

Selcia Limited

Directors' report and financial statements
for the year ended 31 December 2017

Registered No. 04172701



Selcia Limited

Company Information

Directors

C Cornell
A Mills
N Kuegler

Secretary

A Mills

Independent auditors

Mazars LLP
45 Church Street
Birmingham
B3 2RT

Bankers

National Westminster Bank PLC
1 The Causeway
Bishop's Stortford
Hertfordshire
CM23 2EN

Registered Office

i54 Business Park
Valiant Way
Wolverhampton
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Selcia Limited

Directors' report and financial statements for the year ended 31 December 2017

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Selcia Limited

Directors' Report for the year ended 31 December 2017

The Directors present their report and the financial statements for the year ended 31 December 2017.

Principal Activity

Selcia Limited is engaged in the custom preparation of radio chemicals and provides drug discovery services to the pharmaceutical industry. The company utilises a proprietary screen technology to discover prototype compounds of therapeutic promise and subsequently applies its medicinal chemistry expertise and complementary capabilities to optimise the prototype compounds into candidate molecules for clinical development.

Research and Development Activities

The Company continued drug discovery services to the pharmaceutical industry during the year.

Results and Dividends

The profit for the year, after taxation, amounted to £1,123,382 (2016 - £860,484)

The Directors do not recommend the payment of a final dividend (2016 – £Nil)

Directors

H G Fliri, PhD (Resigned 20/12/2017)
P L Hurley, FCA (Resigned 20/12/2017)
A Rummelt (Resigned 20/12/2017)
C Cornell
K A Williams (Resigned 20/12/2017)
A Mills (Appointed 20/12/2017)
N Kuegler (Appointed 20/12/2017)

Auditors

Mazars LLP were appointed as Auditor during the year and will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006

Small company exemption

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. Under these provisions the Directors have chosen not to produce a Strategic Report.

This Report was approved by the Board and signed on its behalf.



A Mills

Secretary

Date: 27/09/2018

Selcia Limited

Statement of directors' responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practise), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Company Law the Directors must not approve the financial statements unless satisfied that they are a true and fair view of the state of affairs of the company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- Selected suitable accounting policies for the Company's financial statements and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is appropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Selcia Limited

Independent auditor's report to the members of Selcia Limited

Opinion

We have audited the financial statements of Selcia Limited (the 'company') for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- 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.

Selcia Limited

Independent auditor's report to the members of Selcia Limited (Continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specific by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Selcia Limited

Independent auditor's report to the members of Selcia Limited (Continued)

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

Auditor's 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 auditor's 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 Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Louis Burns

Louis Burns (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
45 Church Street
Birmingham
B3 2RT

Date: *27 September 2018*

Selcia Limited

Statement of Comprehensive Income for the year ended 31 December 2017

		Year to December 2017	Year to 31 December 2016
	Note	£	£
Turnover	4	9,158,518	8,063,253
Cost of sales		(4,754,084)	(4,322,565)
Gross profit		4,404,434	3,740,688
Distribution Costs		(163,212)	(153,671)
Administrative expenses		(3,504,021)	(3,164,487)
Other operating income	5	537,823	532,118
Operating profit	6	1,275,024	954,648
Interest receivable and similar income		3,822	1,544
Interest payable and similar income		(34,416)	(5,708)
Profit before income tax		1,244,430	950,484
Tax on profits on ordinary activities	9	(121,048)	(90,000)
Profit after tax		1,123,382	860,484

Selcia Limited

Statement of Financial Position as at 31 December 2017

	Note	2017 £	2016 £
Fixed assets	10		
Tangible assets		1,617,504	1,047,224
		<u>1,617,504</u>	<u>1,047,224</u>
Current assets			
Stocks	11	871,120	809,959
Debtors	12	3,322,605	2,510,148
Cash at bank and in hand	13	1,871,154	1,161,438
		<u>6,064,879</u>	<u>4,481,545</u>
Creditors: amounts falling due within one year	14	(1,472,610)	(971,083)
Net current assets		<u>4,592,269</u>	<u>3,510,462</u>
Total assets less current liabilities		<u>6,209,773</u>	<u>4,557,686</u>
Creditors: amounts falling due in more than one year	15	(160,877)	(10,500)
Provisions	17	(378,328)	-
Net assets		<u><u>5,670,568</u></u>	<u><u>4,547,186</u></u>
Capital and reserves			
Called up share capital	18	160,500	160,500
Share premium account		204,935	204,935
Profit and Loss account		5,305,133	4,181,751
		<u><u>5,670,568</u></u>	<u><u>4,547,186</u></u>

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 on pages 8 to 19 were approved and authorised for issue by the Board and signed on its behalf by:

Alice Mills
Director



27/09/2018.

Date:
Registered No. 04172701

Selcia Limited

Statement of Changes in Equity for the year ended 31 December 2017

	Share capital £	Share premium £	Retained Earnings £	Total £
As at 1 January 2016	160,500	204,935	3,321,267	3,686,702
Profit for the period	-	-	860,484	860,484
Total comprehensive income	-	-	860,484	860,484
As at 31 December 2016	160,500	204,935	4,181,751	4,547,186
As at 1 January 2017	160,500	204,935	4,181,751	4,547,186
Profit for the year	-	-	1,123,382	1,123,382
Total comprehensive income	-	-	1,123,382	1,123,382
As at 31 December 2017	160,500	204,935	5,305,133	5,670,568

Selcia Limited

Notes to the financial statements for the year ended 31 December 2017

1. General Information

Selcia Limited is a private limited company by shares and is incorporated in England. The address of its registered office is i54 Business Park, Valiant Way, Wolverhampton, United Kingdom, WV9 5GB.

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 (FRS 102).

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- The company has transferred the significant risks and rewards of ownership to the buyer;
- The company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the Company will receive the consideration due under the transaction; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of Services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the company will receive the consideration due under the contract;
- The stage of completion of the contract at the end of the reporting period can be measured reliably; and
- The costs incurred and the costs to complete the contract can be measured reliably.

2.3 Tangible Fixed Assets

Tangible fixed assets under the costs 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.

Selcia Limited

Notes to the financial statements for the year ended 31 December 2017 (Continued)

2.3 Tangible fixed assets (Continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements - Over the term of the lease

Plant and machinery - Between 10% and 33% per annum

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 income and retained earnings.

2.4 Operating Leases: The Company as Lessee

Rentals paid under operating leases are charged to the statement of income and retained earnings on a straight line basis over the lease term.

2.5 Stocks

Stocks are stated at the lower of cost are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss recognised immediately in profit or loss.

2.6 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.

2.7 Financial Instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised 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 income and retained earnings.

2.8 Foreign Currency Translation

Functional and presentation currency

The Company's functional and presentational currency is Pounds Sterling.

Transactions and balances

Foreign currency transaction 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 transaction and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of income and retained earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

Selcia Limited

Notes to the financial statements for the year ended 31 December 2017 (Continued)

2.8 Foreign Currency Translation (Continued)

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of income and retained earnings within "finance income or costs". All other foreign exchange gains and losses are presented in the statement of income and retained earnings within "other operating income".

2.9 Finance costs

Finance costs are charged to the statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.11 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 income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.12 Interest Income

Interest income is recognised in the statement of income and retained earnings using the effective interest method.

2.13 Taxation

Tax is recognised in the statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised in other comprehensive income or directly in equity respectively.

2.14 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 is recognised as an expense when it is incurred.

2.15 Decommissioning Provision

The company has recognised a provision for its obligations for future radiological decommissioning costs of its facility over the period of the lease.

The provision recognised represents the best estimate of the expenditures required to settle the present obligation at the current balance sheet date. Such cost estimates are discounted at 31 December 2017 using a pre-tax discount rate of 7.9%. The initial discounted cost amounts are capitalised as part of property, plant and equipment and are depreciated over the period of the lease, 10 years. Each year, the provisions are increased to reflect the accretion of discount and to accrue an estimate for the effects of inflation, with the charges being presented in the income statement on the line interest payable.

While the company has made its best estimate in establishing its decommissioning provisions, because of potential changes in technology as well as safety and environmental requirements, plus the actual time scale to complete decommissioning, the ultimate provision requirements could vary significantly from the company's current estimates.

Selcia Limited

Notes to the financial statements for the year ended 31 December 2017 (Continued)

2.15 Decommissioning Provision (continued)

Changes in a decommissioning liability that result from a change in the current best estimate of timing and/or amount of cash flows required to settle the obligation or from a change in the discount rate are added to (or deducted from) the amount recognized as the related asset. However, to the extent that such a treatment would result in a negative asset, the effect of the change is recognized in the income for the current period.

3. Judgments in applying accounting and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under circumstances.

The Directors make estimates and assumptions concerning the future based on their knowledge of the business and the markets it operates in. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

The Directors believe the decommissioning provision to be an area of estimation uncertainty. This has been discussed above.

Selcia Limited

Notes to the financial statements for the year ended 31 December 2017 (Continued)

4. Turnover

Analysis of turnover by country of destination:

	2017	2016
	£	£
United Kingdom	3,787,962	2,867,157
Rest of the world	5,370,556	5,196,096
	<u>9,158,518</u>	<u>8,063,253</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. Other operating Income

	2017	2016
	£	£
Research and development tax credit receivable	537,823	532,118
	<u>537,823</u>	<u>532,118</u>

6. Operating profit

The operating profit is stated after charging:

	2017	2016
	£	£
Depreciation of tangible fixed assets	213,596	135,561
Fees payable to the Company's Auditor and its associates for the audit of the Company's annual financial statements	12,000	12,000
Exchange differences	75,045	(108,941)
Other operating lease rentals	410,298	372,814
Defined contribution pension cost	184,220	195,246
	<u></u>	<u></u>

7. Staff costs

	2017	2016
	£	£
Wages and salaries	3,673,990	3,432,085
Social security costs	403,667	346,976
Other pension costs	184,220	150,383
	<u>4,261,878</u>	<u>3,929,444</u>

The average monthly number of employees, including directors, during the year was 77 (2016 – 71).

Selcia Limited

Notes to the financial statements for the year ended 31 December 2017 (Continued)

8. Directors Remuneration

	2017	2016
	£	£
Directors' emoluments	333,750	318,149
Company contributions to defined contribution pension schemes	23,574	55,458
Sums paid to 3rd parties for directors services	27,859	32,500
	<u>385,183</u>	<u>406,107</u>

During the year retirement benefits were accruing to 3 Directors (2016 – 3) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £151,538.

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amount to: £13,636.

9. Taxation

	2017	2016
	£	£
Corporation Tax		
Current tax on profits for the year	100,700	90,000
Adjustments in respect of previous periods	20,348	-
Total current Tax	<u>121,048</u>	<u>90,000</u>

Factors affecting Tax Charge for the Year

The tax assessed for both 2016 and 2017 is higher than the standard rate of corporation tax in the UK of 19% (2016 – 20%). The differences are explained below:

	2017	2016
	£	£
Profit on ordinary activities before tax	1,244,430	950,484
	<u>236,442</u>	<u>190,097</u>
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	(1,120)	2,634
Capital allowances for year in excess of depreciation	(12,158)	(21,276)
Use of recognised losses	(84,820)	(60,150)
Other differences leading to an increase (decrease) in the tax charge	(17,296)	(21,305)
Total tax charge for the year	<u>121,048</u>	<u>90,000</u>

Factors that may affect future tax charges

The company has losses of £7.2m (2016 - £8m) available for carry forward against future trading profits. A deferred tax asset has not been recognised in respect of these losses due to uncertainty over the future recoverability.

Selcia Limited

Notes to the financial statements for the year ended 31 December 2017 (Continued)

10. Tangible assets

	Leaschold improvement £	Plant and Machinery £	Total £
Cost:			
At 1 January 2017	1,954,728	2,965,593	4,920,321
Additions	33,307	750,569	783,876
Impairments	-	-	-
Disposals	-	-	-
At 31 December 2017	<u>1,988,035</u>	<u>3,716,162</u>	<u>5,704,197</u>
Depreciation:			
At 1 January 2017	1,568,842	2,304,255	3,873,097
Disposals	-	-	-
Charge for the year	39,699	173,897	213,596
At 31 December 2017	<u>1,608,541</u>	<u>2,478,152</u>	<u>4,086,693</u>
Net book value:			
At 31 December 2017	<u>379,494</u>	<u>1,238,010</u>	<u>1,617,504</u>
At 31 December 2016	<u>385,886</u>	<u>661,338</u>	<u>753,430</u>

11. Stocks

	2017 £	2016 £
Raw materials and consumables	<u>871,120</u>	<u>809,959</u>

12. Debtors

	2017 £	2016 £
Due after more than one year		
Other debtors	-	100,000
Due within one year		
Trade debtors	1,553,139	891,629
Amounts owed by group undertakings	65,485	112,917
Other Debtors	116,808	456,903
Prepayments and accrued income	1,587,173	948,699
	<u>3,322,605</u>	<u>2,510,148</u>

13. Cash and Cash Equivalents

	2017 £	2016 £
Cash at banks and in hand	<u>1,871,154</u>	<u>1,161,438</u>

Bank balances earn interest at floating rates depending on daily bank deposit rates.

Selcia Limited

Notes to the financial statements for the year ended 31 December 2017 (Continued)

14. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	667,170	488,767
Other taxes and social security	155,186	103,028
Obligations under finance lease and hire purchase contracts	72,775	28,392
Other creditors	121,048	47,550
Accruals and deferred income	456,431	303,346
	<u>1,472,610</u>	<u>971,083</u>

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

	2017	2016
	£	£
Net obligations under finance leases and hire purchase contracts	<u>160,877</u>	<u>10,500</u>

Secured loans

Hire purchase obligations are secured against the asset to which they relate.

16. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2017	2016
	£	£
Within one year	72,775	28,392
Between 1-2 years	160,877	10,500
Between 2-5 years	-	-
	<u>233,652</u>	<u>38,892</u>

17. Provisions

The company has established provisions as described in Note 2.15, to recognise its estimated liabilities for decommissioning. A related asset has also been recognised and included within the 'Plant and Machinery' category. The following is a summary of the provisions for the year ended 31 December 2017:

	Provisions for decommissioning costs
	£
Balance as at 1 January 2017	-
Additions to provisions	350,628
Unwinding of discount (charged to interest payable)	27,700
	<u>378,328</u>
Balance as at 31 January 2017	<u>378,328</u>

Selcia Limited

Notes to the financial statements for the year ended 31 December 2017 (Continued)

18. Share Capital

	2017	2016
	£	£
Shares classified as equity		
Allotted, called up and fully paid		
3,210,000 ordinary shares of £0.05 each	160,500	160,500

19. 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 independent administered fund. The pension cost charge represents contributions payable by the company to the fund amounting to £184,220 (2016 - £195,246). At the year end £39,352 (2016 - £38,815) was owed to the pension scheme.

20. Commitments under operating leases

At 31 December 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

Land and Buildings	2017	2016
	£	£
Not later than 1 year	408,000	400,000
Later than 1 year and not later than 5 years	1,612,000	1,600,000
More than five years	2,000,000	-
	4,020,000	2,000,000
Other	2017	2016
	£	£
Not later than 1 year	17,212	5,837
Later than 1 year and not later than 5 years	12,936	2,910
	30,148	8,747

21. Controlling Party

The Directors regard Selcia Holdings Limited, registered in England and Wales, as the immediate parent company.

The ultimate parent and controlling party is Eurofins Scientific SE, a company incorporated in Luxembourg. Eurofins Scientific SE is the only company to consolidate the financial statements of Selcia Limited.

A copy of the group financial statements prepared by Eurofins Scientific SE can be obtained from:

Eurofins Scientific SE
23 Val Fleuri
L-1526, Luxembourg
Luxembourg