

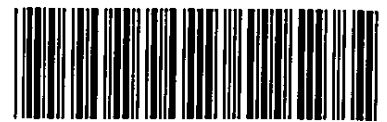
Registered number: 2075749

**BRITISH BIOCELL INTERNATIONAL LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2012**

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**BRITISH BIOCELL INTERNATIONAL LIMITED**

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**BRITISH BIOCELL INTERNATIONAL LIMITED**

**COMPANY INFORMATION**

**DIRECTORS**

L D Rees  
P Christopher (resigned 20 February 2013)  
L Taylor  
J McNamara (appointed 9 January 2013)

**REGISTERED NUMBER**

2075749

**REGISTERED OFFICE**

C/O Berry Smith LLP  
Haywood House  
Dumfries Place  
Cardiff  
CF10 3GA

**INDEPENDENT AUDITORS**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
One Kingsway  
Cardiff  
CF10 3PW

## **BRITISH BIOCELL INTERNATIONAL LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012**

The directors present their annual report and the audited financial statements of British Biocell International Limited ("the company") for the year ended 31 December 2012

#### **PRINCIPAL ACTIVITIES**

British Biocell International Limited is a 100% owned subsidiary of BBI Holdings Limited ("group") and operates as a part of the group's diagnostics division

The company's principal activities are listed below

- The manufacture and supply of gold colloid, conjugates and reagents for use in diagnostic tests
- The provision of contract research and development
- Contract manufacture and supply of diagnostic point of care tests

The company's customer base is diverse, covering the world's leading diagnostic businesses and some less established businesses that leverage the company's expertise in diagnostic test development and manufacture. The company also supplies a wide range of research customers.

#### **BUSINESS REVIEW**

##### **Strategy**

The company's overriding objective is to achieve attractive and sustainable rates of growth and returns through a combination of organic growth, acquisitions and leaner operational facilities.

The key elements to the company's strategy for growth are considered to be as follows:

##### *Continued focus on cost control and improved processes*

In the current market place, it is essential that costs and efficiency are monitored to ensure customer pricing remains competitive. The company is introducing a number of cost saving initiatives across the business and continuing to investigate improving manufacturing processes.

##### *Growing our customer base and maintaining existing customer base*

The company is continuing to investigate growth opportunities in new as well as existing locations, and introducing a range of new product ranges as discussed below.

##### *Introduction of new products*

The R&D/Innovations team are constantly working to identify new products to ensure the company remains innovative in a challenging market place.

##### *Continue integration across the BBI group*

The company continues to integrate policies, procedures and operations across the portfolio of BBI Holdings Limited companies. This will enable the company to consolidate its position within the market place and share knowledge and expertise.

## **BRITISH BIOCELL INTERNATIONAL LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012**

#### **Business Environment**

The commercial environment in which the company functions is highly competitive and highly regulated

Within this competitive environment, the company has differentiated itself from its competitors by establishing itself as the supplier of choice to anyone operating within the lateral flow test market. The following are considered key for the company's success

- Supplying high quality products that are consistent with the expectations and requirements of our customers,
- Being reliable, innovative and technologically advanced,
- Creating a working environment which provides career enhancing opportunities for all employees, and
- Generating returns for stakeholders

#### **Results**

The results for the company show a profit on ordinary activities before taxation of £2,774k (2011 £1,694k) for the year and turnover of £8,289k (2011 £7,851k)

#### **KEY PERFORMANCE INDICATORS (KPI's)**

The company is a subsidiary of BBI Holdings Limited and the group manages its operations on a divisional basis. The company forms part of the group's diagnostics division and as such the directors believe that analysis using KPI's for the company is not necessary or appropriate for an understanding of the development, performance or position of the company. The development, performance and position of the diagnostics division of the group, which includes the company, is discussed in the group's annual report which does not form a part of this report.

#### **FUTURE DEVELOPMENTS**

The external commercial environment is expected to remain highly competitive in 2013, as competitors continue to invest in their product base. The company believes it will maintain its current level of performance in the future and investment in innovations to bring through new products will strengthen the company's position and allow diversification of the current product base and services.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The management of the business and the execution of the company's strategy are subject to a number of risks. Risks are formally reviewed by the board and appropriate processes put in place to monitor and mitigate them. The key business risks affecting the company are set out below.

##### **Competition and product innovation**

The company operates in a competitive market with significant product innovations. The company is subject to competitors in the market place offering new products and services that could render the company's range of products obsolete resulting in rapid loss of market share. To reduce this risk the company works in close communication with its customers to update and review the appropriateness of their products given developments in the market place.

##### **Manufacturing innovation**

Manufacturing technology can advance rapidly and facilities can become outdated affecting efficiency, which can impact cost of sales and profit margins. The company is constantly reviewing its facilities and manufacturing equipment to ensure manufacturing technology is updated as appropriate in order to maintain quality and minimise cost of product for customers.

## **BRITISH BIOCELL INTERNATIONAL LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012**

#### **FINANCIAL RISK MANAGEMENT**

The company's activities expose it to a number of financial risks including price risk, credit risk, interest rate cash flow risk, foreign exchange risk and liquidity risk. The use of financial derivatives is governed by the group policies approved by the Board of Directors, which provide the written principles on the use of financial derivatives to manage these risks. The company does not use derivative financial instruments to manage any of these risks.

##### **Price risk**

The company is exposed to commodity price risk. The company does not manage its exposure to commodity price risk as the costs of managing this exposure exceed any potential benefits.

##### **Credit risk**

The company's financial assets are bank balances and cash, trade and other debtors. The company's credit risk is primarily attributable to its trade debtors which are presented in the balance sheet net of allowances for doubtful debts. Customer credit limits are used to manage credit risk and allowances for doubtful debts are made when specific customer events or circumstances give rise to evidence of a reduction in the recoverable cash flows associated with the debt. The company has no significant concentration of credit risk with exposure spread over a large number of customers.

The credit risk on bank balances is limited because the counterparties are banks with high credit ratings assigned by appropriate credit-rating agencies.

##### **Liquidity risk**

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses a mixture of long term and short term debt finance provided by fellow group companies.

##### **Interest rate cash flow risk**

The company has interest bearing assets. Interest bearing assets include only bank balances which earn interest at a floating rate.

##### **Foreign exchange risk**

The company's activities expose it to financial risks associated with changes in foreign currency exchange rates. The company does not use foreign exchange forward contracts to hedge these exposures for cost benefit reasons but does maximise the matching of foreign currency receipts and payments wherever possible to minimise foreign exchange risk.

#### **DIRECTORS**

The directors of the company who served during the year and up to the date of signing the financial statements were

L D Rees  
P Christopher (resigned 20 February 2013)  
L Taylor  
J McNamara (appointed 9 January 2013)

#### **DIVIDENDS**

The directors do not recommend the payment of a dividend (2011 £Nil)

## **BRITISH BIOCELL INTERNATIONAL LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012**

#### **RESEARCH AND DEVELOPMENT**

The company continues to invest in research and development of platforms, applications and products that will maintain its competitive advantage within the diagnostic market. Investment in research and development is integral to the ongoing success of the business and ensures that our contract research and development customers retain the best service and access to the next generation of quality products. Research and development costs of £110k were incurred during the year (2011 £706k).

#### **DIRECTORS' RESPONSIBILITIES STATEMENT**

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 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.

#### **DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

#### **INDEPENDENT AUDITORS**

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 3 June 2013 and signed on its behalf by

  
**L D Rees**  
Director

## **BRITISH BIOCELL INTERNATIONAL LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITISH BIOCELL INTERNATIONAL LIMITED**

We have audited the financial statements of British Biocell International Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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).

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement 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 International Standards on Auditing (UK and 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.

#### **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 Annual Report and Financial Statements 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 December 2012 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.

#### **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.



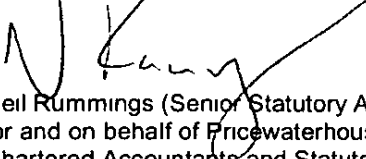
**BRITISH BIOCELL INTERNATIONAL LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITISH BIOCELL INTERNATIONAL 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



Neil Rummings (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Cardiff

3 June 2013

**BRITISH BIOCELL INTERNATIONAL LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2012**

	<b>Note</b>	<b>2012 £000</b>	<b>2011 £000</b>
<b>TURNOVER</b>	<b>2</b>	<b>8,289</b>	<b>7,851</b>
Cost of sales		<u>(4,083)</u>	<u>(4,364)</u>
<b>GROSS PROFIT</b>		<b>4,206</b>	<b>3,487</b>
Administrative expenses		<u>(1,448)</u>	<u>(1,793)</u>
<b>OPERATING PROFIT</b>	<b>3</b>	<b>2,758</b>	<b>1,694</b>
Interest receivable and similar income		<u>16</u>	<u>-</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>2,774</b>	<b>1,694</b>
Tax on profit on ordinary activities	<b>7</b>	<u>(682)</u>	<u>(406)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<b>17</b>	<u><b>2,092</b></u>	<u><b>1,288</b></u>

All amounts relate to continuing operations

There is no material difference between the profit on ordinary activities before taxation and the profit for the years stated above and their historical cost equivalents

There were no recognised gains and losses for 2012 or 2011 other than those included in the Profit and Loss Account above and therefore no separate Statement of Total Recognised Gains and Losses has been presented

The notes on pages 10 to 20 form part of these financial statements

**BRITISH BIOCELL INTERNATIONAL LIMITED**  
**REGISTERED NUMBER 2075749**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2012**

	Note	£000	2012 £000	£000	2011 £000
<b>FIXED ASSETS</b>					
Intangible assets	8		1,017		1,011
Tangible assets	9		1,190		1,207
Investments	10		1,006		-
			<u>3,213</u>		<u>2,218</u>
<b>CURRENT ASSETS</b>					
Stocks	11	538		489	
Debtors amounts falling due after more than one year	12	3,437		3,659	
Debtors amounts falling due within one year	12	3,014		1,608	
Cash at bank and in hand		243		512	
			<u>7,232</u>	<u>6,268</u>	
<b>CREDITORS</b> amounts falling due within one year	13	(689)		(751)	
<b>NET CURRENT ASSETS</b>			<u>6,543</u>		<u>5,517</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>9,756</u>		<u>7,735</u>
<b>CREDITORS</b> amounts falling due after more than one year	14		(1,973)		(2,044)
<b>NET ASSETS</b>			<u>7,783</u>		<u>5,691</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	16		-		-
Profit and loss account	17		7,783		5,691
<b>TOTAL SHAREHOLDERS' FUNDS</b>	18		<u>7,783</u>		<u>5,691</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 3 June 2013 by

  
**L D Rees**  
 Director

The notes on pages 10 to 20 form part of these financial statements

## BRITISH BIOCELL INTERNATIONAL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of preparation of financial statements

These financial statements are prepared on a going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

##### 1.2 Consolidation

The company is a wholly-owned subsidiary of BBI Holdings Limited and is included in the consolidated financial statements of BBI Holdings Limited which are publicly available. Consequently, the company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

##### 1.3 Cash flow

The company is a wholly owned subsidiary of BBI Holdings Limited and is included in the consolidated financial statements of BBI Holdings Limited which are publically available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (revised 1996).

##### 1.4 Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes.

Revenue is recognised on despatch of the related goods. Revenue in respect of research and development contracts is recognised as it is earned under the terms of the contract.

##### 1.5 Grants

Grants of a revenue nature are credited to the Profit and Loss Account in line with the related expenditure.

##### 1.6 Intangible fixed assets and amortisation

###### Patents

Patents are included at cost and amortised in equal instalments over a period of 20 years which is its estimated useful economic life. Impairment tests on the carrying value of patents are undertaken if events or changes in circumstances indicate that the carrying value may not be recoverable.

##### 1.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Leasehold improvements	-	20% - 33% straight line
Plant and machinery	-	20% - 33% straight line
Fixtures and fittings	-	20% - 33% straight line

**BRITISH BIOCELL INTERNATIONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

**1. ACCOUNTING POLICIES (continued)**

**1.8 Leased assets**

Operating leases and their annual rentals are charged to the Profit and Loss Account on a straight-line basis over the term of the lease

**1.9 Stocks**

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis and includes transport and handling costs. In the case of manufactured products, cost includes all direct expenditure and production overheads based on normal levels of activities. Net realisable value is based on estimated selling price in the ordinary course of business, less applicable variable selling expenses. Where necessary, provision is made for obsolete or slow moving stock.

**1.10 Current and deferred taxation**

The tax expense comprises current and deferred tax. The current tax charge is calculated on the basis of tax laws enacted or substantively enacted at the Balance Sheet date.

Where tax relief is claimed against losses sustained by other companies in the group, this relief is charged to the company by the donor company at the rate of £1 per every £1 of taxation not paid. Amounts payable for group relief are included in the taxation charge of the company.

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

**1.11 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and Loss Account.

**1.12 Research and development**

Research and development expenditure is charged to the Profit and Loss Account in the year in which it is incurred.

## BRITISH BIOCELL INTERNATIONAL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

#### 1 ACCOUNTING POLICIES (continued)

##### 1.13 Pensions

The company contributes to a defined contribution pension scheme for certain employees. The assets of the defined contribution scheme are held separately from those of the company in independently administered funds.

Contributions to the company's defined contribution pension scheme are charged to the Profit and Loss Account in the year in which they become payable.

##### 1.14 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

#### 2 TURNOVER

The whole of the turnover is attributable to the principal activity of the company.

A geographical analysis of turnover is as follows:

	2012 £000	2011 £000
United Kingdom	559	318
Rest of European Union	3,545	3,872
Rest of World	882	815
North America	3,303	2,846
	<u>8,289</u>	<u>7,851</u>

#### 3 OPERATING PROFIT

The operating profit is stated after charging:

	2012 £000	2011 £000
Amortisation - intangible fixed assets	75	90
Impairment - intangible fixed assets	-	277
Depreciation of tangible fixed assets		
- owned by the company	165	178
Operating lease rentals		
- plant and machinery	12	13
- other operating leases	161	-
Foreign exchange	88	120
Research and development expenditure	110	706
	<u>110</u>	<u>706</u>

**BRITISH BIOCELL INTERNATIONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

**4 AUDITORS' REMUNERATION**

	<b>2012</b>	2011
	<b>£000</b>	£000
Fees payable for the audit	14	13
Fees payable for other services		
Tax compliance	-	8
	<u>          </u>	<u>          </u>

**5 STAFF COSTS**

Staff costs, including directors' remuneration, were as follows

	<b>2012</b>	2011
	<b>£000</b>	£000
Wages and salaries	2,311	2,426
Social security costs	214	236
Other pension costs	56	69
	<u>          </u>	<u>          </u>
	<b>2,581</b>	2,731
	<u>          </u>	<u>          </u>

The average monthly number of employees, including the directors, during the year was as follows

	<b>2012</b>	2011
	<b>Number</b>	Number
Directors	1	1
Sales and distribution	11	11
Development and manufacture	82	85
Administration	9	7
	<u>          </u>	<u>          </u>
	<b>103</b>	104
	<u>          </u>	<u>          </u>

**6. DIRECTORS' REMUNERATION**

	<b>2012</b>	2011
	<b>£000</b>	£000
Aggregate emoluments	71	69
	<u>          </u>	<u>          </u>
Company pension contributions to defined contribution pension schemes	3	3
	<u>          </u>	<u>          </u>

During the year retirement benefits were accruing to 1 director (2011 1) in respect of defined contribution pension schemes

In addition to the above, L Rees and L Taylor are employed by other companies within the BBI Holding Limited group and are remunerated by fellow group companies for their services to the group as a whole. It is not practical to allocate their remuneration for their services as a director between group companies. Details of their remuneration can be found in the financial statements of BBI Holding Limited.

**BRITISH BIOCELL INTERNATIONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

**7. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	<b>2012</b>	2011
	<b>£000</b>	£000
<b>Analysis of tax charge in the year</b>		
<b>Current tax</b>		
UK corporation tax charge on profit for the year	667	420
Adjustments in respect of prior years	(1)	2
<b>Total current tax</b>	<b>666</b>	422
<b>Deferred tax</b>		
Origination and reversal of timing differences	(23)	(16)
Adjustment in respect of prior years	39	-
<b>Total deferred tax (see note 15)</b>	<b>16</b>	(16)
<b>Tax on profit on ordinary activities</b>	<b>682</b>	406

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2011 lower than) the standard rate of corporation tax in the UK of 24.5% (2011 26.5%). The differences are explained below

	<b>2012</b>	2011
	<b>£000</b>	£000
Profit on ordinary activities before tax	2,774	1,694
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24.5% (2011 26.5%)	680	449
<b>Effects of.</b>		
Expenses not deductible for tax purposes	4	4
Depreciation for year in excess of capital allowances	16	17
Adjustments in respect of prior years	(1)	2
Other timing differences leading to an increase (decrease) in taxation	7	-
Research and development credits	(40)	(50)
<b>Current tax charge for the year</b>	<b>666</b>	422

**Factors that may affect future tax charges**

In addition to the changes in rates of corporation tax disclosed above a number of further changes to the UK corporation tax system were announced in the March 2012 UK Budget Statement. A resolution passed by Parliament on 26 March 2012 reduced the main rate of corporation tax to 24% from 1 April 2012. Legislation to reduce the main rate of corporation tax from 24% to 23% from 1 April 2013 was included in the Finance Act 2012. The effect of these changes has been included within these financial statements.

The March 2013 UK Budget Statement proposed further reductions to the main rate to 21% from 1 April 2014 and 20% from 1 April 2015. This had not been substantively enacted at the balance sheet date and, therefore, the effect of, is not included in these financial statements. Accordingly, the deferred tax balance has been calculated using a rate of 23%.



BRITISH BIOCELL INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012

8 INTANGIBLE FIXED ASSETS

	Patents £000
<b>Cost</b>	
At 1 January 2012	1,375
Additions	81
	<hr/>
At 31 December 2012	1,456
	<hr/>
<b>Accumulated amortisation</b>	
At 1 January 2012	364
Charge for the year	75
	<hr/>
At 31 December 2012	439
	<hr/>
<b>Net book value</b>	
At 31 December 2012	1,017
	<hr/> <hr/>
At 31 December 2011	1,011
	<hr/> <hr/>

9 TANGIBLE FIXED ASSETS

	Freehold property £000	Leasehold improvements £000	Plant and machinery £000	Fixtures and fittings £000	Total £000
<b>Cost</b>					
At 1 January 2012	1,150	152	1,179	421	2,902
Additions	-	-	124	24	148
Disposals	-	-	(68)	-	(68)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2012	1,150	152	1,235	445	2,982
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Accumulated depreciation</b>					
At 1 January 2012	285	152	1,001	257	1,695
Charge for the year	15	-	106	44	165
On disposals	-	-	(68)	-	(68)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2012	300	152	1,039	301	1,792
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>					
At 31 December 2012	850	-	196	144	1,190
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2011	865	-	178	164	1,207
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Included in freehold property above is freehold land of £263k (2011 £263k) which is not depreciated

**BRITISH BIOCELL INTERNATIONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

**10. FIXED ASSET INVESTMENTS**

	Investments in subsidiary companies £000	Investment in joint ventures £000	Total £000
<b>Cost</b>			
At 1 January 2012	-	-	-
Additions	974	32	1,006
At 31 December 2012	<u>974</u>	<u>32</u>	<u>1,006</u>
<b>Net book value</b>			
At 31 December 2012	<u>974</u>	<u>32</u>	<u>1,006</u>
At 31 December 2011	<u>-</u>	<u>-</u>	<u>-</u>

Subsidiary undertakings

Name	Country of incorporation or registration	Class of share capital held	Proportion of share capital held	Nature of business
Vision Biotech Limited	Property South Africa	Ordinary	100%	Manufacture and research of reagents

Joint ventures

Name	Country of incorporation	Class of shares	Holding	Principal activity
Novarum DX Limited	United Kingdom	Ordinary	50%	Mobile reader solutions

**11. STOCKS**

	2012 £000	2011 £000
Raw materials	380	305
Work in progress	69	34
Finished goods and goods for resale	89	150
	<u>538</u>	<u>489</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material

**BRITISH BIOCELL INTERNATIONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

**12. DEBTORS**

	<b>2012</b>	2011
	<b>£000</b>	£000
<b>Due after more than one year</b>		
Amounts owed by fellow subsidiaries	<b>3,437</b>	3,659

All amounts owed by fellow subsidiaries are unsecured. There are no formal arrangements in place for the repayment of amounts owed by fellow subsidiaries and interest is not charged on these balances. However, the company has provided confirmation that the amount due will not be called within twelve months from the balance sheet date. Accordingly, the amounts owed by fellow subsidiaries have been classified as debtors due after more than one year.

	<b>2012</b>	2011
	<b>£000</b>	£000
<b>Due within one year</b>		
Trade debtors	<b>1,709</b>	1,412
Amounts owed by group companies	<b>113</b>	75
Other debtors	<b>1,143</b>	86
Prepayments and accrued income	<b>48</b>	18
Deferred tax asset (see note 15)	<b>1</b>	17
	<b>3,014</b>	1,608

Amounts due from group companies are unsecured, interest free and repayable on demand.

**13. CREDITORS**

**Amounts falling due within one year**

	<b>2012</b>	2011
	<b>£000</b>	£000
Trade creditors	<b>139</b>	201
Amounts owed to group companies	<b>3</b>	-
Taxation and social security	<b>94</b>	98
Other creditors	<b>3</b>	1
Accruals and deferred income	<b>450</b>	451
	<b>689</b>	751

Amounts owed to group companies are unsecured, interest free and repayable on demand.

**BRITISH BIOCELL INTERNATIONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

**14 CREDITORS:  
Amounts falling due after more than one year**

	<b>2012</b>	2011
	<b>£000</b>	£000
Amounts owed to fellow subsidiaries	<u>1,973</u>	<u>2,044</u>

All amounts owed to fellow subsidiaries are unsecured. There are no formal arrangements in place for the repayment of amounts owed to fellow subsidiaries and interest is not charged on these balances. However, the fellow subsidiaries of the BBI Holdings Limited Group have provided confirmation that the amounts due will not be called within twelve months from the balance sheet date. Accordingly, the amounts owed to fellow subsidiaries have been classified as creditors due after more than one year.

**15 DEFERRED TAX ASSET**

	<b>2012</b>	2011
	<b>£000</b>	£000
At beginning of year	17	1
Credited during year	23	16
Adjustment in respect of previous years	(39)	-
At end of year	<u>1</u>	<u>17</u>

The deferred tax asset is made up as follows

	<b>2012</b>	2011
	<b>£000</b>	£000
Accelerated capital allowances	(8)	17
Short term timing differences - trading	9	-
	<u>1</u>	<u>17</u>

**16. CALLED UP SHARE CAPITAL**

	<b>2012</b>	2011
	<b>£</b>	£
<b>Allotted, called up and fully paid</b>		
100 (2011 100) Ordinary shares of £1 (2011 £1) each	<u>100</u>	<u>100</u>

**17 RESERVES**

	<b>Profit and loss account £000</b>
At 1 January 2012	5,691
Profit for the financial year	2,092
At 31 December 2012	<u>7,783</u>

**BRITISH BIOCELL INTERNATIONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

**18. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	<b>2012</b>	2011
	<b>£000</b>	£000
Opening shareholders' funds	<b>5,691</b>	4,403
Profit for the financial year	<b>2,092</b>	1,288
	<hr/>	<hr/>
Closing shareholders' funds	<b>7,783</b>	5,691
	<hr/> <hr/>	<hr/> <hr/>

**19 CONTINGENT LIABILITIES**

The company has guaranteed the loan facilities of other group companies. At 31 December 2012, the potential liability was £1,304k (2011 £2,095k). There are no indications that these guarantees will be called upon in the foreseeable future as the group continues to generate cash and service its debt repayments.

**20. PENSION COMMITMENTS**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company, in an independently administered fund. The pension charge amounted to £56k (2011 £69k). There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

**21 OPERATING LEASE COMMITMENTS**

At 31 December 2012 the company had annual commitments under non-cancellable operating leases as follows:

	<b>2012</b>	<b>Other</b>	2011
	<b>£000</b>		£000
<b>Expiry date</b>			
Within 1 year	<b>9</b>		-
Between 2 and 5 years	<b>-</b>		10
After more than 5 years	<b>150</b>		150
	<hr/>		<hr/>
Total	<b>159</b>		160
	<hr/> <hr/>		<hr/> <hr/>

**22. RELATED PARTY TRANSACTIONS**

The company is a wholly owned subsidiary of BBI Holdings Limited and has taken advantage of the exemption conferred by Financial Reporting Standard 8 'Related party disclosures' not to disclose transactions with BBI Holdings Limited or other wholly owned subsidiaries within the group.

**BRITISH BIOCELL INTERNATIONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

**23 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The company is a wholly owned subsidiary of BBI Holdings Limited, which is incorporated in England and Wales. BBI Holdings Limited is ultimately owned and controlled by Alere Inc, a company incorporated in the United States of America and who the directors regard as the ultimate controlling party.

At the balance sheet date, BBI Holdings Limited is the smallest company which prepares consolidated financial statements. Copies of the financial statements of BBI Holdings Limited are available from the Company Secretary at Haywood House, Dumfries Place, Cardiff CF10 3GA.

Alere Inc is the largest company in the group which prepares consolidated financial statements. Copies of the consolidated financial statements can be obtained from Alere Inc, 51 Sawyer Road, Suite 200, Waltham, Massachusetts 02453-3448.