

Dechra Finance Limited

**Annual Report and Financial
Statements**

**Registered number 09129928
For the year ended 30 June 2021**



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Strategic Report

Business review

The Company acts as a financing company. The functional currency is Euro as the majority of transactions entered into by the Company are transacted in Euros.

Financial Review

Results

The results for the year are set out on page 7.

As a financing company, the Company is dependent on the ability of other group companies to settle inter-company interest as it falls due. Throughout the COVID-19 pandemic the Dechra Pharmaceuticals PLC Group has successfully managed to remain operational as across the world the majority of veterinary practices have still operated, albeit with service provision varied on a country-by-country basis. Group sales have remained robust because of the Group's strategy to focus on essential and chronic prescription medicine, as veterinarians have worked to ensure sick animals have continued to be treated. The impact of COVID-19 on this Company is therefore considered to be minimal.

Review of operating performance

Company performance

The Company received interest income of €9,594,000 (2020: €9,719,000) and had interest payable of €3,073,000 (2020: €3,595,000) during the year.

The financial position at the end of the year was strong with equity shareholders' funds standing at €137,056,000 (2020: €139,833,000).

Funding

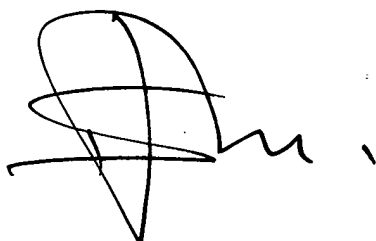
The Company is principally funded by investment from the Company's parent and external debt of €150.0 million.

Risks and uncertainties

The Company, like every business, faces risks and uncertainties in both its day to day operations and through events relating to the achievement of its long term strategic objectives.

The Board has ultimate responsibility for risk management within the Company and there is an ongoing and embedded process of assessing, monitoring, managing and reporting on significant risks faced by the Company.

On behalf of the board



ID Page
Director

9 November 2021

Directors' Report

The directors present their report and the audited financial statements for the year ended to 30 June 2021.

Future developments

The company will continue to act as a financing company for other companies within the Dechra Pharmaceuticals PLC Group.

Directors

The directors who were in office during the year and up to date of signing the financial statements were:

ID Page
AG Griffin
PN Sandland

Political and charitable contributions

The company made no political or charitable contributions during the year.

Financial risk management

The Company uses various financial instruments to manage its financial risk. These include loans and cash that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the wider Group's operations.

Liquidity risk

The Company seeks to manage liquidity risk by ensuring sufficient liquidity is available to meet its foreseeable needs. The Directors review the projections on a regular basis to ensure the business has adequate liquidity and working capital.

Interest rate risk

The Company finances its operations through a mixture of retained profits and where necessary intercompany loans. The Company's exposure to interest rate fluctuations on its borrowings is managed by the use of both fixed and floating facilities.

Credit risk

Credit limits are reviewed by the credit controller on a regular basis in conjunction with debt ageing and collection history.

Dividends

An interim dividend of €8,000,000 (2020: *€nil*) was declared and paid during the year.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and Financial Statements and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Directors' Report *(continued)*

Statement of Directors' Responsibilities *(continued)*

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Directors' and officers' liability

The Company maintains an appropriate level of directors' and officers' insurance whereby directors are indemnified against liabilities to third parties to the extent permitted by the Companies Act 2006. The directors also benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report. A copy of the indemnity provisions will be available for inspection upon request at the registered office.

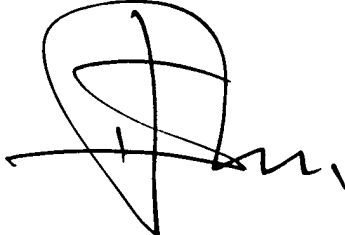
Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

Independent auditors

PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment was approved by the shareholders.

On behalf of the board



ID Page
Director

24 Cheshire Avenue
Cheshire Business Park
Lostock Gralam
Northwich
CW9 7UA
9 November 2021

Independent auditors' report to the members of Dechra Finance Limited

Report on the audit of the financial statements

Opinion

In our opinion, Dechra Finance Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of financial position as at 30 June 2021; the Income statement and the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

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

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

Independent auditors' report to the members of Dechra Finance Limited

(continued)

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

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 30 June 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to applicable Generally Accepted Accounting Practice, tax compliance legislation and the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims and any instances of non-compliance with laws and regulations, and fraud;
- Inspecting correspondence and discussion with legal advisors in respect of actual or potential litigation;
- Reviewing minutes of meetings of those charged with governance;
- Identifying and testing unusual journal entries which increase revenue or reduce expenditure to manipulate the financial performance of the business;

Independent auditors' report to the members of Dechra Finance Limited

(continued)

- Challenging and auditing assumptions and judgements made by management in their significant accounting estimates and judgements given the potential risk of management bias; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



Mark Skedgel (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
9 November 2021

Income statement
for the year ended 30 June 2021

	<i>Note</i>	2021 €000	2020 €000
Administrative expenses		(20)	51
Operating (loss)/profit		(20)	51
Finance income	4	9,594	9,719
Finance costs	5	(3,073)	(3,595)
Profit before taxation	2	6,501	6,175
Tax on profit	6	(1,278)	(1,190)
Profit for the financial year		5,223	4,985

All amounts relate to continuing operations.

There are no other comprehensive income recognised in either the current or preceding year other than the profit for this year.

The notes on pages 10 to 16 form part of the financial statements.

Statement of financial position
as at 30 June 2021

	Note	2021 €000	2021 €000	2020 €000	2020 €000
Non-current assets					
Trade and other receivables	7		34,498		56,059
Current assets					
Trade and other receivables	8	307,257		285,466	
		<u>307,257</u>		<u>285,466</u>	
Creditors: amounts falling due within one year	9	(4,699)		(1,692)	
Net current assets			<u>302,558</u>		<u>283,774</u>
Total assets less current liabilities			<u>337,056</u>		<u>339,833</u>
Creditors: amounts falling due more than one year	10		(200,000)		(200,000)
Net assets			<u>137,056</u>		<u>139,833</u>
Equity					
Called up share capital	12		130,469		112,203
Share premium account			2,083		20,349
Retained earnings			4,504		7,281
Total shareholders' funds			<u>137,056</u>		<u>139,833</u>

The notes on pages 10 to 16 form part of the financial statements.

The financial statements on pages 7 to 16 were approved by the board of directors on 9 November 2021 and were signed on its behalf by:



ID Page
Director

Company number: 09129928

Statement of changes in equity
for the year ended 30 June 2021

	Share premium account €000	Called up share capital €000	Retained Earnings €000	Total shareholders' funds €000
For the year ended 30 June 2020				
At 1 July 2019	20,349	112,203	2,296	134,848
Profit for the financial year and total comprehensive income	-	-	4,985	4,985
Balances at 30 June 2020	20,349	112,203	7,281	139,833
For the year ended 30 June 2021				
At 1 July 2020	20,349	112,203	7,281	139,833
Bonus issue (note 12)	(18,266)	18,266	-	-
Profit for the financial year and total comprehensive income	-	-	5,223	5,223
Dividends Paid (note 13)	-	-	(8,000)	(8,000)
Balances at 30 June 2021	2,083	130,469	4,504	137,056

Notes to the financial statements

1 Principal accounting policies

General information

Dechra Finance Limited acts as a financing company. The Company is incorporated and domiciled in England, UK, and is a private limited company. The address of the registered office is 24 Cheshire Avenue, Cheshire Business Park, Lostock Gralam, Northwich, CW9 7UA.

Basis of preparation

The financial statements of Dechra Finance Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. There are no areas involving a high degree of judgement or estimates given the nature of the entity. All accounting policies have been applied consistently other than where new policies have been adopted.

The following exemptions have been taken in preparing the financial statements;

- a) The requirements of IFRS 7 'Financial Instruments: Disclosures'
- b) The following requirements of IAS 1:
 - Paragraphs 10(d) and 111, exempting the Company from providing a cash flow statement and information;
 - Paragraph 16, exempting the Company from providing a statement of compliance with all IFRSs;
 - Paragraph 38A, exempting the Company from the requirement for a minimum of two of each primary statement and the related notes;
 - Paragraph 38B to D, exempting the Company from the requirement to present additional comparative information; and
 - Paragraphs 134 to 136, exempting the Company from presenting Capital Management disclosures.
- c) The requirements of IAS 7 'Statement of Cash Flows', exempting the Company from preparing a cash flow statement
- d) The requirements of paragraph 17 of IAS 24 'Related Party Disclosures', exempting the Company from disclosing details of all key management compensation.
- e) The requirements in IAS 24 'Related Party Disclosures' to disclose related party transactions with wholly-owned members of the Group.
- f) The requirements of paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' exempting the company from disclosing the impact of new accounting standards that have been issued but are not yet effective.

The directors intend that the Company will take advantage of the above disclosure exemptions for the year ended 30 June 2022.

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing the financial statements.

Notes to the financial statements (*continued*)

1 Principal accounting policies (*continued*)

New standards, amendments and IFRI

There are no amendments to accounting standards, no new standards of IFRIC interpretations that are effective for the year ended 30 June 2021 that have a material impact on the financial statements.

Foreign currency

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges. All other foreign exchange gains and losses are presented in the income statement within 'Other operating expenses'.

Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for the UK, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Financial guarantee contracts

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other group companies, the Company considers these to be insurance arrangements, and accounts for them as such. In this respect, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

Trade and other receivables

Trade and other receivables are amounts due from other Group entities. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Amounts owed by other Group entities are initially recognised at fair value and subsequently measured at this value less loss allowances, calculated using the three stage IFRS 9 model.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Share capital

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

Notes to the financial statements *(continued)*

1 Principal accounting policies *(continued)*

Dividend income

Dividend income is recognised when the right to receive payment is established.

Dividend distribution

Dividend distributions to the Company's shareholders are recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or, in the case of an interim dividend, when the dividend is paid.

2 Profit before taxation

No directors received any emoluments in respect of services as director of this Company during the year (2020: *£nil*).

Auditors' remuneration has been borne by the ultimate parent undertaking in both years.

A support service fee of £20,000 (2020: *£nil*) has been incurred during the year from Group Finance for treasury and accounting functions.

3 Employees and directors

Excluding directors, the Company did not employ any persons during the year (2020: *nil*).

4 Finance income

	2021 €000	2020 €000
Inter-company interest receivable	9,565	9,719
Foreign exchange gains	29	-
	<hr/>	<hr/>
Total finance income	9,594	9,719
	<hr/>	<hr/>

5 Finance costs

	2021 €000	2020 €000
External bank interest	2,211	3,043
Inter-company interest payable	862	378
Foreign exchange losses	-	174
	<hr/>	<hr/>
Total finance costs	3,073	3,595
	<hr/>	<hr/>

Notes to the financial statements (*continued*)

6 Tax on profit

Tax expense included in the income statement

	2021 €000	2020 €000
<i>Current tax</i>		
UK Corporation tax on profits for the year	1,202	1,183
Adjustment in respect of prior period	43	(91)
Foreign tax suffered	33	-
	<hr/>	<hr/>
Total current tax	1,278	1,092
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	-
Adjustment in respect of prior period	-	98
	<hr/>	<hr/>
Total deferred tax	-	98
	<hr/>	<hr/>
Income tax expense	1,278	1,190
	<hr/>	<hr/>

The current tax expense is higher (2020: *higher*) than the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

	2021 €000	2020 €000
Profit before taxation	6,501	6,175
	<hr/>	<hr/>
Current tax charge at 19% (2020: 19%)	1,235	1,173
<i>Effects of:</i>		
Income not taxable	-	10
Current tax prior period adjustment	43	(91)
Deferred tax prior period adjustments	-	98
	<hr/>	<hr/>
Total income tax expense	1,278	1,190
	<hr/>	<hr/>

UK Finance Bill 2021 was substantively enacted on 24 May 2021, which included the increase in main rate of UK corporation tax from 19% to 25%, effective 1 April 2023.

Notes to the financial statements *(continued)*

7 Non-current: trade and other receivables

	2021 €000	2020 €000
Amounts owed by group undertakings	34,498	56,059
	<u>34,498</u>	<u>56,059</u>

Amounts owed by group undertakings are unsecured. Of the amounts owed by group undertakings, €27,848,000 is repayable in 2023 (attracting interest of 2.55%) and €6,650,000 is repayable in 2026 (attracting interest of 1.5%). The credit loss provision against amounts owed by group undertakings is €63,000 (2020: €110,000). Where the amounts due from group undertakings are repayable on demand they are calculated using the expected loss model. If the loan is for a fixed term the credit loss provision is calculated using the twelve month default rate in BBB-rated bonds.

8 Trade and other receivables

	2021 €000	2020 €000
Amounts owed by group undertakings	289,437	267,958
Amounts owed by group undertakings – cash pooling	17,820	17,508
	<u>307,257</u>	<u>285,466</u>

Amounts owed by group undertakings are unsecured, and attracts interest of between 2.5- 5.88%. Of the balance of €289,437,000, €2,178,000 is repayable on demand. The credit loss provision against amounts owed by group undertakings is €521,000 (2020: €475,000). Where the amounts due from group undertakings are repayable on demand they are calculated using the expected loss model. If the loan is for a fixed term the credit loss provision is calculated using the twelve month default rate in BBB-rated bonds.

Amounts owed by group undertakings (cash pooling) are unsecured, repayable on demand and attract interest at LIBOR - 1.03% (at a minimum rate of 0%).

9 Creditors: amounts falling due within one year

	2021 €000	2020 €000
Amounts owed to group undertakings	3,333	166
Accruals and deferred income	144	390
Corporation tax	1,222	1,136
	<u>4,699</u>	<u>1,692</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayments and are repayable on demand.

Notes to the financial statements *(continued)*

10 Creditors : amounts falling due after more than one year

	2021 €000	2020 €000
Amounts owed to group undertakings	50,000	50,000
Borrowings (note 11)	150,000	150,000
	<u>200,000</u>	<u>200,000</u>

Amounts owed to group undertakings are unsecured, attract interest of 1.7% per annum, and are repayable in January 2027.

11 Borrowings

	2021 €000	2020 €000
<i>Borrowings due after one year:</i>		
Bank loan	150,000	150,000
	<u>150,000</u>	<u>150,000</u>

The amount drawn on the Revolving Credit Facility was increased in January 2020 by €87.0 million to €150.0 million. This facility is not secured on any specific assets of the Company but is supported by a joint and several cross-guarantee structure. Interest is charged at 1.8% over LIBOR. All covenants were met during the year ended 30 June 2021 and are foreseeable to be met during the year ended 30 June 2022.

12 Called up share capital

	Ordinary shares of €1 each	
	Number	€000
<i>Allotted and fully paid</i>		
At 1 July 2020	112,202,638	112,203
Shares Issued	18,265,544	18,266
	<u>130,468,182</u>	<u>130,469</u>
At 30 June 2021	130,468,182	130,469

On 3 December 2020 a bonus issue of 18,265,544 shares was made to Dechra Finance Sterling Limited, one of the Company's two existing shareholders. The issuance of shares was made out of the Share Premium account for a value of €18,265,544. This has not resulted in a change in retained earnings reserves or net assets.

13 Dividends paid

	2021 €000	2020 €000
Paid during the year €0.06 per share (2020 : €nil per share)	8,000	-
	<u>8,000</u>	<u>-</u>

14 Contingent liabilities

The Company guarantees the borrowings of certain other group companies which at 30 June 2021 amounted to €205,234,000 (2020: €224,018,000).

Notes to the financial statements *(continued)*

15 Controlling parties

The immediate and ultimate parent undertaking and the smallest and largest group to consolidate these financial statements is Dechra Pharmaceuticals PLC.

Copies of the group financial statements of Dechra Pharmaceuticals PLC may be obtained from 24 Cheshire Avenue, Cheshire Business Park, Lostock Gralam, Northwich, CW9 7UA.