

Alpha Laboratories Limited

Registered No: 1215816

Alpha Laboratories Limited

Report and Abbreviated Accounts

30 September 2008

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COMPANIES HOUSE

Alpha Laboratories Limited

Registered No: 1215816

Directors

Mr D Giles
Mrs A M Giles
Mr N S Giles

Secretary

Mrs A M Giles

Auditors

Ernst & Young LLP
Wessex House
19 Threefield Lane
Southampton
SO14 3QB

Bankers

Barclays Bank plc
Level 27
1 Churchill Place
London
E14 5HP

Registered office

40 Parham Drive
Eastleigh
Hampshire
SO50 4NU

Directors' report

The directors present their report and financial statements for the year ended 30 September 2008.

Results and dividends

The profit for the year, after taxation, amounted to £157,712. The directors recommend an ordinary dividend of £3.00 per ordinary share amounting to £66,000.

Principal activities and review of the business

The principal activity of the company during the year continued to be the distribution of equipment, reagents and disposable plastics for laboratories.

During the year the company purchased the freehold of its premises.

Financial risk management

As a result of normal company operations there are a variety of financial risks to which the company could be exposed. To control the possible effects of such risks, the board of directors constantly monitor the situation relying on the controls and policies that are implemented by the company's finance department.

Credit risk

The company deals mainly with numerous quasi-government organisations so it has limited exposure to credit risk.

Liquidity risk

The company retains sufficient cash to ensure it has adequate funds available for operations.

Interest rate risk

The company earns interest at a floating rate on cash balances. The company has a mortgage of £1,358,312 secured on its freehold premises. The interest rate is fixed. The company does not have any short term debt and therefore the directors do not consider the company to have any exposure to interest rate risks on liabilities.

Foreign exchange risk

The company has transactional currency exposures chiefly in U.S. dollars. It uses forward currency contracts to alleviate the currency exposure. At 30 September 2008 the company's forward contracts, amounting to \$2.24 million, have an average exchange rate of £=1.93. The fair value of these contracts is disclosed in note 18.

Directors

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

Mr D Giles
Mrs A M Giles
Mr N S Giles

Mr D Giles retires by rotation under article 89 and being eligible, offers himself for re-election.

Directors' report

Directors' statement as to disclosure of information to 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 group's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Directors' liabilities

The company has indemnified one or more directors of Alpha Laboratories Limited against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 1985. Such qualifying third party indemnity provision was in force during the year and remains in force as at the date of approving the directors' report.

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

The director's report has been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small entities.

By order of the board



Mrs A M Giles
Secretary

13 May 2009

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and United Kingdom Generally Accepted Accounting Practice.

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). The financial statements are required by law to 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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 Alpha Laboratories Limited

We have examined the company's abbreviated accounts for the year ended 30 September 2008 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, the Statement of Total Recognised Gains and Losses and the related notes 1 to 18, which have been prepared in accordance with applicable United Kingdom law, together with the company's financial statements for the year ended 30 September 2008 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company in accordance with Section 247B of the Companies Act 1985. 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

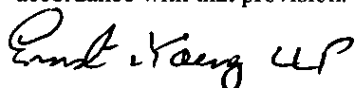
The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.



Ernst & Young LLP
Registered Auditor
Southampton

14 May 2009

Abbreviated Profit and loss account

for the year ended 30 September 2008

	Notes	2008 £	2007 £
Gross profit		2,484,717	2,478,052
Administrative expenses		2,227,019	2,313,104
Operating profit	2	257,698	164,948
Bank interest receivable	5	16,709	21,706
Interest payable and similar charges	6	(43,463)	-
		(26,754)	21,706
Profit on ordinary activities before taxation		230,944	186,654
Tax on profit on ordinary activities	7	73,231	43,178
Profit for the financial year transferred to reserves		157,713	143,476

All amounts relate to continuing operations.

Statement of total recognised gains and losses

There are no recognised gains or losses other than the profit of £157,713 attributable to the shareholders for the year ended 30 September 2008 (2007 - profit of £143,476).

Abbreviated Balance sheet

at 30 September 2008

	Notes	2008 £	2007 £
Fixed assets			
Tangible assets	8	1,963,430	253,213
Current assets			
Stocks	9	1,019,782	949,441
Debtors	10	974,415	895,100
Cash at bank		380,497	691,026
		2,374,694	2,535,567
Creditors: amounts falling due within one year	11	1,042,888	985,223
Net current assets		1,331,806	1,550,344
Total assets less current liabilities		3,295,236	1,803,557
Creditors: amounts falling due after more than one year	12	1,333,964	-
Net Assets		1,961,272	1,803,557
Capital and reserves			
Called up share capital	14	22,000	22,000
Share premium account	15	28,966	28,966
Other reserves	15	3,000	3,000
Profit and loss account	15	1,907,304	1,749,591
Equity shareholders' funds	15	1,961,270	1,803,557



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Mr D Giles
Director

13 May 2009

Statement of cash flows

for the year ended 30 September 2008

	Notes	2008 £	2007 £
Net cash inflow from operating activities	16(a)	219,641	208,328
Returns on investments and servicing of finance	16(b)	(26,754)	21,706
Taxation	16(c)	(44,818)	(27,068)
Capital expenditure	16(d)	(1,816,910)	(162,989)
Financing	16(e)	1,358,312	-
Increase/(Decrease) in cash		<u>(310,529)</u>	<u>39,977</u>

Reconciliation of net cash flow to movement in net funds

		2008 £	2007 £
(Decrease)/ Increase in cash		(310,529)	39,977
Cash inflow from increase in bank loan		(1,370,200)	-
Cash outflow from decrease in bank loan		11,888	-
Movement in net funds	16(f)	<u>(1,668,841)</u>	<u>39,977</u>
Net funds at 1 October	16(f)	<u>691,026</u>	<u>651,049</u>
Net funds at 30 September	16(f)	<u>(977,815)</u>	<u>691,026</u>

Notes to the financial statements

at 30 September 2008

1. Accounting policies

Basis of preparation

The financial statements were approved for issue by the Board of Directors on the date stated on the balance sheet.

The financial statements are prepared under the historical cost convention.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life, as follows:

Premises	- Over 50 years
Motor vehicles	- Over 4 years
Equipment	- Over 2 to 5 years

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition, as follows:

Laboratory equipment, reagents and plastic disposables - purchase cost on a first-in, first-out basis.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Deferred taxation

Deferred tax 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 a right to pay less or to receive more, tax, with the following exceptions:

- 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.

Foreign currencies

Transactions in foreign currency are recorded at the rate ruling at the date of transaction or at the contracted rate where forward contracts are used.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account.

Operating lease agreements

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Notes to the financial statements

at 30 September 2008

2. Operating profit

This is stated after charging/(crediting):

	2008 £	2007 £
Auditors' remuneration - audit of the financial statements	15,000	15,000
- other fees: taxation services	5,000	3,000
Depreciation of owned fixed assets	107,243	86,836
Profit on disposal of fixed assets	(550)	(3,500)
Operating lease rentals - land and buildings	51,001	96,707
- plant and machinery	106,620	111,608
Foreign exchange gains	(28,517)	(95,583)

3. Staff costs

	2008 £	2007 £
Wages and salaries	1,709,649	1,716,495
Social security costs	200,103	178,814
Other pension costs	44,000	63,000
	<u>1,953,752</u>	<u>1,958,309</u>

The monthly average number of employees during the year was as follows:

	2008 No.	2007 No.
Distribution staff	36	37
Administrative staff	7	7
Management staff	6	5
	<u>49</u>	<u>49</u>

4. Directors' emoluments

	2008 £	2007 £
Emoluments	<u>188,104</u>	<u>178,630</u>
Value of company pension contributions to money purchase schemes	<u>44,000</u>	<u>63,000</u>
	2008 No.	2007 No.
Members of money purchase pension schemes	<u>1</u>	<u>1</u>

Notes to the financial statements

at 30 September 2008

5. Interest receivable

	2008 £	2007 £
Bank interest receivable	<u>16,709</u>	<u>21,706</u>

6. Interest payable and similar charges

	2008 £	2007 £
Interest on other loans	<u>43,463</u>	<u>-</u>

7. Taxation on ordinary activities

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2008 £	2007 £
<i>Current tax:</i>		
UK corporation tax	70,736	42,323
Tax underprovided in previous years	2,495	855
Total current tax (note 8(b))	<u>73,231</u>	<u>43,178</u>

(b) Factors affecting current tax charge

The differences are reconciled below:

	2008 £	2007 £
Profit on ordinary activities before tax	<u>230,944</u>	<u>186,654</u>
Profit on ordinary activities multiplied by standard rate of corporation tax for the UK of 20.5%	47,343	35,464
Expenses not deductible for tax purposes	15,812	6,921
Capital allowances in excess of depreciation	7,581	(929)
Other timing differences	-	-
Change in rate of corporation tax	-	867
Adjustments to tax in respect of prior years	2,495	855
Total current tax (note 8(a))	<u>73,231</u>	<u>43,178</u>

(c) Deferred tax

The deferred taxation asset not recognised in the financial statements is as follows:

	2008 £	2007 £
Depreciation in advance of capital allowances	<u>15,637</u>	<u>14,175</u>

The deferred tax asset has not been recognised due to the uncertainty of recovery in the foreseeable future.

Notes to the abbreviated accounts

at 30 September 2008

8. Tangible fixed assets

	<i>Premises and improvements</i>	<i>Motor vehicles</i>	<i>Equipment</i>	<i>Total</i>
	£	£	£	£
Cost:				
At 1 October 2007	75,896	168,673	694,373	938,942
Additions	1,768,000	-	50,910	1,818,910
Disposals	-	(11,600)	-	(11,600)
At 30 September 2008	<u>1,843,896</u>	<u>157,073</u>	<u>745,283</u>	<u>2,746,252</u>
Depreciation:				
At 1 October 2007	631	62,419	622,679	685,729
Provided during the year	18,520	42,168	46,555	107,243
Disposals	-	(10,150)	-	(10,150)
At 30 September 2008	<u>19,151</u>	<u>94,437</u>	<u>669,234</u>	<u>782,822</u>
Net book value:				
At 30 September 2008	<u>1,824,745</u>	<u>62,636</u>	<u>76,049</u>	<u>1,963,430</u>
At 1 October 2007	<u>75,265</u>	<u>106,254</u>	<u>71,694</u>	<u>253,213</u>

9. Stocks

	2008	2007
	£	£
Laboratory equipment, reagents and plastics	<u>1,019,782</u>	<u>949,441</u>

10. Debtors

	2008	2007
	£	£
Trade debtors	856,782	827,133
Other debtors	68,049	4,963
Prepayments and accrued income	49,584	63,004
	<u>974,415</u>	<u>895,100</u>

11. Creditors: amounts falling due within one year

	2008	2007
	£	£
Instalment due on loan capital	24,348	-
Trade creditors	652,666	599,042
Corporation tax	70,736	42,323
Other taxation	120,515	158,380
Other creditors	100,248	42,583
Accruals and deferred income	74,375	142,895
	<u>1,042,888</u>	<u>985,223</u>

Notes to the abbreviated accounts

at 30 September 2008

12. Creditors: amounts falling due after more than one year

	2008 £	2007 £
Mortgage on Premises:		
In two to five years	97,392	-
In over five years	1,236,572	-
	<u>1,333,964</u>	<u>-</u>

Repayment terms for the loan are 25 years from first drawdown. Interest is calculated on a Base Rate Basis: at a rate equal to the aggregate of the Bank's margin and the base rate. The mortgage is secured on the Company's freehold premises.

13. Commitments under operating leases

At 30 September 2008 the company had annual commitments under non-cancellable operating leases as set out below:

	2008		2007	
	<i>Land and buildings</i> £	<i>Other</i> £	<i>Land and buildings</i> £	<i>Other</i> £
Operating leases which expire:				
Within one year	-	7,210	-	8,663
In two to five years	-	110,265	-	75,871
In over five years	-	-	100,785	-
		<u>117,475</u>	<u>100,785</u>	<u>84,534</u>

14. Share capital

	2008 £		<i>Authorised</i> 2007 £	
Ordinary shares of £1 each		50,000		50,000
		<i>Allotted, called up and fully paid</i>		
	<i>No.</i>	<i>2008</i> £	<i>No.</i>	<i>2007</i> £
Ordinary shares of £1 each	22,000	<u>22,000</u>	22,000	<u>22,000</u>

Notes to the abbreviated accounts

at 30 September 2008

15. Reconciliation of shareholders' funds and movement on reserves

	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total share- holders' funds £
At 1 October 2006	22,000	28,966	3,000	1,606,115	1,660,081
Profit for the year	-	-	-	143,476	143,476
At 30 September 2007	22,000	28,966	3,000	1,749,591	1,803,557
Profit for the year	-	-	-	157,713	157,713
At 30 September 2008	22,000	28,966	3,000	1,907,304	1,961,270

16. Notes to the statement of cash flows

(a) Reconciliation of operating profit to net cash inflow from operating activities

	2008 £	2007 £
Operating profit	257,698	164,948
Depreciation	107,243	86,836
Profit on disposal of fixed assets	(550)	(3,500)
Decrease / (increase) in stocks	(70,341)	9,301
Increase in debtors	(79,315)	59,288
Increase in creditors	4,906	(108,545)
Net cash inflow from operating activities	219,641	208,328

(b) Returns on investments and servicing of finance

	2008 £	2007 £
Interest received	16,709	21,706
Interest paid	(43,463)	-
	(26,754)	21,706

(c) Taxation

	2008 £	2007 £
Corporation tax paid	(44,818)	(27,068)

Notes to the abbreviated accounts

at 30 September 2008

(d) Capital expenditure

	2008 £	2007 £
Payments to acquire tangible fixed assets	(1,818,910)	(226,589)
Receipts from sales of tangible fixed assets	2,000	63,600
	<u>(1,816,910)</u>	<u>(162,989)</u>

(e) Financing

	2008 £	2007 £
New long term loan	1,370,200	-
Repayment of bank loans	(11,888)	-
	<u>1,358,312</u>	<u>-</u>

(f) Analysis of changes in net funds

	At 1 October 2007 £	Cash flows £	At 30 September 2008 £
Cash at bank and in hand	691,026	(310,529)	380,497
Loans	-	(1,358,312)	(1,358,312)
	<u>691,026</u>	<u>(1,668,841)</u>	<u>(977,815)</u>

17. Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £Nil. (2007: £Nil)

18. Derivatives

The Company purchases forward foreign currency contracts to hedge currency exposure on firm future commitments. The fair values of the derivatives held at the balance sheet date, determined by reference to their market values, are as follows:

	2008 £	2007 £
Forward foreign currency contracts	<u>70,044</u>	<u>(44,823)</u>