

Company Registration No. 02389004 (England and Wales)

KBIOSYSTEMS LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2021
PAGES FOR FILING WITH REGISTRAR

KBIOSYSTEMS LIMITED

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KBIOSYSTEMS LIMITED

BALANCE SHEET

AS AT 30 NOVEMBER 2021

		2021		2021 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	4		106,293		142,612
Current assets					
Stocks	5	1,089,776		823,274	
Debtors	6	988,186		1,110,188	
Cash at bank and in hand		538,654		1,305,512	
		<u>2,616,616</u>		<u>3,238,974</u>	
Creditors: amounts falling due within one year	7	<u>(954,225)</u>		<u>(1,182,434)</u>	
Net current assets			1,662,391		2,056,540
Total assets less current liabilities			<u>1,768,684</u>		<u>2,199,152</u>
Creditors: amounts falling due after more than one year	8		(9,586)		(21,682)
Provisions for liabilities	9		<u>(223,962)</u>		<u>(130,000)</u>
Net assets			<u>1,535,136</u>		<u>2,047,470</u>
Capital and reserves					
Called up share capital	10		58,000		58,000
Profit and loss reserves			1,477,136		1,989,470
Total equity			<u>1,535,136</u>		<u>2,047,470</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 31 August 2022 and are signed on its behalf by:

Mr M D Biddle
Director

Company Registration No. 02389004

KBIOSYSTEMS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30 NOVEMBER 2021

	Share capital	Profit and loss reserves	Total
Notes	£	£	£
As restated for the period ended 24 February 2021:			
Balance at 1 April 2020	58,000	872,172	930,172
Period ended 24 February 2021:			
Profit and total comprehensive income for the period	-	1,170,624	1,170,624
Dividends	-	(53,326)	(53,326)
	<u>58,000</u>	<u>1,989,470</u>	<u>2,047,470</u>
Balance at 24 February 2021	58,000	1,989,470	2,047,470
Period ended 30 November 2021:			
Profit and total comprehensive income for the period	-	987,666	987,666
Dividends	-	(1,500,000)	(1,500,000)
	<u>58,000</u>	<u>1,477,136</u>	<u>1,535,136</u>
Balance at 30 November 2021	<u><u>58,000</u></u>	<u><u>1,477,136</u></u>	<u><u>1,535,136</u></u>

KBIOSYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 NOVEMBER 2021

1 Accounting policies

Company information

Kbiosystems Limited is a private company limited by shares incorporated in England and Wales. The registered office is 7 Regis Place, Bergen Way, King's Lynn, Norfolk, PE30 2LN.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Kbiosystems Limited is a wholly owned subsidiary of Porvair Plc having been acquired by Porvair Plc Group during the year. The results of Kbiosystems Limited are included in the consolidated financial statements of Porvair Plc which are available from its registered address 7 Regis Place, Bergen Way, Kings Lynn, Norfolk, PE30 2JN.

1.2 Reporting period

Financial statements were prepared for the 9 months period ended 30 November 2021 to align the company's year end with that of the parent company Porvair Plc following its acquisition of the Company during the year. A shorter accounting period for the current period means the current and prior period results are not entirely comparable.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over the term of the lease
Plant and equipment	10% on straight line basis
Motor vehicles	25% on straight line basis

KBIOSYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2021

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

KBIOSYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2021

1 Accounting policies

(Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

KBIOSYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2021

1 Accounting policies

(Continued)

1.11 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. No provision was made in the period in line with company policy.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

KBIOSYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2021

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Warranty provisions

Potential claims under warranty provisions are calculated as 4% of those products under which a warranty has been provided by the company.

3 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

	2021 Number	2021 Number
Total	38	36

4 Tangible fixed assets

	Leasehold improvements £	Plant and equipment £	Motor vehicles £	Total £
Cost				
At 25 February 2021	7,264	670,805	81,967	760,036
Additions	5,745	-	-	5,745
At 30 November 2021	13,009	670,805	81,967	765,781
Depreciation and impairment				
At 25 February 2021	7,264	545,987	64,173	617,424
Depreciation charged in the period	862	34,489	6,713	42,064
At 30 November 2021	8,126	580,476	70,886	659,488
Carrying amount				
At 30 November 2021	4,883	90,329	11,081	106,293
At 24 February 2021	-	124,818	17,794	142,612

KBIOSYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2021

5	Stocks	2021	2021
		£	£
	Stocks	1,089,776	823,274
		<u> </u>	<u> </u>
6	Debtors	2021	2021
	Amounts falling due within one year:	£	£
	Trade debtors	814,574	923,939
	Corporation tax recoverable	37,860	-
	Other debtors	135,752	186,249
		<u> </u>	<u> </u>
		988,186	1,110,188
		<u> </u>	<u> </u>
7	Creditors: amounts falling due within one year	2021	2021
		£	£
	Obligations under finance leases	14,905	10,921
	Trade creditors	582,834	762,560
	Corporation tax	-	196,696
	Other taxation and social security	43,678	50,286
	Other creditors	296,008	148,199
	Accruals and deferred income	16,800	13,772
		<u> </u>	<u> </u>
		954,225	1,182,434
		<u> </u>	<u> </u>
8	Creditors: amounts falling due after more than one year	2021	2021
		£	£
	Obligations under finance leases	9,586	21,682
		<u> </u>	<u> </u>
	Obligations under finance leases are secured against the specific assets to which they relate.		
9	Provisions for liabilities	2021	2021
		£	£
	Warranty provision	200,000	130,000
	Deferred tax liabilities	23,962	-
		<u> </u>	<u> </u>
		223,962	130,000
		<u> </u>	<u> </u>

KBIOSYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2021

9 Provisions for liabilities (Continued)

Movements on provisions apart from deferred tax liabilities:

	Warranty provision £
At 25 February 2021	130,000
Additional provisions in the year	70,000
	<hr/>
At 30 November 2021	200,000
	<hr/> <hr/>

10 Called up share capital

	2021 Number	2021 Number	2021 £	2021 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	58,000	58,000	58,000	58,000
	<hr/>	<hr/>	<hr/>	<hr/>

11 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Adam Hubbard BA(Hons) FCA and the auditor was Azets Audit Services.

12 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2021 £	2021 £
Within one year	82,189	-
Between two and five years	328,757	-
In over five years	8,894	-
	<hr/>	<hr/>
	419,840	-
	<hr/> <hr/>	<hr/> <hr/>

13 Prior period adjustment

Adjustments to equity

The prior period adjustments do not give rise to any effect upon equity.

KBIOSYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2021

13 Prior period adjustment

(Continued)

Notes to adjustments

Warranty provision

A prior period adjustment has been recognised to reclassify warranty provisions amounting to £130,000 from trade creditors to provisions for liabilities as, in the opinion of the directors, this better reflect the commercial reality of such sums.

The adjustment does not give rise to any effect upon equity or profit or loss but has led to an increase in net current assets of £130,000 as at 24th February 2021.

There has been no impact on periods prior to the period ended 24th February 2021.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.