

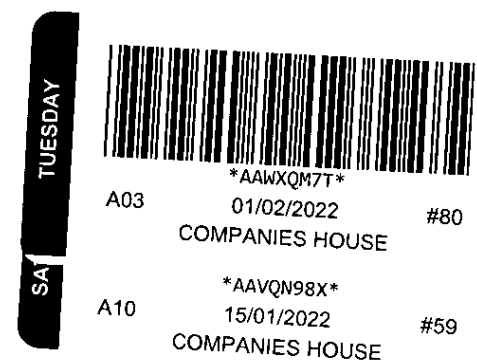
Registered number: 02908151

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## PARAGON SCIENTIFIC LIMITED

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**UNAUDITED**  
**DIRECTORS REPORTS AND FINANCIAL STATEMENTS**  
**INFORMATION FOR FILING WITH THE REGISTRAR**  
**FOR THE PERIOD ENDED 31 MARCH 2021**



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**PARAGON SCIENTIFIC LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	J Morris (resigned 2 March 2021) C D Morris (resigned 2 March 2021) S Butler (resigned 2 March 2021) J Yeung (appointed 2 March 2021) A Ballantyne (appointed 2 March 2021)
<b>Company secretary</b>	T Cavanagh
<b>Registered number</b>	02908151
<b>Registered office</b>	LGC Queens Road Teddington TW11 0LY
<b>Accountants</b>	Grant Thornton UK LLP Chartered Accountants Royal Liver Building Liverpool L3 1PS
<b>Bankers</b>	National Westminster Bank 33 Lord Street Wrexham Clywd LL11 1LP

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**PARAGON SCIENTIFIC LIMITED**

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**Report to the directors on the preparation of the unaudited statutory financial statements of Paragon Scientific Limited for the period ended 31 March 2021**

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We have compiled the accompanying financial statements of Paragon Scientific Limited based on the information you have provided. These financial statements comprise the Statement of Financial Position of Paragon Scientific Limited as at 31 March 2021, the Statement of Changes in Equity for the period then ended, and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), 'Compilation Engagements'.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice). As a member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at [www.icaew.com](http://www.icaew.com).

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

This report is made solely to the Company's directors, as a body, in accordance with the terms of our engagement letter dated 14 September 2021. Our work has been undertaken solely to prepare for your approval the financial statements of the company and state those matters that we have agreed to state to the Company's directors, as a body, in this report in accordance with our engagement letter dated 14 September 2021. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its directors, as a body, for our work or for this report.

*Grant Thornton UK LLP*

**Grant Thornton UK LLP**

Chartered Accountants

Liverpool

Date: 17/12/2021

**PARAGON SCIENTIFIC LIMITED**  
**REGISTERED NUMBER: 02908151**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2021**

		<b>31 March 2021 £</b>	<i>Restated 31 August 2020 £</i>
<b>Fixed assets</b>	<b>Note</b>		
Intangible assets	6	<b>171,021</b>	158,677
Tangible assets	7	<b>575,182</b>	546,721
		<b>746,203</b>	705,398
<b>Current assets</b>			
Stocks	8	<b>553,074</b>	581,336
Debtors: amounts falling due within one year	9	<b>1,465,193</b>	566,938
Cash at bank and in hand		<b>728,651</b>	1,047,526
		<b>2,746,918</b>	2,195,800
Creditors: amounts falling due within one year	10	<b>(351,003)</b>	(317,925)
<b>Net current assets</b>		<b>2,395,915</b>	1,877,875
<b>Total assets less current liabilities</b>		<b>3,142,118</b>	2,583,273
<b>Provisions for liabilities</b>			
Deferred tax	11	<b>-</b>	(48,137)
		<b>-</b>	(48,137)
<b>Net assets</b>		<b>3,142,118</b>	2,535,136
<b>Capital and reserves</b>			
Called up share capital		<b>610</b>	610
Capital redemption reserve		<b>420</b>	420
Profit and loss account		<b>3,141,088</b>	2,534,106
		<b>3,142,118</b>	2,535,136

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**PARAGON SCIENTIFIC LIMITED**  
**REGISTERED NUMBER: 02908151**

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**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 MARCH 2021**

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The directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006 and members have not required the Company to obtain an audit for the period in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

*Andrew Ballantyne*

**A Ballantyne**  
Director

Date: 17/12/2021

The notes on pages 5 to 15 form part of these financial statements.

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**PARAGON SCIENTIFIC LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2021**

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	Called up share capital £	Capital redemption reserve £	Profit and loss account £	Total equity £
<b>At 1 September 2019 (as previously stated)</b>	<b>610</b>	<b>420</b>	<b>1,778,952</b>	<b>1,779,982</b>
Prior year adjustment	-	-	314,649	314,649
	<u>610</u>	<u>420</u>	<u>2,093,601</u>	<u>2,094,631</u>
<b>At 1 September 2019 (as restated)</b>				
<b>Comprehensive income for the year</b>				
Profit for the year (restated)	-	-	964,601	964,601
Dividends: Equity capital	-	-	(524,096)	(524,096)
	<u>-</u>	<u>-</u>	<u>(524,096)</u>	<u>(524,096)</u>
<b>Total transactions with owners</b>	<u>-</u>	<u>-</u>	<u>(524,096)</u>	<u>(524,096)</u>
	<u>610</u>	<u>420</u>	<u>2,534,106</u>	<u>2,535,136</u>
<b>At 1 September 2020 (as restated)</b>				
<b>Comprehensive income for the period</b>				
Profit for the period	-	-	752,982	752,982
Dividends: Equity capital	-	-	(146,000)	(146,000)
	<u>-</u>	<u>-</u>	<u>(146,000)</u>	<u>(146,000)</u>
<b>Total transactions with owners</b>	<u>-</u>	<u>-</u>	<u>(146,000)</u>	<u>(146,000)</u>
	<u>610</u>	<u>420</u>	<u>3,141,088</u>	<u>3,142,118</u>
<b>At 31 March 2021</b>	<u>610</u>	<u>420</u>	<u>3,141,088</u>	<u>3,142,118</u>

The notes on pages 5 to 15 form part of these financial statements.

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**PARAGON SCIENTIFIC LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2021**

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**1. General information**

Paragon Scientific Limited is a private company, limited by shares and registered in England and Wales. Registration number 02908151.  
The registered office is LGC, Queens Road, Teddington, TW11 0LY.

During the period the company shortened its accounting period end date from 31 August 2021 to 31 March 2021.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

**2.2 Going concern**

The company meets its funding requirements through a mixture of retained earnings and its cash at bank.

The impact on the company arising from the uncertainty of COVID-19 has been considered by the directors:

The directors consider that the company has ample liquidity to continue in business for at least the next 12 months as a going concern.

The directors have reviewed the assets of the business and do not believe there to be any impairments arising as a result of the pandemic.

To date, there has been no material impact on the company arising from COVID-19 and the directors continue to monitor the situation very closely.

Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.



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**PARAGON SCIENTIFIC LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2021**

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**2. Accounting policies (continued)**

**2.3 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

**2.4 Revenue**

Revenue comprises the invoiced value of the goods and services supplied during the year, excluding trade discounts and value added tax. Revenue is recognised on despatch of the goods.

**2.5 Operating leases**

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**2.6 Leased assets: the Company as lessee**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of comprehensive income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

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**PARAGON SCIENTIFIC LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2021**

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**2. Accounting policies (continued)**

**2.7 Research and development**

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

**2.8 Interest income**

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

**2.9 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

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**PARAGON SCIENTIFIC LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2021**

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**2. Accounting policies (continued)****2.10 Current and deferred taxation**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**2.11 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Development expenditure	-	5 years straight line
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**PARAGON SCIENTIFIC LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2021**

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**2. Accounting policies (continued)**

**2.12 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the methods below.

Depreciation is provided on the following basis:

Freehold property	-	2% Straight line
Long-term leasehold property	-	over the term of the lease
Plant, machinery and equipment	-	20% Straight line
Motor vehicles	-	20% Straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

**2.13 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Finished goods and goods for resale stocks include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell.

**2.14 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.15 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.16 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

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**PARAGON SCIENTIFIC LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2021**

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**2. Accounting policies (continued)**

**2.17 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

*For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.*

**2.18 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**3. Employees**

The average monthly number of employees, including directors, during the period was 22 (2020 - 22).

**4. Directors' remuneration**

	<b>7 months to 31 March 2021 £</b>	<i>Year ended 31 August 2020 £</i>
Directors' emoluments	<b>18,000</b>	<i>48,540</i>

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**PARAGON SCIENTIFIC LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2021**

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**5. Dividends**

	<b>31 March 2021 £</b>	<i>Year ended 31 August 2020 £</i>
Dividends paid of £239.34 (2020: £859.17) per ordinary share	<b>146,000</b>	524,096

**6. Intangible assets**

	<b>Development expenditure £</b>
<b>Cost</b>	
At 1 September 2020	235,497
Additions	45,180
At 31 March 2021	<b>280,677</b>
<b>Amortisation</b>	
At 1 September 2020	76,820
Charge for the period on owned assets	32,836
At 31 March 2021	<b>109,656</b>
<b>Net book value</b>	
At 31 March 2021	<b>171,021</b>
At 31 August 2020	158,677

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PARAGON SCIENTIFIC LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2021

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7. Tangible fixed assets

	Freehold property £	Leasehold property £	Plant, machinery and equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 September 2020	389,941	60,364	626,074	104,929	1,181,308
Additions	39,830	5,586	31,146	-	76,562
At 31 March 2021	<u>429,771</u>	<u>65,950</u>	<u>657,220</u>	<u>104,929</u>	<u>1,257,870</u>
<b>Depreciation</b>					
At 1 September 2020	838	58,025	504,698	71,026	634,587
Charge for the period on owned assets	4,925	684	30,217	12,275	48,101
At 31 March 2021	<u>5,763</u>	<u>58,709</u>	<u>534,915</u>	<u>83,301</u>	<u>682,688</u>
<b>Net book value</b>					
At 31 March 2021	<u>424,008</u>	<u>7,241</u>	<u>122,305</u>	<u>21,628</u>	<u>575,182</u>
At 31 August 2020	<u>389,103</u>	<u>2,339</u>	<u>121,376</u>	<u>33,903</u>	<u>546,721</u>

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**PARAGON SCIENTIFIC LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2021**

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**8. Stocks**

	<b>31 March 2021 £</b>	<i>Restated 31 August 2020 £</i>
Raw materials and packaging	100,178	112,789
Work in progress	1,625	2,066
Finished goods and goods for resale	451,271	466,481
	<u>553,074</u>	<u>581,336</u>

**9. Debtors**

	<b>31 March 2021 £</b>	<i>31 August 2020 £</i>
Trade debtors	324,566	223,049
Amounts owed by group undertakings	968,910	-
Other debtors	47,318	340,801
Prepayments and accrued income	12,079	3,088
Deferred taxation	112,320	-
	<u>1,465,193</u>	<u>566,938</u>

**10. Creditors: Amounts falling due within one year**

	<b>31 March 2021 £</b>	<i>31 August 2020 £</i>
Trade creditors	127,843	76,888
Corporation tax	197,792	207,790
Other taxation and social security	-	12,263
Other creditors	5,738	8,806
Accruals and deferred income	19,630	12,178
	<u>351,003</u>	<u>317,925</u>



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**PARAGON SCIENTIFIC LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2021**

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**11. Deferred taxation**

	<b>31 March 2021 £</b>	<i>31 August 2020 £</i>
At beginning of year	(48,137)	(21,298)
Charged to profit or loss	160,457	(26,839)
<b>At end of year</b>	<b>112,320</b>	<b>(48,137)</b>

The deferred taxation balance is made up as follows:

	<b>31 March 2021 £</b>	<i>31 August 2020 £</i>
Fixed asset timing differences	(52,526)	(48,137)
Short term timing differences	1,090	-
Trading losses	163,756	-

**12. Prior year adjustment**

A prior year adjustment has been processed to increase the finished goods and goods for resale stocks to include attributable labour and overheads by £284,037 at 31 August 2020 and £314,649 at 31 August 2019.

This has resulted in a decrease in the profit for the year ended 31 August 2020 by £30,612 as this has reduced from £995,213 to £964,601. The net assets at 31 August 2020 have increased by £284,037 from £2,251,099 to £2,535,136.

**13. 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 cost charge represents contributions payable by the company to the fund and amounted to £10,307 (31 August 2020: £17,124). At 31 March 2021, pension contributions included within other creditors amounted to £5,738 (31 August 2020: £1,860).

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**PARAGON SCIENTIFIC LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2021**

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**14. Commitments under operating leases**

At 31 March 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>31 March 2021 £</b>	<i>31 August 2020 £</i>
Not later than 1 year	<b>34,000</b>	<i>34,000</i>
Later than 1 year and not later than 5 years	<b>34,000</b>	<i>53,833</i>
	<u><b>68,000</b></u>	<u><i>87,833</i></u>

**15. Related party transactions**

Included in other debtors is a directors loan account balance of £Nil (31 August 2020: £260,464) which is *unsecured and repayable upon demand*. Interest of £Nil (31 August 2020: £464) has been charged during the year.

As a wholly owned subsidiary of LGC (Holdings) Limited, advantage has been taken of the exemption of FRS 102 (section 33) in respect of the disclosures of transactions and balances with other wholly owned companies within the group.

**16. Controlling party**

The company's immediate parent company is LGC (Holdings) Limited, a company registered in England and Wales and place of business is LGC, Queens Road, Teddington, TW11 0LY.

The smallest group of undertakings for which group accounts are drawn up and of which the company is a member is LGC Science Group Holdings Limited, which are available to the public and may be obtained from LGC, Queens Road, Teddington, Middlesex, TW11 0LY.

The largest group of undertakings for which group accounts are drawn up and of which the company is a member is Elwy 2 Limited, which are available to the public and may be obtained from LGC, Queens Road, Teddington, Middlesex, TW11 0LY.