

# **Axis-Shield Limited**

(formerly known as Axis-Shield Plc)

## **Annual report and financial statements for the year ended 31 December 2013**

**Registered No: SC145200**



# **Axis-Shield Limited** (formerly known as Axis-Shield Plc)

## **Annual report and financial statements for the year ended 31 December 2013**

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# **Axis-Shield Limited (formerly known as Axis-Shield Plc)**

## **Directors' report for the year ended 31 December 2013**

### **Directors and advisors**

#### **Directors**

J Bridgen  
V Ameye  
K Grimsrud (Resigned 10 December 2013)  
C King (Resigned 15 December 2013)  
E Sundrehagen (Resigned 15 December 2013)  
H Eyllenbosch (Resigned 24 June 2013)  
M Pither (Resigned 24 June 2013)  
D Bond (Appointed 24 June 2013)

#### **Secretary**

Veronique Amey

#### **Corporate Legal Advisers**

Eversheds  
1 Wood Street  
London  
EC2V 7WS

#### **Registered Office**

Luna Place  
The Technology Park  
Dundee  
DD2 1XA

#### **Independent Auditor**

PricewaterhouseCoopers LLP  
141 Bothwell Street,  
Glasgow  
G2 7EQ

#### **Bankers**

The Royal Bank of Scotland Limited  
3 High Street  
Dundee  
DD1 9LY

## **Axis-Shield Limited (formerly known as Axis-Shield Plc)**

### **Directors' report for the year ended 31 December 2013**

The directors present their report and audited financial statements for the year ended 31 December 2013. The registered number of the Company is SC145200.

#### **Principal Activities and Business Review**

The principal activity of the Company is the provision of funding to other group companies, and the holding of investments in those companies. Following its acquisition by Alere Inc in 2011 the Company has ceased to provide management services to other group companies with the exception of research and development services. The Company changed its name in 2013 to Axis-Shield Limited (formerly Axis-Shield Plc).

The business performed in line with the directors' expectations during the year to 31 December 2013. Its investments performed satisfactorily and the group strategy was executed successfully. Following the cessation of most management activities as described above, the company's income from management services was £353,000 (year to 31 December 2012: £370,000). The directors are satisfied that unrecovered operating costs in the year to 31 December 2013 relates entirely to stewardship and investment activities, and as such are not rechargeable to operating subsidiaries.

The Directors are satisfied that the financial statements give a fair review of the development of the business during the year and of its position at the year end.

#### **Results and Dividends**

The profit on ordinary activities after taxation amounted to £5,266,000 (year ended 31 December 2012 £501,000 loss) including a dividend received from its subsidiary Axis-Shield Diagnostics Limited of £5,810,000 (2012: £nil).

On 20 December 2013 the Company undertook a capital reduction in accordance with s641 of the Companies Act 2006 by which it cancelled the entire amounts of its share premium account and capital redemption reserve, and 52,819,187 of its ordinary shares of £0.35 each. The distributable reserves created by the capital reduction, along with interim profits in the year, were used to pay an interim dividend of £60,397,000.

#### **Future Outlook**

The directors do not anticipate significant changes to the company's circumstances or operations in the foreseeable future. The Company's investments are expected to continue to generate sufficient returns to support their current balance sheet valuation. The directors consider it appropriate to prepare the financial statements on a going concern basis.

#### **Principal Risks and Uncertainties**

As an investment holding company, Axis-Shield is exposed to movements in the value of its Group subsidiaries. The management and control of risks within the Group is embedded within basic operating procedures. These procedures comprise a range of measures including monthly reporting, internal and external audits, and regular self-assessment and monitoring of key risks by Group and operating management. The Group operates in varied markets and the principal risks and uncertainties that are or may be faced by the Group are set out below.

## **Axis-Shield Limited (formerly known as Axis-Shield Plc)**

### **Directors' report for the year ended 31 December 2013 (continued)**

#### **Principal Risks and Uncertainties (continued)**

- Overall growth and demand for products including competition for market share
- Ability to respond to scientific and technological innovation
- Political, economic and regulatory factors
- Dependence on a small number of large customers
- Operational and products risks
- Loss of intellectual property

#### **Financial Risk Factors**

##### *Interest rate risk*

The Company holds both interest-bearing assets and interest-bearing liabilities, principally variable rate intercompany funding debtors and creditors. Therefore interest rate risk arises from the variability of interest rates on these balances.

##### *Credit risk*

Credit risk arises principally on amounts due from group customers and occasionally third parties, and on deposits of cash at bank and in hand placed with banks and other financial institutions. Before extending credit, the Company assesses the credit quality of customers, taking into account their financial position, past experience and other factors. For banks and financial institutions, only independently-rated counterparties with a minimum rating of "A" are accepted, and the Group's two main banking partners are rated "AA".

##### *Liquidity risk*

The Company actively maintains a mixture of long-term and short-term committed facilities that are designed to ensure the Group has sufficient funds available for financing ongoing operations and for planned expansions. Management monitors forecasts of the Group's liquidity reserve and cash at bank and in hand on the basis of expected cash flow. This is generally carried out both at a subsidiary level and by Company management on a consolidated basis.

#### **Directors and Secretary**

The directors and secretary of the company who were in office during the year and up to the date of signing the financial statements are shown on page 2. No directors or secretary had any interest in the shares of the Company at 31 December 2013.

#### **Going Concern**

The directors believe that preparing the accounts on a going concern basis is appropriate due to the continued financial support of the ultimate parent company Alere Inc. The directors have received confirmation that Alere Inc intends to support the company for at least one year after the financial statements are signed.

## **Axis-Shield Limited (formerly known as Axis-Shield Plc)**

### **Directors' report for the year ended 31 December 2013 (continued)**

#### **Wages and Conditions of Employment**

The Directors maintain close attention to the wages and conditions of employment of all employees. Details of the number of employees and related costs can be found in note 7 of the financial statements.

#### **Health, Safety and Welfare**

The Board of Directors have established overall policies and objectives for the Company in employee health, safety and welfare matters.

#### **Charitable and Political Contributions**

The Company made no charitable or political contributions in the year to 31 December 2013. (2012: £Nil).

#### **Directors and Secretary**

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.

#### **Statement of directors' responsibilities**

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 prepared 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 year. 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;
- 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.

## **Axis-Shield Limited (formerly known as Axis-Shield Plc)**

### **Directors' report for the year ended 31 December 2013 (continued)**

#### **Disclosure of Information to Auditors**

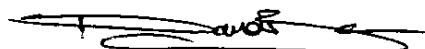
- so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware; and
- the Directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **Independent Auditors**

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office, and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

This report has been prepared in accordance with the special provisions relating to small companies within part 15 of Companies Act 2006.

Signed on behalf of the Board



**David Bond**  
DIRECTOR

Date: 5 September, 2014

# **Axis-Shield Limited (formerly known as Axis-Shield Plc)**

## **Independent Auditors' Report to the Members of Axis-Shield Limited**

### **Report on the financial statements**

#### ***Our opinion***

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 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.

This opinion is to be read in the context of what we say in the remainder of this report.

#### ***What we have audited***

The financial statements, which are prepared by Axis-Shield Limited, comprise:

- the Balance Sheet as at 31 December 2013;
- the Profit and Loss Account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

#### ***What an audit of financial statements involves***

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **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.



## **Axis-Shield Limited (formerly known as Axis-Shield Plc)**

### **Independent Auditors' Report to the Members of Axis-Shield Limited (continued)**

#### **Other matters on which we are required to report by exception**

##### ***Adequacy of accounting records and information and explanations received***

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

##### ***Directors' remuneration***

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

##### ***Entitlement to exemptions***

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption in preparing the Directors' Report and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

#### **Responsibilities for the financial statements and the audit**

##### ***Our responsibilities and those of the directors***

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, 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 ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Martin Cowie (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Glasgow

05 September 2014

## Axis-Shield Limited (formerly known as Axis-Shield Plc)

### Profit and loss account

for the year ended 31 December 2013

	Notes	2013 £'000	2012 £'000
Turnover	2	353	370
Operating expenses	2	(1,151)	(1,112)
<b>Operating loss</b>		(798)	(742)
Income from shares in group undertakings	3	5,810	-
Interest receivable and similar income	4	270	273
Interest payable and similar charges	4	(436)	(272)
<b>Profit/(loss) on ordinary activities before taxation</b>	5	4,846	(741)
Tax on profit/(loss) on ordinary activities	6	420	240
<b>Profit/(loss) for the financial year</b>	13	5,266	(501)

All amounts relates to continuing activities.

The company has no recognised gains and losses other than the profit/(loss) shown above and therefore no separate statement of total recognised gains and losses has been presented. There is no difference between the profit/(loss) on ordinary activities before taxation and the profit/(loss) for the year stated above and their historical cost equivalents.

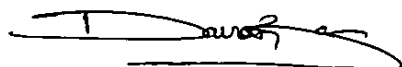
# Axis-Shield Limited (formerly known as Axis-Shield Plc)

## Balance sheet

As at 31 December 2013

	Notes	2013 £'000	2012 £'000
<b>Fixed assets</b>			
Investments	9	64,730	64,730
Amounts owed from group undertakings	10	13,737	15,385
		<u>78,467</u>	<u>80,115</u>
<b>Current assets</b>			
Debtors	10	62,446	337
Cash at bank and in hand		11,024	13,985
		<u>73,470</u>	<u>14,322</u>
<b>Creditors: amounts falling due within one year</b>	11	(133,455)	(10,536)
<b>Net current (liabilities)/assets</b>		<u>(59,985)</u>	<u>3,786</u>
<b>Total assets less current liabilities</b>		18,482	83,901
Creditors: amounts falling due after more than one year	11	(1,207)	(11,496)
<b>Net assets</b>		<u>17,275</u>	<u>72,405</u>
<b>Capital and reserves</b>			
Called up share capital		1	18,487
Share premium account		-	53,726
Capital redemption reserve		-	244
Merger reserve		4,005	4,005
Profit and loss account		13,269	(4,057)
<b>Total shareholders' funds</b>	13	<u>17,275</u>	<u>72,405</u>

The financial statements on pages 9 to 18 were approved by the Board of Directors on 5/9/2014 and are duly signed on its behalf by:



**David Bond**  
DIRECTOR

Date: 5 September, 2014

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## **Axis-Shield Limited (formerly known as Axis-Shield Plc)**

### **Notes to the financial statements for the year ended 31 December 2013**

#### **1. Accounting Policies**

The financial statements have been prepared on a going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and with applicable Accounting Standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year are set out below. The Company is exempt from application of FRS 29 ("Financial instruments: disclosures"), as the results are consolidated into the Alere Inc. group, which prepares similar disclosures on a consolidated basis.

#### **Turnover**

Turnover represent the value of management services and related benefits provided by the company to its subsidiaries during the year, net of value added tax and other applicable sales taxes.

#### **Investments**

Investments in subsidiaries are stated at cost less, where appropriate, provisions for impairment.

#### **Current and deferred taxation**

The Company's liability for current tax is calculated using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax is the tax expected to be payable or recoverable on the difference between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profits, and is accounted for using the balance sheet liability method. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax is calculated at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, on a non-discounted basis, and is charged in the profit and loss account, except where it relates to items charged or credited to equity via the statement of total recognised gains and losses, in which case the deferred tax is also dealt with in equity and is shown in the statement of total recognised gains and losses.

#### **Cash flow Statement**

The Company has taken advantage of the exemptions in FRS 1 and has not prepared a cash flow statement as the cash flows of the Company are incorporated within the Alere Inc. group's consolidated financial statements.

#### **Dividend received**

Dividend income is recognised in profit or loss on the date that the right to receive payment is established.

#### **Related parties**

The Company has taken advantage of the exemptions in FRS 8 not to disclose transactions with related parties.

#### **Foreign currencies**

Transactions in foreign currencies are translated at the rate of exchange ruling on the date of the transaction. Monetary assets and liabilities expressed in foreign currencies are translated into sterling at exchange rates ruling at the Balance Sheet date.

## Axis-Shield Limited (formerly known as Axis-Shield Plc)

### Notes to the financial statements for the year ended 31 December 2013 (continued)

#### 2. Operating activities

Turnover represents amounts invoiced to subsidiaries for the provision of management and other services.

	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
<b>Operating expenses</b>		
Research and development	353	370
Sales and marketing costs	-	48
Administrative and general overheads	111	694
Write off EBT loan receivable	687	-
	<u>1,151</u>	<u>1,112</u>

During the year the full amount of the loan receivable from the Employee Benefit Trust (EBT) was written off. The loan was made in 2011 to allow the EBT to subscribe for shares in the Company for the benefit of Group employees. The shares were issued and subsequently transferred to the employees. Following the Company's acquisition by Alere Inc the EBT was wound up. It had insufficient net assets to settle its liability to the Company.

#### 3. Income from shares in group undertakings

	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
Dividend received	5,810	-
	<u>5,810</u>	<u>-</u>

On 20 December 2013 the Company received an interim dividend of £5,810,000 from its subsidiary, Axis-Shield Diagnostic Limited. The dividend amount was set off against the debt due from that company.

#### 4. Interest receivable and interest payable

	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
<b>Interest receivable and similar income</b>		
Interest income from bank accounts	39	16
Intercompany interest receivable	231	257
	<u>270</u>	<u>273</u>
 <b>Interest payable and similar charges</b>		
Interest payable from bank accounts	40	70
Intercompany interest payable	396	202
	<u>436</u>	<u>272</u>

# Axis-Shield Limited (formerly known as Axis-Shield Plc)

## Notes to the financial statements for the year ended 31 December 2013 (continued)

### 5. Profit/(loss) on ordinary activities before taxation

2013 £'000	2012 £'000
---------------	---------------

The profit/(loss) on ordinary activities before taxation is stated after charging:

Auditors' remuneration

- Audit services

6

5

### 6. Tax on profit/(loss) on ordinary activities

2013 £'000	2012 £'000
---------------	---------------

Total tax credit

(420)

(240)

### Corporation tax reconciliation

The tax assessed for the year is lower (2012: lower) than the standard rate of corporation tax in the UK 23.25% (2012: 24%).

Profit/(loss) on ordinary activities before tax

4,846

(741)

Corporation tax charge at 23.25% (2012: 24%) being the UK standard tax rate

1,127

(182)

Expenses not deductible for tax purposes

168

-

Permanent disallowables and income not subject to tax

(1,351)

15

Movement in short term timing differences

87

(99)

Adjustment in respect of prior years

(391)

26

Utilisation of tax losses

(60)

-

Current tax credit for the year

(420)

(240)

During the year, the standard rate of corporation tax in the UK changed from 24% to 23% with effect from 1 April 2013. Accordingly, the company's profits for this year are charged at an effective rate of 23.25%. The UK Government announced in March 2012 that it intended to reduce the main rate of UK corporation tax from 25% to 23% and Finance Act 2012, which was substantively enacted on 17 July 2012, included provisions to reduce the rate of corporation tax to 23% with effect from 1 April 2013.

The Finance Act 2013 included further legislation reducing the main rate of UK corporation tax from 23% to 21% from 1 April 2014 and 21% to 20% from 1 April 2015. As these tax rate reductions have been substantially enacted at the balance sheet date, they are included in these financial statements.

## Axis-Shield Limited (formerly known as Axis-Shield Plc)

### Notes to the financial statements for the year ended 31 December 2013 (continued)

#### 7. Directors and employees

##### Staff costs (including director's remuneration)

During the year the company had a monthly average of 1 employee who was also Director (2012: 1).

By activity	2013 £'000	2012 £'000
Research and development	351	498
	<u>351</u>	<u>498</u>

The aggregate remuneration comprised:	2013 £'000	2012 £'000
Wages and salaries	220	229
Bonuses	23	161
Social security costs	42	40
Other pension costs	66	68
	<u>351</u>	<u>498</u>

##### Director's remuneration

Aggregate director's remuneration comprised:	2013 £'000	2012 £'000
Wages and salaries	220	229
Bonuses	23	161
Social security costs	42	40
Other pension costs	66	68
	<u>351</u>	<u>498</u>

The highest paid director was Erling Sundrehagen, whose total remuneration was £351,000 (2012 was Erling Sundrehagen: £498,000).

#### 8. Deferred tax

The following potential deferred tax assets have not been recognised:

	2013 £'000	2012 £'000
Tax losses carried forward	1,653	2,146
	<u>1,653</u>	<u>2,146</u>

The unrecognised losses would only be recoverable in the event that the company resumed the trade of certain discontinued businesses, which the directors consider to be very unlikely.



# Axis-Shield Limited (formerly known as Axis-Shield Plc)

## Notes to the financial statements for the year ended 31 December 2013 (continued)

### 9. Fixed asset investments

	<b>2013</b> <b>£'000</b>	<b>2012</b> <b>£'000</b>
<b>Cost</b>		
Investments in subsidiary undertakings	64,730	64,730
As at 31 December	<u>64,730</u>	<u>64,730</u>

Details of the significant investments in subsidiaries are given below.

	<b>Proportion of nominal value shares held by the Company</b>	<b>Country of incorporation</b>	<b>Activity</b>
Axis-Shield Diagnostics Limited - Ordinary Shares of 9p	100%	UK	Laboratory diagnostics tests
Axis-Shield Laboratory Products Limited - Ordinary Shares of £1	100%	UK	Intellectual property licencing
Axis-Shield ASA - Ordinary Shares of 0.5 NOK	100%	Norway	Holding company
Axis- Shield PoC AS	100% (indirectly)	Norway	Point of Care diagnostics tests
Alere AS (Norway)	100% (indirectly)	Norway	Distribution of medical supplier

The directors believe that the carrying value of the investments is supported by the underlying net assets.

### 10. Debtors

	<b>2013</b> <b>£'000</b>	<b>2012</b> <b>£'000</b>
<b>Amounts falling due within one year:</b>		
Prepaid expenses	-	24
Group relief receivable	295	266
Interest rate swap contract	23	47
Amounts owed by group companies (short term)	<u>62,128</u>	<u>-</u>
	<u>62,446</u>	<u>337</u>
 Amounts owed by group companies (long term)	 <u>13,737</u>	 <u>15,385</u>

The Interest receivable in the profit and loss account relates to the loan note with ASA. Interest is at Base + 2%.

# Axis-Shield Limited (formerly known as Axis-Shield Plc)

## Notes to the financial statements for the year ended 31 December 2013 (continued)

### 11. Creditors

	2013 £'000	2012 £'000
<b>Amounts falling due within one year:</b>		
Bank overdraft and borrowings	1,208	5,013
Amounts owed to group undertakings	132,243	5,024
Accruals and deferred income	4	499
<b>Total</b>	<b>133,455</b>	<b>10,536</b>
<b>Amounts falling due after more than one year</b>		
Bank borrowings EURIBOR 0.75% (note 12)	1,207	3,691
Amounts owed to group undertakings	-	7,805
	<b>1,207</b>	<b>11,496</b>

The following interest rates are applicable to amounts due to group undertakings due within one year:

Relevant entity	Principal amount	Interest	Interest rate
Alere Holdings	£60,429,702	£32,763.27	1.65%
Alere Switzerland	£61,913,119	£96,610.23	5%
Axis Shield Diagnostics	£4,876,544	£266,792.00	2%
Alere UK Holdings	£5,023,586	Interest free	-

Bank borrowings are repaid quarterly until December 2015 at an interest rate of base plus 0.2429%.

### 12. Bank borrowings

	2013 £'000	2012 £'000
Unsecure bank loans	-	5,013
Secure bank loans	2,415	3,691
	<b>2,415</b>	<b>8,704</b>
<b>Maturity of financial liabilities</b>		
In one year or less, or on demand	1,208	5,013
In more than one year, but not more than two years	1,207	2,460
Between two and three years	-	1,231
	<b>2,415</b>	<b>8,704</b>

## Axis-Shield Limited (formerly known as Axis-Shield Plc)

### Notes to the financial statements for the year ended 31 December 2013 (continued)

#### 13. Share capital and reserves

	Called up Share capital £'000	Share premium £'000	Capital redemp- tion reserve £'000	Merger reserve £'000	Profit and Loss Account £'000	Shareholders' Funds £'000
At 1 January 2013	18,487	53,726	244	4,005	(4,057)	72,405
Profit for the year	-	-	-	-	5,266	5,266
Dividends paid	-	-	-	-	(60,397)	(60,397)
Capital reduction	(18,486)	(53,726)	(244)	-	72,457	1
At 31 December 2013	1	-	-	4,005	13,269	17,275

On 20 December 2013 the Company undertook a capital reduction by which it cancelled the entire amounts of its share premium account and capital redemption reserve, and 52,819,187 of its ordinary shares of £0.35 each. The distributable reserves created by the capital reduction, along with interim profits in the year, were used to pay an interim dividend of £60,397,000.

On the 20 December 2013, an interim dividend of 12.58p per share was declared.

#### Capital redemption reserve

This reserve related to share buy backs of the Company's equity.

#### Merger reserve

This reserve arose on the merger of Shield Diagnostics Group Ltd and Axis Biochemicals ASA on 27 May 1999. The merger was effected by way of offers made by Shield Diagnostics Group Ltd for the whole of the share capital of Axis Biochemical ASA and the merger was accounted for using the merger accounting principles allowed under Financial Reporting Standard 6, 'Acquisitions and Mergers'. On merger a reserve resulted from the difference between the aggregate of the nominal value of the acquired share capital together with the share premium and the nominal value of the shares issued plus cash consideration paid to the shareholders of Axis Biochemicals ASA.

#### 14. Related Party Transactions

The company has taken advantage where available of the exemption within FRS 8 from disclosing transactions and balances with both its parent company and fellow wholly owned subsidiaries.

#### 15. Consolidation

The company is a wholly-owned subsidiary of Alere AS Holdings Limited and is included in the consolidated financial statements of Alere Inc., which are publicly available. Consequently the company has taken advantage of the exemption from preparing consolidated statements under the terms of section 401 of the Companies Act, 2006.

**Axis-Shield Limited (formerly known as Axis-Shield Plc)**

**Notes to the financial statements for the year ended 31 December 2013  
(continued)**

**16. Ultimate parent undertaking and controlling party**

The company's immediate controlling party is Alere AS Holdings Limited, a company incorporated in the United Kingdom. The ultimate parent company and ultimate controlling party is Alere Inc, a company incorporated in the United States, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. The address at which copies of the ultimate parent company's consolidated financial statements can be obtained is: Suite 200, 51 Sawyer Road, Waltham, MA, 02453, United States.