

**Company Registration No. 00934139**

**Azelis UK Life Sciences Limited**

**Annual Report and Financial Statements**

**for the year ended**

**31 December 2014**

FRIDAY



\*A46Z4PEI\*

A16

08/05/2015

#196

COMPANIES HOUSE

## **Report and financial statements 2014**

<b>Contents</b>	<b>Page</b>
<b>Officers and professional advisers</b>	<b>1</b>
<b>Strategic report</b>	<b>2</b>
<b>Directors' report</b>	<b>4</b>
<b>Directors' responsibilities statement</b>	<b>5</b>
<b>Independent auditor's report</b>	<b>6</b>
<b>Profit and loss account</b>	<b>8</b>
<b>Balance sheet</b>	<b>9</b>
<b>Notes to the financial statements</b>	<b>10</b>

**Azelis UK Life Sciences Limited**  
Company Registration No. 00934139

**Officers and professional advisers**

**Directors**

Mr D M McCabe  
Mrs J T Traynor  
H J Muller  
M Hollenhorst

**Secretary**

D M McCabe

**Registered Office**

Foxholes Business Park  
John Tate Road  
Hertford  
Hertfordshire  
SG13 7YH

**Bankers**

Fortis Bank SA  
5 Aldermanbury Square London  
EC2V 7HR

**Auditor**

Deloitte LLP  
Chartered Accountants and Statutory  
Auditor  
Manchester

## **Strategic report**

### **Principal activities and future developments**

The principal activities of the company continue to be the sale and distribution of speciality ingredients for the personal care, food, healthcare and fragrance ingredients sectors. The directors do not anticipate the principal activity of the company to change in the foreseeable future.

### **Business review**

The directors' objective is to continue to develop and build the Life Science business across the core sectors of the Azelis portfolio, delivering growth and performance enhancements for the mutual benefit of customers, suppliers, employees and shareholders. Synergies arising from membership of the Azelis Group will remain a fundamental lynchpin of these objectives.

Included within the operations is an overseas branch, S&D Chemicals (India). The results of the branch have been included in the financial statements for the year ended 31 December 2014.

The results for the company are set out in the profit and loss account on page 8.

Key performance indicators include the following:

<b>KPI</b>	<b>Year to 31 December 2014</b>	<b>Year to 31 December 2013</b>	<b>Year to 31 December 2012</b>
Sales (£'000)	64,828	73,398	79,102
Profit before tax (£'000) (excluding gain on sale of subsidiary - 2012)	2,138	1,092	3,857

The performance of the Azelis UK Life Sciences business was in line with expectations and profitability was quite robust in the main despite selling into end markets that were only slowly recovering from the economic difficulties of recent years. Furthermore this profitability was achieved despite some decline in sales that was experienced in a couple of our key market sectors although much of this reduction was due to strategic re-alignment and focus upon higher value add business whilst withdrawing from low value business.

## **Azelis UK Life Sciences Limited**

Company Registration No. 00934139

### **Strategic report (continued)**

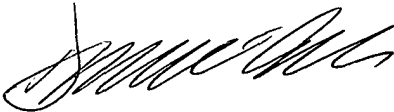
#### **Risks and uncertainties**

The principal commercial risks and uncertainty facing the company relate to a trend of the UK Personal Care manufacturing industry moving to cheaper operating environments and price pressure. The company continues to use its strong balance sheet and membership of the Azelis Group to diversify its product range, synergistic market sectors and geographic coverage within its business units. Indeed being in the Azelis Group ensures that other regional sister companies of Azelis UK Life Sciences Ltd can follow international producer customers as and when they do relocate manufacturing to other countries. The company's focus remains on the provision of a high level of value-added service involving in-depth product and market knowledge, first class supply chain performance and a commitment to continual improvement.

With regard to financial risks, as the company's trading operations involve foreign currencies there is an inherent exposure to exchange risk. The company's credit risk primarily relates to trade debtors and is managed by monitoring the aggregate amount and duration of exposure to any one customer depending on their credit rating.

The company maintains a strong culture towards health, safety and the environment and operates a responsible care programme.

Approved by the Board of Directors  
and signed on behalf of the Board



David M. McCabe

Director

30 April 2015

## **Directors' report**

The directors present their annual report and the audited financial statements for the year ended 31 December 2014.

### **Directors**

The directors who held office during the year and thereafter were as follows:

D M McCabe  
J T Traynor  
H J Muller  
M Hollenhorst

### **Going concern**

As part of the Azelis Group financing arrangements, the company guarantees the obligations of Azelis SA with the group's debt facilities agents and the company has received confirmation of the continued support from Azelis UK Holdings Limited, the immediate parent company. After making adequate enquiries, the directors have a reasonable expectation that the group 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 details regarding the adoption of the going concern basis can be found in the accounting policies in note 1 to the financial statements.

### **Auditor**

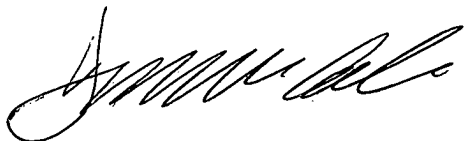
Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board and signed on its behalf by:



David M. McCabe  
Director  
30 April 2015

## **Directors' responsibilities statement**

The directors are responsible for preparing the Annual 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). 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 judgments 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.

## **Independent auditor's report to the members of Azelis UK Life Sciences Limited**

We have audited the financial statements of Azelis UK Life Sciences Limited for the year ended 31 December 2014 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes 1 to 22. 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).

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, 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 December 2014 and of the company's 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.

### **Opinion on other matter prescribed by the Companies Act 2006**

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

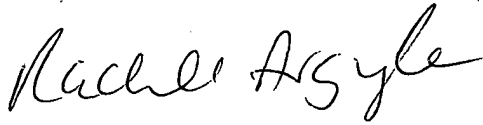


## **Independent auditor's report to the members of Azelis UK Life Sciences Limited (continued)**

### **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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.



Rachel Argyle (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor

Manchester, United Kingdom

1 MAY 2015

**Azelis UK Life Sciences Limited**  
**Company Registration No. 00934139**

**Profit and loss account**  
**Year ended 31 December 2014**

	<b>Note</b>	<b>2014 £'000</b>	<b>2013 £'000</b>
<b>Turnover</b>	2	64,828	73,398
Cost of sales		(51,526)	(61,349)
<b>Gross profit</b>		13,302	12,049
Administrative expenses		(11,062)	(11,032)
<b>Operating profit</b>		2,240	1,017
Interest receivable and similar income	5	69	873
Interest payable and similar charges	6	(171)	(798)
<b>Profit on ordinary activities before taxation</b>	3	2,138	1,092
Taxation	7	488	(367)
<b>Profit for the financial year</b>	16,17	2,626	725

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses in either year other than the profit or loss for that year. Accordingly no separate statement of total recognised gains and losses has been presented.

**Azelis UK Life Sciences Limited**  
Company Registration No. 00934139

**Balance sheet**  
**At 31 December 2014**

	Note	2014 £'000	2013 £'000
<b>Fixed assets</b>			
Goodwill	8	5	13
Tangible assets	9	168	252
Investments	10	4,907	5,301
		<u>5,080</u>	<u>5,566</u>
<b>Current assets</b>			
Stocks	11	7,644	7,560
Debtors	12	31,212	7,531
Cash and cash equivalents		686	27,460
		<u>39,542</u>	<u>42,551</u>
<b>Creditors: amounts falling due within one year</b>	13	(10,273)	(16,394)
<b>Net current assets</b>		<u>29,269</u>	<u>26,157</u>
<b>Net assets</b>		<u>34,349</u>	<u>31,723</u>
<b>Capital and reserves</b>			
Called up share capital	15	115	115
Share premium account	16	404	404
Profit and loss account	16	33,830	31,204
<b>Shareholder's funds</b>	17	<u>34,349</u>	<u>31,723</u>

The financial statements of Azelis UK Life Sciences Limited (registered number 00934139) were approved for issue by the Board of Directors on 30 April 2015.

Signed on behalf of the Board of Directors



D M McCabe  
Director

# **Azelis UK Life Sciences Limited**

Company Registration No. 00934139

## **Notes to the financial statements For year ended 31 December 2014**

### **1. Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as noted below.

#### **Basis of preparation**

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules.

The company is a wholly owned subsidiary of Azelis Holding SA and has taken advantage of the exemption available in FRS 1 "Cash Flow Statements" not to prepare a cash flow statement.

The company is exempt from the requirement to produce group accounts under section 400 of the companies Act 2006 as it is a wholly owned subsidiary undertaking of Azelis SA, which is incorporated in Luxembourg. These financial statements, therefore, present information about the Company as an individual undertaking and not about its group.

#### **Going concern**

The Azelis group manages its cash flows, liquidity position and borrowing facilities on a group basis and further disclosure relating to these matters are included in the annual report of Azelis SA. The company guarantees the obligations of Azelis SA under the group's debt facilities agreements. Azelis UK Holdings Limited, the immediate parent company, has confirmed it will continue to support the company's obligations and as a result, after making enquiries and reviewing the group's and company's forecasts, the directors have a reasonable expectation that the company has adequate resources for the foreseeable future.

#### **Goodwill**

Purchased goodwill (representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired) arising on business combinations or in respect of acquisitions is capitalised at cost. Positive goodwill is amortised to nil by equal annual instalments over its estimated useful life.

#### **Fixed assets and depreciation**

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Leasehold improvements	The life of the lease
Computer equipment	4 years
Fixtures, fittings and equipment	10 years
Motor vehicles	4 years

#### **Investments**

Fixed assets investments are stated at cost less provision for impairment value.

**Notes to the financial statements (continued)**  
**For year ended 31 December 2014**

**1. Accounting policies (continued)**

**Foreign currencies**

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction or, if hedged forward, at the rate of exchange under the related forward currency contract.

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.

**Leases**

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

**Post-retirement benefits**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

**Stocks**

Stocks are stated at the lower of cost and net realisable value. Cost includes the cost of bringing each product to its present location and condition. Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

**Trade debtors**

Trade debtors subject to invoice discounting arrangements with a third party are derecognised upon transfer of the debts and substantially all of the associated risks and rewards to the third party. Administration charges incurred in relation to this are recorded in the profit and loss account.

**Taxation**

Current UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have been originated but not reversed at the balance sheet date where 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 have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that they will be recovered against the reversal of deferred tax liabilities or future taxable profits.

**Turnover**

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to third party customers. Turnover is recognised upon transfer of risks and rewards to the customer.

## Azelis UK Life Sciences Limited

Company Registration No. 00934139

### Notes to the financial statements (continued) For year ended 31 December 2014

#### 2. Analysis of turnover and segmental information

All turnover and profits before taxation are derived from the technical sale and distribution of speciality ingredients. A geographical analysis of turnover is as follows:

	2014 £'000	2013 £'000
United Kingdom	42,343	46,317
Rest of the world	22,485	27,081
	<u>64,828</u>	<u>73,398</u>

#### 3. Profit on ordinary activities before taxation

	2014 £'000	2013 £'000
Profit on ordinary activities before taxation is stated after charging/(crediting):		
Depreciation of tangible assets	171	252
Amortisation of goodwill	8	12
Operating leases - other	714	743
(Gain)/loss on sale of tangible fixed assets	(15)	4
Loss on foreign exchange transactions	1,155	217
Auditor's remuneration for the audit of the company's annual accounts	24	17
	<u></u>	<u></u>

There were no non audit fees incurred in either year.

#### 4. Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2014 No.	2013 No.
Sales and support	<u>114</u>	<u>109</u>

The aggregate payroll costs of these persons were as follows:

	2014 £'000	2013 £'000
Wages and salaries	4,462	4,308
Social security costs	523	528
Other pension costs	211	249
	<u>5,196</u>	<u>5,085</u>

No directors received any remuneration in the current or prior year for services to this company.

**Notes to the financial statements (continued)**  
**For year ended 31 December 2014**

**5. Interest receivable and similar income**

	<b>2014</b> <b>£'000</b>	<b>2013</b> <b>£'000</b>
On amounts due from group companies	56	869
Other interest	13	4
	<u>69</u>	<u>873</u>

**6. Interest payable and similar charges**

	<b>2014</b> <b>£'000</b>	<b>2013</b> <b>£'000</b>
On amounts due to group companies	117	500
Bank interest	1	-
Other interest	53	298
	<u>171</u>	<u>798</u>

**7. Taxation**

**Analysis of (credit)/charge in the year**

	<b>2014</b> <b>£'000</b>	<b>2013</b> <b>£'000</b>
<b>Current tax</b>		
Corporation tax at 21.5% (2013: 23.25%)	789	487
Adjustments in respect of prior periods	(1,394)	2
Total current tax	<u>(605)</u>	<u>489</u>
<b>Deferred tax (see note 14)</b>		
Origination/reversal of timing differences	107	(134)
Adjusted in respect of prior periods	-	5
Effect of decreased tax rate	10	7
Tax on profit on ordinary activities	<u>(488)</u>	<u>367</u>

In the current year an adjustment has been recorded in respect of the previous period of £1,391,000 (2013: nil) regarding the release of an accrual that is no longer required.

**Notes to the financial statements (continued)**  
**For year ended 31 December 2014**

**7. Taxation (continued)**

The current tax charge for the year is higher (2013: higher) than the standard rate of corporation tax in the UK 21.5% (2013: 23.25%). The differences are explained below:

	<b>2014</b> <b>£'000</b>	<b>2013</b> <b>£'000</b>
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	2,138	1,092
	<hr/>	<hr/>
Current tax at 21.5% (2013: 23.25%)	460	254
Effects of		
Expenses not deductible for tax purposes	151	94
Differences between capital allowances and depreciation	(5)	51
Other short term timing differences	(109)	98
Short lease premium	(1)	(1)
Transfer pricing adjustment	288	(11)
Other adjustment	5	2
Adjustments in respect of prior years	(1,394)	2
	<hr/>	<hr/>
Total current tax charge (see above)	(605)	489
	<hr/>	<hr/>

**8. Goodwill**

	<b>£'000</b>
<b>Cost</b>	
At 1 January 2014	648
Disposals	(589)
	<hr/>
At 31 December 2014	59
	<hr/>
<b>Amortisation</b>	
At 1 January 2014	635
Charge for the year	8
Disposals	(589)
	<hr/>
At 31 December 2014	54
	<hr/>
<b>Net book value</b>	
At 31 December 2014	5
	<hr/>
At 31 December 2013	13
	<hr/>

The disposals relate to the Polish entities which ceased trading in the year as described in note 10.



# Azelis UK Life Sciences Limited

Company Registration No. 00934139

## Notes to the financial statements (continued) For year ended 31 December 2014

### 9. Tangible fixed assets

	Leasehold improvements equipment £'000	Computer equipment £'000	Fixtures, fittings and equipment £'000	Motor vehicles £'000	Total £'000
<b>Cost</b>					
At 1 January 2014	63	2,118	966	144	3,291
Additions	58	5	30	-	93
Disposals	-	-	(252)	(86)	(338)
At 31 December 2014	121	2,123	744	58	3,046
<b>Accumulated depreciation</b>					
At 1 January 2014	58	1,956	897	128	3,039
Charge for the year	8	122	31	10	171
Disposals	-	-	(252)	(80)	(332)
At 31 December 2014	66	2,078	676	58	2,878
<b>Net book value</b>					
At 31 December 2014	55	45	68	-	168
At 31 December 2013	5	162	69	16	252

### 10. Fixed asset investments

	Shares in group undertakings £'000
<b>Cost</b>	
At 1 January 2014	5,623
Additions	199
At 31 December 2014	5,822
<b>Provision for impairment</b>	
At 1 January 2014	(322)
Charge in the year	(593)
At 31 December 2014	(915)
<b>Net book value</b>	
At 31 December 2014	4,907
At 31 December 2013	5,301

In the year the company increased its investment in S&D Chemicals BG Limited. An impairment was recorded against the investment in the Polish businesses due to the cessation of trade.

# Azelis UK Life Sciences Limited

Company Registration No. 00934139

## Notes to the financial statements (continued)

For year ended 31 December 2014

### 10. Fixed asset investments (continued)

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

Subsidiary undertakings	Country of registration	Principal activity	Percentage of ordinary shares held
S Black (Import & Export) Limited	England and Wales	Dormant	100.0%
S&D Group Limited	England and Wales	Holding company	100.0%
S & D Chemicals Limited	England and Wales	Dormant	100.0%
Chesham Speciality Ingredients Limited	England and Wales	Dormant	100.0%
Food Ingredient Technology Limited	England and Wales	Dormant	80.0%
S & D Chemicals (Canada) Limited	Canada	Specialist chemicals	100.0%
S & D Chemicals Australia Pty. Limited	Australia	Specialist chemicals	70.0%
S & D Chemicals BG Limited	Bulgaria	Specialist chemicals	100.0%
S & D Chemical Processing Limited	England and Wales	Dormant	100.0%
S & D Aroma Limited	England and Wales	Dormant	100.0%
Raduga UK Limited	England and Wales	Dormant	100.0%

In the year, S&D Polska Sp. z o.o., Chesham Speciality Ingredients Polska Sp. z o.o. and S & D Ingredia Sp. z o.o. ceased to trade due to a business restructuring in the wider Azelis Group.

### 11. Stocks

	2014 £'000	2013 £'000
Finished goods and goods for resale	7,644	7,560

The replacement cost of stock does not differ significantly from the figures shown.

### 12. Debtors

	2014 £'000	2013 £'000
Trade debtors	2,418	3,297
Amounts owed by group undertakings	27,067	2,128
Other debtors	1,377	1,680
Deferred tax asset (see note 14)	86	203
Prepayments and accrued income	264	223
	31,212	7,531

The directors have produced forecasts that support the recoverability of the deferred tax asset. Intercompany receivables are repayable on demand.

**Notes to the financial statements (continued)**  
**For year ended 31 December 2014**

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

	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
Trade creditors	6,545	6,724
Amounts owed to group undertakings	2,192	7,316
Taxation and social security	455	821
Corporation tax	540	1,015
Other creditors	229	267
Accruals and deferred income	312	251
	<u>10,273</u>	<u>16,394</u>

Intercompany loans are non interest bearing and repayable on demand.

**14. Deferred taxation**

	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
Asset at beginning of year	203	81
Charge to the profit and loss account for the year	(117)	122
Asset at end of year	<u>86</u>	<u>203</u>

The deferred tax asset is included within debtors (see note 12).

The elements of deferred taxation are as follows:

	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
Difference between accumulated depreciation and amortisation and capital allowances	80	90
Other timing differences	6	113
Deferred tax asset	<u>86</u>	<u>203</u>

The Finance Act 2012 provides for a reduction in the main rate of UK corporation tax to and 20% from 1 April 2015. As this rate was substantively enacted prior to 31 December 2014 it has been reflected in the deferred tax asset at 31 December 2014.

**Notes to the financial statements (continued)**  
**For year ended 31 December 2014**

**15. Called up share capital**

	<b>2014</b>		<b>2013</b>	
	<b>Number</b>	<b>£'000</b>	<b>Number</b>	<b>£'000</b>
<b>Authorised</b>				
Ordinary shares of £1 each	115,000	115	115,000	115
<b>Authorised, called up and fully paid</b>				
Ordinary shares of £1 each	115,000	115	115,000	115

**16. Share premium and reserves**

	<b>Share premium account £'000</b>	<b>Profit and loss account £'000</b>
At beginning of year	404	31,204
Profit for the year	-	2,626
At end of year	404	33,830

**17. Reconciliation of movements in shareholder's funds**

	<b>2014 £'000</b>	<b>2013 £'000</b>
Profit for the financial year	2,626	725
Adjustment relating to India branch	-	(84)
Opening shareholder's funds	31,723	31,082
Closing shareholder's funds	34,349	31,723

In 2012 the company acquired the trade and assets of S&D Chemicals Limited. Included within the operations of S&D Chemicals Limited is an overseas branch, S&D Chemicals (India) which has continued to trade. The results of the branch have been included in the financial statements for the year ended 31 December 2014.

## Azelis UK Life Sciences Limited

Company Registration No. 00934139

### Notes to the financial statements (continued)

#### For year ended 31 December 2014

##### 18. Commitments

At 31 December the company was committed to making the following annual payments under non-cancellable operating leases:

	Land and buildings		Other	
	2014	2013	2014	2013
	£'000	£'000	£'000	£'000
Operating leases which expire:				
Within one year	17	-	24	46
Between two and five years	64	128	161	189
Over five years	415	455	4	-
	<u>496</u>	<u>583</u>	<u>189</u>	<u>235</u>

##### 19. Pension scheme

The company operates a defined contribution pension scheme.

The pension cost charge for the year represents contributions payable by the company to the company pension schemes and amounted to £211,000 (2013: £249,000). There were outstanding contributions at the year end of £nil (2013: £nil).

##### 20. Related party disclosure

The company has taken advantage of the exemption in Financial Reporting Standard No. 8 from the requirement to disclose transactions or balances with wholly-owned group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

##### 21. Control

The company's immediate parent undertaking is Azelis UK Holding Limited. Azelis SA is the ultimate parent company and controlling party.

The smallest group for which group accounts are prepared is Azelis SA. The largest group for which group accounts are prepared is Atlas Holding SA, a company incorporated and registered in Luxembourg. The consolidated financial statements of Azelis SA and Atlas Holding SA are available to the public and may be obtained from Alexander House, Crown Gate, Runcorn, Cheshire, WA7 2UP.

##### 22. Contingent liabilities

The company is co-guarantor and obligor, along with Azelis UK Holdings Limited and Azelis UK Limited of the debt facility of Azelis SA at 31 December 2014.