxation		(16,863,950)	(3,443,579)
Tax on loss on ordinary activities	3	-	-
Loss for the financial year		(16,863,950)	(3,443,579)

All amounts relate to continuing activities.

There were no items of other comprehensive income in either year other than the losses shown above. No separate statement of total comprehensive income has therefore been presented.

Statement of Changes in Equity

For the year ended 31 December 2020

	Called-up share capital £	Share premium £	Profit and loss account £	Total equity £
As at 1 January 2019	1	-	(24,771,969)	(24,771,968)
Total comprehensive loss for the year	-	-	(3,443,579)	(3,443,579)
As at 31 December 2019	1	-	(28,215,548)	(28,215,547)
Total comprehensive loss for the year	-	-	(16,863,950)	(16,863,950)
Issue of shares	19,062,202	24,036,459	-	43,098,661
Capital reduction	(19,062,202)	(24,036,459)	43,098,661	-
As at 31 December 2020	1	-	(1,980,837)	(1,980,836)

Concept Life Sciences (Laboratories) Limited

Statement of financial position

As at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Investment in subsidiaries	4	-	-
Current assets			
Debtors	5	1,170,216	194,379
Cash at bank and in hand		-	1
Creditors: amounts falling due within one year	6	(3,151,052)	(28,409,926)
Net current liabilities		(1,980,836)	(28,215,546)
Net liabilities		(1,980,836)	(28,215,546)
Capital and reserves			
Called-up share capital	7	1	1
Profit and loss account		(1,980,837)	(28,215,547)
Shareholders' deficit		(1,980,836)	(28,215,546)

Registered number: 09046586

For the year ending 31 December 2020, the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. Directors' responsibilities:

- the members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476;
- the Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements of Concept Life Sciences (Laboratories) Limited were approved by the Board of Directors and authorised for issue 20th September 2021. They were signed on its behalf by:

mark carnegie brown

Dr M Carnegie-Brown

Director

Concept Life Sciences (Laboratories) Limited

Notes to the financial statements

For the year ended 31 December 2020

1. Accounting policies

Concept Life Sciences (Laboratories) Limited (the “Company”) is incorporated and domiciled in the UK.

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* (“FRS 101”).

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of *International Financial Reporting Standards* as adopted by the EU (“Adopted IFRSs”), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company’s ultimate parent undertaking, Spectris plc includes the Company in its consolidated financial statements. The consolidated financial statements of Spectris plc are prepared in accordance with International Financial Reporting Standards as adopted by the EU, and are available to the public as set out in note 8.

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of the compensation of Key Management Personnel;
- Disclosure in respect of capital management;
- Impairment of assets;
- Presentation of comparative information in respect of certain assets; and
- The effect of new but not yet effective IFRSs.

As the consolidated financial statements of Spectris plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 share-based payments in respect of group settled share-based payments; and
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instruments Disclosures.

The accounting policies set out below have, unless otherwise stated, have been applied consistently to all periods presented in these financial statements.

The financial statements are prepared on the historical cost basis.

These financial statements are presented in pounds sterling.

The preparation of financial statements in conformity with FRS 101 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Concept Life Sciences (Laboratories) Limited

Notes to the financial statements

For the year ended 31 December 2020

1. Accounting policies (continued)

Going concern

Due to the nature of the Company's operations, it has limited cash flow requirements. The Directors have received confirmation that Spectris plc, the Company's ultimate holding company, will continue to provide the necessary level of support to enable it to continue to operate for the foreseeable future and therefore they have adopted the going concern basis in preparing the financial statements.

Investments in subsidiaries

Investments in subsidiaries are shown at cost less provision for impairment. An impairment charge of £20,546,141 (2019: £3,443,579) has been recognised in the financial statements as an impairment of investment in subsidiary.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax.

Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences in respect of the initial recognition of assets and liabilities that affect neither accounting nor taxable profit are not provided for. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Trade and other creditors

Trade and other creditors are non-interest bearing and are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Critical accounting estimates and judgements

The preparation of financial statements in conformity with FRS 101 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The judgements, estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are discussed below.

Impairment of investments

Investment carrying values are reviewed for impairment if events or changes in circumstances indicate that the carrying amount of an asset or cash generating unit is not recoverable. Recoverable amount is the higher of fair value, as supported by management valuation, 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 risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Concept Life Sciences (Laboratories) Limited

Notes to the financial statements

For the year ended 31 December 2020

2. Staff and directors' costs

There were no employees other than directors for the current or prior year. Consequently, the Company has not incurred any salary costs.

The Directors received no remuneration for their services to the Company in the financial year (2019: £nil). All Directors' remuneration has been borne by another Group company.

3. Tax on result on ordinary activities

The impairment of investments in subsidiaries of £20,546,141 (2019: £3,443,579) and the dividend income of £3,682,191 (2019: £nil) within the income statement are non-deductible/(non-taxable) for tax purposes. Consequently, there is no current year or prior year tax charge within the income statement.

4. Investments in subsidiaries

	£
Cost	
As at 1 January 2020	27,777,161
Additions	20,546,141
	<hr/>
As at 31 December 2020	48,323,302
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Impairment	
Impairment charge as at 1 January 2020	27,777,161
Impairment charge for the year	20,546,141
	<hr/>
	48,323,302
	<hr/>
Net book value	
As at 31 December 2020	-
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As at 31 December 2019	-
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The impairment during the current year relates to the investments held in CLS Analytics Limited and SGS Cambridge Limited (formerly Concept Life Sciences Analytical & Development Services Limited) (2019: impairment relates to investment held in SGS Cambridge Limited (formerly Concept Life Sciences Analytical & Development Services Limited)).

Concept Life Sciences (Laboratories) Limited

Notes to the financial statements

For the year ended 31 December 2020

4. Investments in subsidiaries (continued)

As at 31 December 2020, the Company held 100% of the issued share capital of the following principal subsidiary undertakings, all of which are incorporated in England and Wales:

	Country of incorporation	Principal activity
SGS Cambridge Limited (formerly Concept Life Sciences Analytical & Development Services Limited) * ¹ & ⁴	United Kingdom	Analytical services
CLS Analytics Limited * ²	United Kingdom	Analytical services
SAL Laboratories Limited ³	United Kingdom	Dormant
SAL Food Limited ²	United Kingdom	Dormant

On 26 June 2020, CLS Analytics was incorporated, in which the company owns 100% of the shares.

*Directly owned subsidiary undertaking.

- ¹ The registered address of SGS Cambridge Limited is Rossmore Business Park, Ellesmere Port, Cheshire, CH65 3EN.
- ² The registered address of CLS Analytics Limited and SAL Food Limited is Heritage House, Church Road, Egham, Surrey, TW20 9QD.
- ³ The registered address of SAL Laboratories Limited is 69a Killyman Street, Moy, Co Tyrone, BT71 1EA.
- ⁴ On 5 January 2021, this company was acquired by SGS Holdings UK Limited.

5. Debtors

	2020 £	2019 £
Amounts owed by Group undertakings	<u>1,170,216</u>	<u>194,379</u>

Amounts owed by Group undertakings are repayable upon demand. No interest is charged.

6. Creditors – amounts falling due within one year

	2020 £	2019 £
Amounts owed to Group undertakings	<u>3,151,052</u>	<u>28,409,926</u>

Amounts owed to Group undertakings are repayable upon demand. No interest is charged.

Concept Life Sciences (Laboratories) Limited

Notes to the financial statements

For the year ended 31 December 2020

7. Called up share capital

	2020 No.	2020 £	2019 No.	2019 £
Allotted, called up and fully paid				
19,062,203 ordinary shares of 0.000005p (2019: 100p)	19,062,203	1	1	1

Ordinary share rights

The ordinary shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

On 23 October 2020, the company allotted 19,062,201 ordinary shares of £1 each.

On 23 October 2020, a special resolution was passed to reduce the nominal value of the ordinary shares to £0.00000005 per share. At this time paid up capital in the sum of £0.99999995 per share was cancelled and transferred to the profit and loss account reserve.

On 11 December 2020, the company allotted 1 ordinary share of £0.00000005 for consideration of £24,036,459.

On 11 December 2020, a special resolution was passed to reduce the company's share premium account by £24,036,459.

8. Ultimate parent and controlling party

At 31 December 2020, Spectris plc, a company listed on the London Stock Exchange was the ultimate controlling party by virtue of its 100% holding in the issued share capital of Concept Life Sciences (Holdings) Limited.

Spectris plc, is the largest and smallest group in which the results of the Company are consolidated. The consolidated accounts of this company may be obtained from Spectris plc, Heritage House, Church Road, Egham, Surrey, TW20 9QD.

9. Post balance sheet events

On 5th January 2021 the following subsidiary entities that were held by the company were sold to SGS Holding UK Limited for a consideration of £3,923,082:

SGS Cambridge Limited (formerly Concept Life Sciences Analytical & Development Services Limited)

Agenda 1 Analytical Services Limited

Scientific Analysis Laboratories Limited