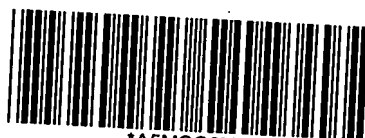

ALcontrol Holdings (UK) Limited
Report and financial statements
For the year ended 31 March 2016

Registered number: 05257340

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COMPANIES HOUSE

Company information

Directors	S Gibbs P Bream
Registered office	Unit 6 Parc Caer Seion Conwy UK LL32 8FA
Registered number	05257340
Auditor	Ernst & Young LLP Chartered Accountants & Statutory Auditor 100 Barbirolli Square Manchester M2 3EY

Directors' report

The Directors present their report and the financial statements for ALcontrol Holdings (UK) Limited (the "Company") for the year ended 31 March 2016.

Principal activity

The principal activity of the Company is that of an intermediate holding company.

Results and dividends

During the year the Company transitioned to FRS 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* ("FRS 102"). The results for the current and prior year as stated below were not impacted by the transition.

The loss for the year after taxation is £7,416,000 for the year ended 31 March 2016 (2015: profit for the year after taxation of £7,536,000).

The directors do not recommend the payment of a dividend (2015: £nil).

Directors

The Directors of the Company during the year and up to the date of approval of the financial statements were:

S Gibbs

P Bream

Employee involvement

It is company policy to keep employees informed of matters affecting their interests through normal management channels and due consideration is given to their interests in making management decisions.

The company's human resources policies recognise the importance of employee involvement. Employees and their representatives are provided with information and consulted on matters which are, in the opinion of directors, of concern to them as employees and likely to affect their interests. The company encourages all employees to enhance their competence and develop new skills via participation in locally arranged training programmes. These programmes are designed to stimulate and challenge employees and in so doing aid in the process of employee recruitment and retention. Business unit meetings and staff consultative committees are held, where employees are made aware of financial and economic factors affecting the business.

Disabled employees

The company is committed to a policy of equality of treatment and opportunity for all employees, including those who are disabled. Arrangements are made, where possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities. Accordingly, the only personal attributes which are taken into account in making decisions about employees are those which relate directly to actual or potential performance.

Going Concern

The group, headed by ALcontrol Group Limited, has prepared financial forecasts for the group, comprising profit and loss, balance sheet and cash flows reflecting the current financing structure. These forecasts show that, taking account of reasonably likely changes in trading performance and the factors noted above, the group is capable of operating within the level of its available facilities and complying with its financial and non financial covenants for a period of at least twelve months from the date of signature of these statutory accounts.

The directors of the company are in receipt of a letter of support from ALcontrol Group Limited.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Directors' report (continued)

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 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 they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Statement as to disclosure of information to auditor

So far as each person who is a director is aware, there is no relevant audit information of which the Company's auditor is unaware. Each director has taken all steps that he ought to have taken in his duty as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.


Auditor

Ernst & Young LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Small company regime

These financial statements have been prepared in accordance with special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved and authorised for issue by the board on 21 December 2016 and was signed on its behalf by:


.....

P Bream
Director

Independent auditor's report to the members of ALcontrol Financial Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALCONTROL HOLDINGS (UK) LIMITED

We have audited the financial statements of ALcontrol Holdings UK Limited for the year ended 31 March 2016 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 17. 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of ALcontrol Financial Limited

Matters on which we are required to report by exception

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

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



Alastair John Richard Nuttall (Senior Statutory Auditor)

For and on behalf of Ernst & Young LLP (Statutory Auditor)

Manchester

Date:

22/12/16.

Profit and loss account

For the year ended 31 March 2016

<i>Continuing activities</i>	Note	2016 £'000	2015 £'000
Turnover		-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses		(178)	(89)
Operating loss		(178)	(89)
Interest receivable and similar income	5	-	9,425
Interest payable and similar charges	6	(7,238)	(1,800)
(Loss)/profit on ordinary activities before taxation		(7,416)	7,536
Taxation		-	-
(Loss)/profit for the year		(7,416)	7,536

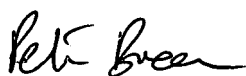
There were no recognised gains or losses other than those included in the profit and loss account.
The notes on pages 8 to 15 are an integral part of these financial statements.

Balance sheet

As at 31 March 2016

	Note	2016 £'000	2015 £'000
Fixed assets			
Investments in subsidiary undertakings	7	3,169	3,169
Tangible fixed assets	8	-	-
		<u>3,169</u>	<u>3,169</u>
Current assets			
Debtors	9	15,676	16,727
Cash at bank and in hand		-	-
		<u>15,676</u>	<u>16,727</u>
Creditors: amounts falling due within one year	10	(5,630)	(1,092)
Net current assets		<u>10,046</u>	<u>15,635</u>
Total assets less current liabilities		13,215	18,804
Creditors: amounts falling due after more than one year	11	(133,020)	(131,193)
Net assets		<u>(119,805)</u>	<u>(112,389)</u>
Capital and reserves			
Called up share capital	12	1	1
Profit and loss account		(119,806)	(112,390)
Shareholders' funds		<u>(119,805)</u>	<u>(112,389)</u>

These financial statements were approved and authorised for issue by the board on 21 September 2016 and were signed on its behalf by:



P Bream
Director

The notes on pages 8 to 15 are an integral part of these financial statements.

Notes to the financial statements

For the year ended 31 March 2016

1 Accounting policies

1.1 General information

ALcontrol Holdings (UK) Limited (the "Company") is a private company limited by shares, incorporated in England and Wales. The address of its registered office and principal place of business is Unit 6, Parc Caer Seion, Conwy, UK, LL32 8FA.

The principal activity of the Company is that of an intermediate holding company.

These financial statements have been presented in Pounds Sterling as this is the Company's functional currency, being the currency of the primary economic environment in which the Company operates.

1.2 Basis of preparation

These financial statements have been prepared in accordance with Section 1A of FRS 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* ("FRS 102") and applicable legislation as set out in the Companies Act 2006 and the Small Companies and Groups (Accounts and Directors' Reports) Regulations 2008. These financial statements have been prepared under the historical cost convention.

The Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare group accounts. These financial statements present information about the Company as an individual undertaking and not about its group.

Transition to FRS 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland*

This is the first year the Company has prepared its financial statements in accordance with FRS 102. Prior to 2015 the Company prepared its financial statements in accordance with UK Generally Accepted Accounting Practice ("UK GAAP"). No adjustments were required to the Company's reported equity at the date of transition and comparative year and no adjustments were required to the Company's reported profit or loss for the comparative year.

1.3 Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. Further detail is given in the Directors' Report.

The directors are in receipt of a letter of support from ALcontrol Group Limited.

1.4 Investments

Investments in subsidiary undertakings are recognised at cost less accumulated impairment losses.

1.5 Tangible assets

Tangible assets are stated at cost, net of depreciation and any provision for impairment.

Depreciation is provided at rates calculated to write off the cost of the assets, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Plant and machinery	- 3 to 7 years
IT systems, fixtures and fittings	- 5 to 10 years

Notes to the financial statements (continued)

For the year ended 31 March 2016

1 Accounting policies (continued)

1.6 Taxation

The tax expense for the year comprises current and deferred tax. Tax currently payable, relating to UK corporation tax, is calculated on the basis of the tax rates and laws that have been enacted or substantively enacted as at the reporting date.

Deferred tax is recognised on all timing differences that have originated but not reversed at the reporting date. Transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future give rise to a deferred tax liability or asset. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expenses in tax assessments in years different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted as at the reporting date, that are expected to apply to the reversal of the timing difference. The tax expense is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense.

Deferred income tax assets are recognised only to the extent that, on the basis of all available evidence, it is deemed probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Current and deferred tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and there is the intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.7 Financial instruments

Financial assets and liabilities are recognised when the Company becomes party to the contractual provisions of the financial instrument. The Company holds only basic financial instruments, which comprise cash and cash equivalents, debtors and creditors.

Financial assets – classified as basic financial instruments

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held with banks, and other short-term highly liquid investments with original maturities of three months or less.

Debtors

Debtors are initially recognised at the transaction price, including any transaction costs, and are subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Amounts that are receivable within one year are measured at the undiscounted amount expected to be received, net of any impairment. Where a financial asset constitutes a financing transaction it is initially and subsequently measured at the present value of the future payments, discounted at a market rate of interest.

Financial liabilities – classified as basic financial instruments

Creditors

Creditors are initially measured at the transaction price, including any transaction costs, and are subsequently measured at amortised cost using the effective interest method. Amounts that are payable within one year are measured at the undiscounted amount expected to be payable. Where a financial liability constitutes a financing

Notes to the financial statements (continued)

For the year ended 31 March 2016

transaction it is initially and subsequently measured at the present value of the future payments, discounted at a market rate of interest.

1 Accounting policies (continued)

1.8 Classification of financial instruments issued by the company

Financial instruments issued by the company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in the financial statement for called up share capital and share premium exclude amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments are classified as part of shareholders' funds.

1.9 Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

2 Critical accounting judgements and key sources of estimation uncertainty

In applying the Company's accounting policies, the directors are required to make judgements in determining the carrying amounts of assets and liabilities. The directors' judgements are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, the actual results and outcomes may differ.

The critical judgements that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are discussed below.

(i) Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets, the Directors have considered both external and internal sources of information such as market conditions and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

(ii) Assessing the classification of financial instruments issued by the company

In assessing whether financial instruments should be classified as a financial liability or equity, the Directors considered the substance of the financial instruments over the legal form.

Notes to the financial statements (continued)

For the year ended 31 March 2016

3 Employee information

The average monthly number of employees (including directors) was:

	2016	2015
Directors	<u>2</u>	<u>2</u>

The only employees of the company were the directors. No remuneration was paid or is payable to the Directors (2015: £nil). The Directors of the company are also directors of the holding company and fellow subsidiaries. The Directors received total remuneration of £870,000 (2015: £777,000) all of which was paid by ALS Life Sciences Limited. The Directors do not believe that it is practical to apportion the amount between their services as directors of the Company and their services of the holding Company and fellow subsidiaries.

4 Auditor's remuneration

The auditor's remuneration of £3,000 (2015: £3,000) was paid by ALS Life Sciences Limited (formerly known as ALcontrol UK Limited) on behalf of the Company.

5 Interest receivable and similar income

	2016 £'000	2015 £'000
Exchange difference on retranslation of long term finance	<u>-</u>	<u>9,425</u>

6 Interest payable and similar charges

	2016 £'000	2015 £'000
Exchange difference on retranslation of long term finance	5,367	-
Interest payable on bank loans and overdrafts	1,748	1,674
Amortisation of loan financing costs	<u>123</u>	<u>126</u>
	<u>7,238</u>	<u>1,800</u>

Notes to the financial statements (continued)

For the year ended 31 March 2016

7 Investments in subsidiary undertakings

	Total £'000
Cost	
At 1 April 2015 and 31 March 2016	<u>164,360</u>
Accumulated impairment	
At 1 April 2015 and 31 March 2016	<u>161,191</u>
Carrying value	
At 1 April 2015 and 31 March 2016	<u><u>3,169</u></u>

The companies in which the company's interest at the year end is more than 20% are as follows:

	Country of incorporation	Principal activity	Class and percentage of shares held
Subsidiary undertakings			
ALcontrol Holdings Limited	United Kingdom	Intermediate holding Company	100% ordinary

8 Tangible fixed assets

	Fixtures, fitting, tools and equipment £'000
Cost	
At 1 April 2015 and 31 March 2016	<u>1,748</u>
Accumulated depreciation	
At 1 April 2015 and 31 March 2016	<u>1,748</u>
Carrying value	
At 1 April 2015 and 31 March 2016	<u><u>-</u></u>

Notes to the financial statements (continued)

For the year ended 31 March 2016

9 Debtors

	2016 £'000	2015 £'000
Amounts owed by group undertakings	<u>15,676</u>	<u>16,727</u>

The comparative balance of £16,727,000 included within amounts owed by group undertakings has been reclassified from a debtor due after more than one year to a debtor due within one year. This classification reflects the FRS 102 requirement to classify balances with no defined repayment terms as falling due within one year.

10 Creditors: amounts falling due within one year

	2016 £'000	2015 £'000
Bank loans and overdrafts	4,192	(123)
Accruals and deferred income	786	585
Accrued interest	<u>652</u>	<u>630</u>
	<u>5,630</u>	<u>1,092</u>

11 Creditors: amounts falling due after more than one year

	2016 £'000	2015 £'000
Preferences shares	14,116	14,116
Bank loans and overdrafts	12,496	15,909
Amounts owed to associated undertakings	99,334	94,094
Accrued interest on preferences shares	<u>7,074</u>	<u>7,074</u>
	<u>133,020</u>	<u>131,193</u>

Bank loans outstanding at the year end include instalments due after more than five years of £Nil (2015: £Nil). The bank loan is secured by a fixed and floating charge over the assets of the company and its subsidiary undertakings.

Notes to the financial statements (continued)

For the year ended 31 March 2016

12 Called up share capital

	2016 £	2015 £
Authorised:		
Equity: 120,000 'A' Ordinary shares of £0.01 each	1,200	1,200
Non equity: 25,000,000 redeemable preference shares of £0.01 each	250,000	250,000
300,000 cumulative convertible participating preferred ordinary shares of £0.01 each	3,000	3,000
120,000 deferred shares of £0.01 each	829	829
	<u>255,029</u>	<u>255,029</u>
Allotted, called up and fully paid:		
Equity: 109,185 'A' Ordinary shares of £0.01 each	1,091	1,091
Non equity: 19,999,893 redeemable preference shares of £0.01 each	199,999	199,999
279,997 cumulative convertible participating preferred ordinary shares of £0.01 each	2,800	2,800
	<u>203,890</u>	<u>203,890</u>
Shares classified as liability	202,799	202,799
Shares classified as share capital	1,091	1,091
	<u>203,890</u>	<u>203,890</u>

Redeemable preference shares

Redeemable preference shareholders have the right to receive a fixed cumulative preferential dividend at a rate of 11.6% per annum but do not have the right to vote at general meetings of the company. The right to receive the preference dividend has priority over the rights of the holders of any other class of shares.

Preference shares may be redeemed early by a written resolution, otherwise they are redeemable on a sale or listing or on winding up of a Group company.

Preferred ordinary shares

Dividends on the preferred ordinary shares accrue from 10 December 2009 and rank pari passu in all respects with the 'A' Ordinary shares as to dividends. The dividend will be 15% of the profit before taxation of the company. Each preferred ordinary share entitles the shareholder to one vote at general meetings of the company.

13 Contingent liabilities

In addition to the bank loans held by the company, £51,909,000 (2014: £ 48,090,000) of loans are held by companies that are members of the ALcontrol Group Limited Group of companies. The Group is a guarantor and each guarantor irrevocably and unconditionally jointly and severally guarantees the borrowings of other companies under the control of ALcontrol Group Limited.

Notes to the financial statements (continued)

For the year ended 31 March 2016

14 Commitments

The company has no outstanding commitments at the year end (2015: £nil).

15 Related party transactions

A loan from the Company's associate, ALcontrol Investors (Luxembourg) Sarl, was provided to the Company and is included within amounts owed to associated undertakings. The loan is repayable on such a date as agreed between the Company and the lender. Interest is charged at amounts agreeable between the Company and the lender. The movement in the balance has been disclosed below

	2016 £'000	2015 £'000
At the start of the year	94,094	103,217
Currency translation on loan	5,240	(9,123)
At the end of the year	<u>99,334</u>	<u>94,094</u>

16 Parent undertaking

The company's immediate parent undertaking is ALcontrol Group Limited.

The smallest and largest group to consolidate these financial statements is ALcontrol Group Limited. Copies of ALcontrol Group Limited consolidated financial statements can be obtained from the Company Secretary at the company's registered office Unit 7&8 Hawarden Business Park, Manor Road (off Manor Lane), Hawarden, Deeside, CH5 3US.

ALcontrol Investors (Cayman) L.P. is the ultimate parent of the group of which ALcontrol Holdings (UK) Limited is part.

17 Events after the reporting period

There are no events after the reporting period.