

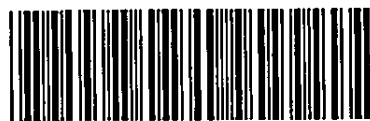
Company Registration No: SC290425

Roslin Cells Limited (limited by guarantee)

Report and Financial Statements

For the year ended 31 March 2012

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31/10/2012

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COMPANIES HOUSE

Directors

M Bateman

M Turner

A Courtney

P De Sousa

C Ffrench-Constant

W Nicholson (appointed 23 July 2012)

M Capaldi (appointed 23 July 2012)

Secretary

WJM Secretaries Limited

Auditors

Johnston Carmichael LLP

7-11 Melville Street

Edinburgh

EH3 7PE

Registered Office

C/o Roslin Foundation

Roslin BioCentre

Roslin

Edinburgh

Midlothian EH25 9PP

Report of the Directors

The directors present their report with the financial statements of the company for the year ended 31 March 2012.

Principal activity and review of the business

The company undertakes scientific research for the development of new stem cell technologies with the intention of applying those technologies in the development of regenerative medicines.

During the year the company continued to develop new techniques for the production of new stem cell lines to be used as research tools and for future use in clinical application. The company continues to operate to ISO9001:2008 and be licensed by the Human Tissue Authority for processing of tissue for human application

The company is also providing collaborative support and supplies cells to academic and commercial researchers working with stem cells.

During the year the company moved to the Scottish Centre for Regenerative Medicine where it will operate new clean room facilities for cell therapy translation and manufacture.

Directors

The directors who served the company during the year were as follows:

M. Bateman

M. Turner

A. Courtney (appointed May 2011)

P. De Sousa (appointed May 2011)

C. French-Constant (appointed May 2011)

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

Going concern

In line with FRC guidance on Going Concern issued in November 2009, the Directors have undertaken an exercise to review the appropriateness of the continued use of the Going Concern basis.

The company's business activities are described above. The company has sufficient cash to cover its overheads for the next twelve months.

After making suitable enquires, the Directors have a reasonable expectation that the Company has adequate resources to remain in operation for the foreseeable future and have therefore continued to adopt the going concern basis of accounting in preparing the annual financial statements.

Auditors

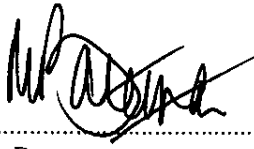
A resolution to reappoint Johnston Carmichael LLP as auditors will be put to the members at the Annual General Meeting.

Report of the Directors

Small company exemptions

This report has been prepared in accordance with the special provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

By order of the Board



.....
M. Bateman

Director

[DATE]

17.10.2012

Statement of directors' responsibilities

The Directors are responsible for preparing the Report of the Directors 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 judgements and accounting estimates that are reasonable and prudent;
- 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.

Independent auditors' report

to the members of Roslin Cells Limited

We have audited the financial statements of Roslin Cells Limited for the year ended 31 March 2012 set out on pages 7 to 12. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditors' 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 auditors

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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 March 2012 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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.

Independent auditors' report

to the members of Roslin Cells Limited

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report.

Johnston Carmichael LLP

David Holmes (Senior Statutory Auditor)
for and on behalf of Johnston Carmichael LLP

30 October 2012

Chartered Accountants
Statutory Auditor

7 - 11 Melville Street
Edinburgh
EH3 7PE

Profit and loss account

for the year ended 31 March 2012

	Notes	2012 £	2011 £
Turnover		1,280,105	1,294,971
Cost of sales		655,790	202,532
Gross profit		624,315	1,092,439
Administrative expenses		624,315	1,092,439
Operating profit/(loss)	2	–	–
Interest receivable and similar income		–	–
Profit on ordinary activities before taxation		–	–
Tax	4	–	–
Profit for the financial year		–	–

All operations are continuing.

Statement of total recognised gains and losses

for the year ended 31 March 2012


The company has no recognised gains or losses for the current year or previous year.

Balance sheet

at 31 March 2012

	Notes	2012 £	2011 £
Fixed assets			
Tangible assets	5	94,808	105,606
Current assets			
Debtors	6	323,431	380,615
Cash at bank and in hand		154,070	138,083
		477,501	518,698
Creditors: amounts falling due within one year	7	96,865	137,272
Net current assets		380,636	381,426
Total assets less current liabilities		475,444	487,032
Deferred income	8	476,027	487,615
Net liabilities		(583)	(583)
Capital and reserves			
Profit and loss account	10	(583)	(583)
Shareholders' funds	11	(583)	(583)

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).



M. Bateman

Director

[DATE] 17.10.2012

Company Registration No: SC290425

Notes to the financial statements

at 31 March 2012

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Going concern

The company has secured grant funding which will secure its operations for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis.

Turnover

Turnover represents grants received and sales income.

Revenue grants are treated as deferred income and are credited to the profit and loss account so as to match them with the expenditure towards which they are intended to contribute.

Grants in respect of fixed asset additions are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

Sales are credited directly to the Profit & Loss account, as is the expenditure incurred related to these sales.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	--	over 3 years
Plant and machinery	--	over 3-5 years

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Operating leases

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

2. Operating profit/(loss)

This is stated after charging/(crediting):

	2012	2011
	£	£
Auditors' remuneration	2,800	1,650
Depreciation of owned fixed assets	49,865	52,084
Operating lease rentals – plant and machinery	6,116	8,745
Revenue grants	(1,166,035)	(1,186,451)
Property rent	42,733	75,756
Company contributions paid to defined contribution pension schemes	43,985	45,056
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Notes to the financial statements

at 31 March 2012

3. Directors' remuneration

	2012 £	2011 £
Remuneration	52,740	–

4. Tax

Tax on profit on ordinary activities

The tax charge is made up as follows:

	2012 £	2011 £
<i>Current tax:</i>		
UK corporation tax on the profit for the year	–	–
Tax on profit on ordinary activities	–	–

The Company has tax losses available for carry forward of £19,397.

5. Tangible fixed assets

	<i>Property Improvement</i> £	<i>Plant and machinery</i> £	<i>Totals</i> £
Cost:			
At 1 April 2011	30,928	241,184	272,112
Additions	–	39,067	39,067
At 31 March 2012	30,928	280,251	311,179
Depreciation:			
At 1 April 2011	30,928	135,578	166,506
Charge for the year	–	49,865	49,865
At 31 March 2012	30,928	185,443	216,371
Net book value:			
At 31 March 2012	–	94,808	94,808
At 1 April 2011	–	105,606	105,606

Notes to the financial statements

at 31 March 2012

6. Debtors

	2012	2011
	£	£
Trade debtors	29,532	25,965
Amounts owed by group undertakings	185,262	172,119
Other debtors	108,637	182,531
	<u>323,431</u>	<u>380,615</u>

7. Creditors: amounts falling due within one year

	2012	2011
	£	£
Trade creditors	35,717	67,232
Amounts owed to group undertakings	353	310
Taxation and social security	18,687	19,511
Other creditors	42,108	50,219
	<u>96,865</u>	<u>137,272</u>

8. Accruals and deferred income

	2012	2011
	£	£
Deferred government grants - revenue	340,167	302,746
Other deferred grant- revenue	103,113	73,395
Deferred grant – capital	32,747	11,474
Deferred grant – Roslin Foundation	–	100,000
	<u>476,027</u>	<u>487,615</u>

9. Secured debts

A floating charge over all the company's assets has been granted to Scottish Enterprise.

10. Movements on reserves

	<i>Profit and loss account</i>
	£
At 1 April 2011	(583)
Profit for the year	–
At 31 March 2012	<u>(583)</u>

The company is limited by guarantee and does not have any authorised share capital.

Notes to the financial statements

at 31 March 2012

11. Reconciliation of shareholders funds

	2012 £	2011 £
Profit for the financial year	-	-
Opening shareholders funds	(583)	(583)
Closing shareholders funds	<u>(583)</u>	<u>(583)</u>

12. Other financial commitments

The following operating lease payments are committed to be paid within one year:

	2012 £	Property 2011 £
Operating leases which expire: Within one year	-	37,878

13. Control

The Company is jointly controlled by its 2 members, Roslin Foundation and University of Edinburgh.

14. Related party transactions

The company provides services to and receives services from Roslin Cellab Limited, a company which M Bateman is also a Director of. At the year end, there was an amount of £15,248 due by Roslin Cellab Limited in respect of these services. Sales to and purchases from Roslin Cellab for the year were £45,350 and £27,538 respectively.

Roslin Foundation has made grant claims on behalf of Roslin Cells Limited and at 31st March 2012 an amount of £177,304 was due to Roslin Cells Limited by Roslin Foundation in respect of these.

The company shares the cost of certain group-wide expenditure with Roslin Foundation and Roslin BioCentre Limited and at 31st March 2012 there were amounts of £7,290 and £44 due to each of them respectively. At 31st March 2012, there were no amounts due to Roslin Cells by either Roslin BioCentre or Roslin Foundation. Sales to and purchases from Roslin Foundation for the year are £5,475 and £10,535 respectively. Sales to and purchases from Roslin BioCentre for the year are £nil and £3,613 respectively.

At 31st March 2012, £309 was due to be paid to Forest Friends Nursery, a division of Roslin BioCentre Ltd, in respect of employee's childcare costs (2011 – £310). Purchases of £3,968 were made from Forest Friends Nursery, a division of Roslin BioCentre Ltd.