

Oxoid (Ely) Limited

Annual report and financial statements for  
the year ended 31 December 2018

Company registration number: 02183692

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**OXOID (ELY) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED 31 DECEMBER 2018**

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# **OXOID (ELY) LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

### **Directors**

L Grant  
D Norman  
E Cameron

### **Company Secretary**

Oakwood Company Secretary Limited  
R Gregg

### **Registered office**

3rd Floor  
1 Ashley Road  
Altrincham  
WA14 2DT

### **Bankers**

Barclays Bank  
1 Churchill Place  
London  
E14 5HP

### **Solicitors**

Addleshaw Goddard  
1 St Peter's Square  
Manchester  
M2 3DE

### **Independent auditors**

Mitchell Charlesworth LLP  
Chartered Accountants and Statutory Auditors  
Glebe Business Park  
Lunts Heath Road  
Widnes  
WA8 5SQ

## STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their strategic report on the company for the year ended 31 December 2018.

### Review of the business

The directors are satisfied with the performance in the year with royalty income and interest receivable in line with expectations. The directors expect to see similar results in the future.

A decision was announced in May 2009 to discontinue the activities at the Ely site and transfer all trade to a fellow group company with effect from 1 April 2010. The company retained the Intellectual Property as part of the transfer agreement and from this date received royalty income under this agreement.

### Result and key performance indicators ('KPIs')

The directors believe that the key performance indicators ('KPIs') are revenue growth and profitability.

Turnover has decreased in the year at £15,000 (2017: £19,000).

The profit for the financial year was £183,000 (2017: £142,000) which will be transferred reserves. At 31 December 2018 the company had net liabilities of £(2,433,000) (2017: £2,616,000).

### Principal risks and uncertainties and financial risk management

The management of the business is subject to a number of risks including financial instrument risk and interest rate cash flow risk. The mitigation of these risks has been outlined below.

#### *Financial risk management*

The main financial instruments the company holds are intangible assets, intercompany debtors and creditors. There is a limited risk associated with these as they fall within the same group organisation with the same ultimate parent company.

#### *Interest rate cash flow risk*

The company has interest bearing assets. Interest bearing assets are from cash holdings and receivable from group undertakings with the same ultimate parent company and therefore risk is considered to be limited. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

On behalf of the Board



E Cameron

Director

29 March 2019

# **OXOID (ELY) LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018**

The directors present their report and the audited financial statements of the company for the year ended 31 December 2018.

### **Principal activity**

Oxoid (Ely) Limited receives royalty income from a fellow group company as well as maximising its return on its cash holdings.

### **Future developments**

Future developments are deemed to be of strategic importance to the company and as such have been outlined within the strategic report.

### **Dividends**

The directors do not recommend the payment of a dividend (2017: £nil).

### **Going concern**

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company Thermo Fisher Scientific Inc. The directors have received confirmation that Thermo Fisher Scientific Inc. intend to support the company for at least one year after these financial statements are signed. The directors have a reasonable expectation that the company has access to adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

### **Financial risk management**

Disclosures relating to these areas are included in the strategic report.

### **Directors**

The directors who held office during the year and up to the date of signing the financial statements are given below:

L Grant	
D Norman	
E Cameron	(Appointed 31 October 2018)
A Smith	(Appointed 12 November 2018)
N Ince	(Resigned 31 October 2018)

### **Third party indemnity provision**

The company has made qualifying third party indemnity provisions for the benefit of its directors (which extend to the performance of any duties as a director of any associated company) and these remain in force at the date of this report.

### **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 law and regulation.

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, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

# OXOID (ELY) LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

### Statement of Directors' Responsibilities in respect of the financial statements (continued)

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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 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.

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.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Disclosure of information to auditors

Each of the persons who are a director at the date of approval of this report confirms that:

- So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- Each director has taken all the steps that he/she should have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

### Independent Auditors

The independent auditors, Mitchell Charlesworth LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the annual general meeting.

On behalf of the Board



E Cameron  
Director

29 March 2019

# **OXOID (ELY) LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OXOID (ELY) LIMITED**

### **Report on the audit of the financial statements**

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#### **Opinion**

In our opinion, Oxoid (Ely) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2018; the Profit and Loss Account, the Statement of Comprehensive Income, the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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#### **Conclusions relating to going concern**

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We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

# **OXOID (ELY) LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OXOID (ELY) LIMITED**

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### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

### **Strategic Report and Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

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### **Other required reporting**

#### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



# OXOID (ELY) LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OXOID (ELY) LIMITED

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### Responsibilities for the financial statements and the audit

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#### Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities on page 5 and 6, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### Use of this report

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.



Rob Davies (Senior Statutory Auditor)  
for and on behalf of Mitchell Charlesworth LLP  
Chartered Accountants and Statutory Auditors  
Widnes

29 March 2019

**OXOID (ELY) LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER**  
**2018**  
**PROFIT AND LOSS ACCOUNT**

		<b>Year ended 31 December</b>	
	<b>Note</b>	<b>2018 £'000</b>	<b>2017 £'000</b>
<b>Turnover</b>	5	15	19
<b>Gross profit</b>		<b>15</b>	19
<b>Administrative expenses</b>		<b>13</b>	(18)
<b>Operating profit</b>	6	<b>28</b>	1
<b>Profit before interest and taxation</b>		<b>28</b>	1
Interest receivable and similar income	8	155	141
Net interest expense	8	155	141
<b>Profit before taxation</b>		<b>183</b>	142
Tax on profit	9	—	—
<b>Profit for the financial year</b>		<b>183</b>	142

# OXOID (ELY) LIMITED

## STATEMENT OF COMPREHENSIVE INCOME

		Year ended 31 December	
	Note	2018 £'000	2017 £'000
<b>Profit for the financial year</b>		<b>183</b>	<b>142</b>
<b>Other comprehensive income:</b>			
Total tax on components of other comprehensive result	9	—	—
<b>Other comprehensive income for the year, net of tax</b>		<b>—</b>	<b>—</b>
<b>Total comprehensive income for the year</b>		<b>183</b>	<b>142</b>

# OXOID (ELY) LIMITED

## BALANCE SHEET

		As at 31 December	
	Note	2018 £'000	2017 £'000
<b>Fixed assets</b>			
Intangible assets	10	63	71
Investments	11	—	—
		<b>63</b>	<b>71</b>
<b>Current assets</b>			
Debtors	12	10,007	9,872
Cash at bank and in hand		237	181
		<b>10,244</b>	<b>10,053</b>
<b>Creditors: amounts falling due within one year</b>	13	<b>(12,740)</b>	<b>(12,740)</b>
<b>Net current assets / (liabilities)</b>		<b>(2,496)</b>	<b>(2,687)</b>
<b>Total assets less current liabilities</b>		<b>(2,433)</b>	<b>(2,616)</b>
<b>Net liabilities</b>		<b>(2,433)</b>	<b>(2,616)</b>
<b>Capital and reserves</b>			
Called up share capital	15	8,802	8,802
Share premium account		8,503	8,503
Accumulated losses		(19,738)	(19,921)
<b>Total equity</b>		<b>(2,433)</b>	<b>(2,616)</b>

The notes on pages 14 to 24 are an integral part of these financial statements.

The financial statements on pages 10 to 24 were authorised for issue by the board of directors on 29 March 2019 and were signed on its behalf



E Cameron

**Director**

Oxoid (Ely) Limited

Company registration number: 02183692

# OXOID (ELY) LIMITED

## STATEMENT OF CHANGES IN EQUITY

	£'000 Called up share capital	£'000 Share premium account	£'000 Accumulated losses <sup>1</sup>	£'000 Total equity
Balance as at 1 January 2017	8,802	8,503	(20,063)	(2,758)
Profit for the financial year	—	—	142	142
Total comprehensive income for the year	—	—	142	142
Balance as at 31 December 2017	8,802	8,503	(19,921)	(2,616)
Balance as at 1 January 2018	8,802	8,503	(19,921)	(2,616)
Profit for the financial year	—	—	183	183
Total comprehensive income for the year	—	—	183	183
<b>Balance as at 31 December 2018</b>	<b>8,802</b>	<b>8,503</b>	<b>(19,738)</b>	<b>(2,433)</b>

<sup>1</sup> Accumulated losses represents accumulated comprehensive income for the financial year and prior financial year plus share-based payments adjustments and related tax credits, charges from the parent company for share-based payments less dividends paid.

# **OXOID (ELY) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**

### **31 DECEMBER 2018**

#### **1. General Information**

Oxoid (Ely) Limited ('the company') receives royalty income from a fellow group company as well as maximising its return on its cash holdings.

#### **2. Statement of compliance**

The individual financial statements of Oxoid (Ely) Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102') and the Companies Act 2006.

#### **3. Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The company has adopted FRS 102 in these financial statements.

##### **Basis of preparation**

These financial statements have been 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 preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

##### **Going concern**

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company Thermo Fisher Scientific Inc. The directors have received confirmation that Thermo Fisher Scientific Inc. intend to support the company for at least one year after these financial statements are signed. The directors have a reasonable expectation that the company has access to adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

##### **Exemptions for qualifying entities under FRS 102**

FRS 102 allows a qualifying entity certain disclosure exemptions.

##### *Cash flow statement and related party disclosures*

The company is included in the consolidated financial statements of Thermo Fisher Scientific Inc. which are publically available. Consequently, as the company is a 100% owned subsidiary, the company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, Thermo Fisher Scientific Inc., includes the company's cash flows in its own consolidated financial statements. The company is also exempt under the terms of FRS 102 paragraph 33.1 from disclosing related party transactions with entities that are part of the Thermo Fisher Scientific Inc. group (see note 17).

# **OXOID (ELY) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**

### **31 DECEMBER 2018**

#### **3. Summary of significant accounting policies (continued)**

##### **Consolidated financial statements**

The financial statements contain information about Oxoid (Ely) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent company, Thermo Fisher Scientific Inc., a company incorporated in the United States of America (see note 18).

##### **Turnover**

The company's principal turnover is royalty income which it receives from the intellectual property retained after the transfer of trade in 2010. The royalty income is recognised when the sale has occurred.

##### **Foreign currency**

###### *(i) Functional and presentation currency*

The company's functional and presentation currency is the pound sterling.

###### *(ii) Transactions and balances*

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

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transactions is included as an exchange gain or loss in the Profit and Loss account except when deferred in other comprehensive income as qualifying cash flow hedges.

Non-monetary items measured at historical costs 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 are presented in the Profit and Loss account within 'Administrative expenses'.

##### **Interest income**

Interest income is recognised using the effective interest rate method.

##### **Taxation**

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

# **OXOID (ELY) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**

### **31 DECEMBER 2018**

#### **3. Summary of significant accounting policies (continued)**

##### **Taxation (continued)**

Current or deferred taxation assets and liabilities are not discounted.

##### **(i) Current tax**

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

##### **(ii) Deferred tax**

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

##### **Intangible assets**

Intangible fixed assets, which comprise manufacturing rights and patents, are stated at cost less a provision for amortisation. Amortisation is calculated to write off the cost of the intangible assets in equal annual instalments over their estimated useful lives but no longer than 15 years. The carrying values of intangible assets are subject to review when appropriate and any impairment is charged to the profit and loss account.

##### **Investments**

Investments held as fixed assets are stated at cost less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

##### **Cash and cash equivalents**

Cash and cash equivalents includes cash in hand only.

##### **Financial instruments**

The company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

##### *Financial assets*

Basic financial assets, including cash and bank balances and loans to fellow group companies, are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.



# **OXOID (ELY) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**

### **31 DECEMBER 2018**

#### **3. Summary of significant accounting policies (continued)**

##### **Financial instruments (continued)**

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are de-recognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

##### *Financial liabilities*

Basic financial liabilities, including trade and other payables 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 receipts discounted at a market rate of interest.

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

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

Financial liabilities are de-recognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

##### *Offsetting*

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

##### **Share Premium**

The share premium account is classified as equity. The share premium account represents the value paid by the shareholder in excess of the par value of share capital issued. This account can be used to write off equity-related expenses, such as underwriting costs, and may also be used to issue bonus shares.

# **OXOID (ELY) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**

### **31 DECEMBER 2018**

#### **3. Summary of significant accounting policies (continued)**

##### **Distributions to equity holders**

Dividends and other distributions to company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the company's shareholders. These amounts are recognised in the statement of changes in equity.

##### **Related party transactions**

The company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

#### **4 Critical accounting judgements and estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no critical accounting judgements made during the year.

##### **(a) Critical accounting estimates and assumptions**

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

##### **(i) Impairment of debtors**

The company makes an estimate of the recoverable value of debtors which includes amounts owed from group undertakings. When assessing impairment of debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 10 for the net carrying amount of the debtors.

##### **(ii) Impairment of investments**

Investments are stated at cost less any provision for impairment. There was no adjustment to the carrying value of the investments during the year. See note 9 for the carrying amount of investments.

##### **(iii) Impairment of intangible assets**

The annual amortisation charge for intangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments and economic utilisation of the assets. See note 8 for the carrying amount of the patents and manufacturing rights, and note 1 for the useful economic lives for each class of assets.

**OXOID (ELY) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2018**

**5 Turnover**

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
<b>Turnover by geography</b>		
United Kingdom	15	19
	<b>15</b>	<b>19</b>
<b>Turnover by nature</b>		
Royalty Income	15	19
	<b>15</b>	<b>19</b>

**6 Operating profit**

The operating profit is stated after (crediting) / charging:

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Impairment of intangible assets (included in 'administrative expenses')	<b>8</b>	<b>8</b>
Foreign exchange loss/(gain)	<b>5</b>	<b>7</b>
Audit fees payable to the company's auditors'	<b>2</b>	<b>2</b>

**7 Employees and directors**

The company had no employees or staff costs during the year (2017: nil).

The emoluments of the directors are paid by a fellow group company, Thermo Electron (Management Services) Limited, which makes no recharge to the company. The directors are directors of Thermo Electron (Management Services) Limited and a number of fellow subsidiaries and it is not possible to make an accurate apportionment of their emoluments in respect of their services to each of the subsidiaries. Their total emoluments are included in the aggregate of directors' emoluments disclosed in the financial statements of Thermo Electron (Management Services) Limited.

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**8 Net interest income**

**Interest receivable and similar income**

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Bank interest receivable	<b>3</b>	<b>2</b>
Interest receivable from group undertakings	<b>138</b>	<b>139</b>
Other interest receivable	<b>14</b>	<b>—</b>
Total interest income on financial assets not measured at fair value through profit or loss	<b>155</b>	<b>141</b>
<b>Total interest receivable and similar income</b>	<b>155</b>	<b>141</b>

**Net interest income**

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Total interest receivable and similar income	<b>155</b>	<b>141</b>
<b>Net interest income</b>	<b>155</b>	<b>141</b>

**9 Tax on profit**

**Tax expense included in profit and loss:**

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
<b>Current tax</b>		
UK corporation tax on profits of the period	<b>—</b>	<b>—</b>
Adjustment in respect of previous periods	<b>—</b>	<b>—</b>
Total current tax	<b>—</b>	<b>—</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	<b>—</b>	<b>—</b>
Impact of changes in tax rates	<b>—</b>	<b>—</b>
Adjustment in respect of prior years	<b>—</b>	<b>—</b>
Total deferred tax (note 11)	<b>—</b>	<b>—</b>
<b>Tax on profit</b>	<b>—</b>	<b>—</b>

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**9 Tax on profit (continued)**

**Tax expense included in other comprehensive income:**

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Current tax	—	—
Deferred tax	—	—
- Origination and reversal of timing differences	—	—
- Impact of change in tax rates	—	—
<b>Total tax expense included in other comprehensive income</b>	<b>—</b>	<b>—</b>

**Reconciliation of tax charge:**

The tax assessed for the year is lower (2017: lower) than the standard rate of corporation tax in the UK 19% (2017: 19.25%). The differences are outlined below:

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
<b>Profit before taxation</b>	<b>183</b>	<b>142</b>
Profit multiplied by the standard rate of corporation tax in the UK 19% (2017: 19.25%)	<b>35</b>	<b>27</b>
<b>Effects of:</b>		
Group relief claimed for nil charge	<b>(35)</b>	<b>(27)</b>
<b>Total tax charge for the year</b>	<b>—</b>	<b>—</b>

The standard rate of corporation tax in the UK changed from 20% to 19% with effect from 1 April 2017. Accordingly, the company's profits for the prior accounting year was taxed at a rate of 19.25%.

Factors that may affect future tax charges:

Changes to the UK corporation tax rates were announced in the Chancellor's Budget on 16 March 2016. The change announced is to reduce the main rate to 17% from 1 April 2020. Changes to reduce the UK corporation tax rate to 19% from 1 April 2017 and to 18% from 1 April 2020 had already been substantively enacted on 26 October 2015.

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**10 Intangible assets**

<b>Intangible assets</b>	<b>Patents</b>	<b>Other - Manufacturing rights</b>	<b>Total</b>
<b>Cost</b>			
At 1 January 2018	42	2,170	<b>2,212</b>
<b>At 31 December 2018</b>	<b>42</b>	<b>2,170</b>	<b>2,212</b>
<b>Accumulated depreciation</b>			
At 1 January 2018	42	2,099	<b>2,141</b>
Charge for the year	—	8	<b>8</b>
<b>At 31 December 2018</b>	<b>42</b>	<b>2,107</b>	<b>2,149</b>
<b>Net book value</b>			
<b>At 31 December 2018</b>	<b>—</b>	<b>63</b>	<b>63</b>
At 31 December 2017	—	71	71

**11 Investments**

	<b>Subsidiary undertakings £'000</b>	<b>Total £'000</b>
Cost as at 1 January 2018 and 31 December 2018	2,659	2,659
Provision for impairment at 1 January 2018 and 31 December 2018	(2,659)	(2,659)
<b>Net book value as at 31 December 2017 and 31 December 2018</b>	<b>—</b>	<b>—</b>

The investment in Doublecape Limited is fully impaired and has a carrying value of £nil (2017: £nil).

The company's subsidiaries were as follows:

	<b>Incorporated in</b>	<b>Share Class</b>	<b>Percentage held</b>	<b>Activity</b>
Doublecape Limited	UK +	Ordinary	100%	Dormant

Registered office:

+ 3rd Floor, 1 Ashley Road, Altrincham, Cheshire, England, WA14 2DT

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**12 Debtors**

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Amounts owed by group undertakings	<b>10,007</b>	9,872
	<b>10,007</b>	9,872

Included within Amounts owed by group undertakings is a loan of £5,000,000 that was entered into in 2016. Interest is charged on this loan at LIBOR +2%. No interest is charged on the remaining balance (2017: nil). All amounts are unsecured and repayable upon demand.

**13 Creditors: amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Amounts owed to group undertakings	<b>12,738</b>	12,738
Accruals and deferred income	<b>2</b>	2
	<b>12,740</b>	12,740

The amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**14 Financial Instruments**

The company has the following financial instruments:

	<b>Note</b>	<b>2018</b>	<b>2017</b>
		<b>£'000</b>	<b>£'000</b>
Financial assets that are debt instruments measured at amortised cost			
– Amounts owed by group undertakings	12	<b>10,007</b>	9,872
		<b>10,007</b>	9,872
Financial liabilities measured at amortised cost			
– Amounts owed to group undertakings due within one year	13	<b>12,738</b>	12,738
– Other creditors	13	<b>2</b>	2
		<b>12,740</b>	12,740

**OXOID (ELY) LIMITED**  
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**15 Called up share capital**

	2018	2017
	£	£
Allotted and fully paid		
8,801,505 (2016: 8,801,505) ordinary shares of £1	<b>8,801,505</b>	8,801,505
	<b>8,801,505</b>	8,801,505

**16 Contingent assets and liabilities**

The company is a participant in a group banking arrangement under which all surplus cash balances are held as collateral for bank facilities advanced to group members. No liability is expected to arise under this arrangement.

**17 Related party transactions**

See note 7 for disclosure of the directors' remuneration.

The company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the Group.

**18 Controlling parties**

The immediate parent undertaking is I.Q. (Bio.) Limited whose registered office is 3rd Floor, 1 Ashley Road, Altrincham, Cheshire WA14 2DT.

The ultimate parent undertaking and controlling party is Thermo Fisher Scientific Inc. which is the largest and smallest group to consolidate these financial statements. The company is incorporated in the United States of America and its common stock is listed on the New York Stock Exchange. Copies of the financial statements of the ultimate parent company are publicly available and can be obtained from its headquarters at 168 Third Avenue, Waltham, MA 02451, USA.