REGISTERED NUMBER: 06343757 (England and Wales)

Report of the Directors and

Audited Financial Statements

for the Year Ended 31 December 2014

for

Fagron UK Ltd

Contents of the Financial Statements
for the Year Ended 31 December 2014

Fagron UK Ltd

Company Information
for the Year Ended 31 December 2014

DIRECTORS:	Mr J Peeters Mr C R van Rietschoten
SECRETARY:	Ms K de Jong
REGISTERED OFFICE:	Coburg House 1 Coburg Street Gateshead Tyne and Wear NE8 1NS
REGISTERED NUMBER:	06343757 (England and Wales)
AUDITORS:	RHK Business Advisers LLP, Statutory Auditor Coburg House 1 Coburg Street Gateshead Tyne & Wear NE8 1NS

Fagron UK Ltd (Registered number: 06343757)

Report of the Directors
for the Year Ended 31 December 2014

The directors present their report with the financial statements of the company for the year ended 31 December 2014.

PRINCIPAL ACTIVITY
The principal activity of the company in the year under review was that of the supply of materials for pharmaceuticals & cosmetics.

DIVIDENDS
No dividends will be distributed for the year ended 31 December 2014.

DIRECTORS
Mr J Peeters has held office during the whole of the period from 1 January 2014 to the date of this report.

Other changes in directors holding office are as follows:

Mr C R van Rietschoten was appointed as a director after 31 December 2014 but prior to the date of this report.

Mr G V Jeveren ceased to be a director after 31 December 2014 but prior to the date of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Report of the Directors 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 International Financial Reporting Standards as adopted by the European Union. 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;
- 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 AUDITORS
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) 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 in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

Mr C R van Rietschoten - Director

18 February 2016

Report of the Independent Auditors to the Members of Fagron UK Ltd

We have audited the financial statements of Fagron UK Ltd for the year ended 31 December 2014 on pages four to seventeen. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 a Report of the Auditors 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 auditors
As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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 Report of the Directors 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.

Basis for qualified opinion on financial statements
With respect to inventories having a carrying value of £117,884 the audit evidence available to us was limited because we were not permitted access to be able to observe the counting of physical inventories as at 31 December 2014. We were unable to obtain sufficient appropriate audit evidence regarding the inventory quantities by using other audit procedures.

Qualified opinion on financial statements
In our opinion, except for the possible effects of the matter described in the basis for qualified opinion paragraph the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRS's as adopted by the European Union; 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception
In respect solely of the limitation on our audit work relating to inventories described above:-
- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records had been kept.

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:
- 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.

Geoffery Miller FCA (Senior Statutory Auditor)
for and on behalf of RHK Business Advisers LLP, Statutory Auditor
Coburg House
1 Coburg Street
Gateshead
Tyne & Wear
NE8 1NS

18 February 2016

Fagron UK Ltd (Registered number: 06343757)

Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 31 December 2014

	Notes	2014 £	2013 £
CONTINUING OPERATIONS			
Revenue		2,417,824	2,421,747
Cost of sales		(1,093,782)	(1,088,461)
GROSS PROFIT		1,324,042	1,333,286
Other operating income	3	87,926	-
Distribution costs		(655,155)	(595,064)
Administrative expenses		(444,497)	(393,242)
OPERATING PROFIT		312,316	344,980
PROFIT BEFORE INCOME TAX	5	312,316	344,980
Income tax	7	(70,332)	(80,264)
PROFIT FOR THE YEAR		241,984	264,716
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		241,984	264,716
Earnings per share expressed in pence per share:	9		
Basic		96.75	105.84
Diluted		96.75	105.84

The notes form part of these financial statements

Fagron UK Ltd (Registered number: 06343757)

Statement of Financial Position
31 December 2014

	Notes	2014 £	2013 £
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	10	13,418	-
Property, plant and equipment	11	80,646	7,679
		94,064	7,679
CURRENT ASSETS			
Inventories	12	117,884	103,193
Trade and other receivables	13	842,680	612,764
		960,564	715,957
TOTAL ASSETS		1,054,628	723,636
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	14	250,100	250,100
Retained earnings	15	426,751	184,767
TOTAL EQUITY		676,851	434,867
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred tax	19	17,331	-
CURRENT LIABILITIES			
Trade and other payables	16	346,013	241,419
Financial liabilities - borrowings			
Bank overdrafts	17	352	11,235
Tax payable		14,081	36,115
		360,446	288,769
TOTAL LIABILITIES		377,777	288,769
TOTAL EQUITY AND LIABILITIES		1,054,628	723,636

The financial statements were approved by the Board of Directors on 18 February 2016 and were signed on its behalf by:

Mr C R van Rietschoten - Director

The notes form part of these financial statements

Statement of Changes in Equity
for the Year Ended 31 December 2014

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2013	250,100	717,498	967,598
Changes in equity			
Dividends	-	(797,447)	(797,447)
Total comprehensive income	-	264,716	264,716
Balance at 31 December 2013	250,100	184,767	434,867
Changes in equity			
Total comprehensive income	-	241,984	241,984
Balance at 31 December 2014	250,100	426,751	676,851

The notes form part of these financial statements

Fagron UK Ltd (Registered number: 06343757)

Statement of Cash Flows
for the Year Ended 31 December 2014

	Notes	2014	2013
		£	£
Cash flows from operating activities			
Cash generated from operations	1	189,512	900,520
Tax paid		(75,034)	(103,959)
Net cash from operating activities		114,478	796,561
Cash flows from investing activities			
Purchase of intangible fixed assets		(13,418)	-
Purchase of tangible fixed assets		(90,177)	(6,551)
Net cash from investing activities		(103,595)	(6,551)
Cash flows from financing activities			
Equity dividends paid		-	(797,447)
Net cash from financing activities		-	(797,447)
Increase/(decrease) in cash and cash equivalents		10,883	(7,437)
Cash and cash equivalents at beginning of year	2	(11,235)	(3,798)
Cash and cash equivalents at end of year	2	(352)	(11,235)

The notes form part of these financial statements

Notes to the Statement of Cash Flows
for the Year Ended 31 December 2014

1. RECONCILIATION OF PROFIT BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	2014	2013
	£	£
Profit before income tax	312,316	344,980
Depreciation charges	17,210	1,557
	329,526	346,537
Increase in inventories	(14,691)	(65,562)
(Increase)/decrease in trade and other receivables	(229,916)	666,329
Increase/(decrease) in trade and other payables	104,593	(46,784)
Cash generated from operations	189,512	900,520

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 December 2014

	31.12.14	1.1.14
	£	£
Bank overdrafts	(352)	(11,235)

Year ended 31 December 2013

	31.12.13	1.1.13
	£	£
Bank overdrafts	(11,235)	(3,798)

1. **REPORTING ENTITY**

Fagron UK Ltd (the 'Company') is a private limited company incorporated in England and Wales and domiciled in England. The company registration number is 06343757. The company's registered office is at Coburg House, 1 Coburg Street, Gateshead, Tyne and Wear, NE8 1NS. The company operates from Media Exchange, 4B Coquet Street, Newcastle upon Tyne, NE1 2QB. The company is primarily involved in the supply of materials for pharmaceuticals and cosmetics.

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2. ACCOUNTING POLICIES

Basis of preparation
The financial statements for the year ended 31 December 2013 represented the first year that the accounts have been prepared under International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

The principal accounting policies applied in preparing the accounts are detailed below. These policies have been consistently applied to all years presented, unless stated otherwise.

IFRS developments

The financial statements of Fagron UK Ltd have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU). The financial statements have been prepared on the basis of the historical cost convention, with the exception of financial assets and liabilities (including derivative instruments), which are stated at fair value.

The following new standards, amendments to standards and interpretations have been endorsed by the European Union and are mandatory for the first time for the financial year beginning 1 January 2014:

* Amendments to IAS 36 - Impairments - Limitation of scope and introduction of additional disclosures about fair value measurements when there has been impairment or a reversal of impairment. Fagron has assessed and supplied the amendments to the standard of impairments.

Following new interpretation, new standards and amendments to standards have been issued, but are not mandatory for the first time for the financial year beginning 1 January 2014:

* IFRS 9 Financial instruments (not endorsed by the EU) - The standard addresses the classification, measurement and derecognition of financial assets and financial liabilities. Fagron will review the effects of a comprehensive standard on financial instruments and consider adoption when appropriate.

* Amendment to IFRS 9 'financial instruments' on general hedge accounting (not endorsed by the EU) Annual Report 2018 - The amendment incorporates the new general hedge accounting model which will allow reporters to reflect risk management activities in the financial statements more closely as it provides more opportunities to apply hedge accounting. Fagron will review the effects of a comprehensive standard on financial instruments and consider adoption when appropriate.

* IFRIC 21 Levies Annual report 2015 - IFRIC 21 sets out the accounting for a liability to pay a levy if that liability is within the scope of IAS 37. It also addresses the accounting for a liability to pay a levy whose timing and amount is certain. Fagron has assessed that the application of this standard will not have a material impact on the financial statements.

* Annual improvements (2010 - 2012 cycle) Annual report 2016 (endorsed by the EU) - Minor amendments to eight standards:
- IFRS 2 Definition of vesting condition
- IFRS 3 Accounting for contingent consideration in a business combination
- IFRS 8 Aggregation of operating segments
- IFRS 8 Reconciliation of the total of the reportable segments' assets to the entity's assets
- IFRS 13 Short term receivables and payables
- IAS 7 Interest paid that is capitalised
- IAS 16/IAS 38 Revaluation period - Proportionate restatement of accumulated depreciation
- IAS 24 Key management personnel.

Following new interpretation, new standards and amendments to standards have been issued, but are not mandatory for the first time for the financial year beginning 1 January 2014:

* Amendment to IAS 19 'Defined benefit plans' Annual report 2016 - The amendment seeks clarification for the accounting of employee contributions set out in the formal terms of a defined benefit plan. Fagron has assessed that the application of this amendment will not have a material impact on the consolidated financial statements.

* Annual improvements 2012-2014 (not endorsed yet by the EU) - The amendments include IFRS 5, 'Non-current assets held for sale and discontinued operations', IAS 19, 'Employee benefits', IFRS 7, 'Financial instruments: disclosures' and IAS 34, 'Interim financial reporting'.

* IFRS 15 Revenue from contracts with customers - The standard will improve the financial reporting of revenue and improve comparability of the top line in financial statements globally. Fagron has assessed that the application of this standard will not have a material impact on the consolidated financial statements.

* Amendments to IAS 1 Presentation of financial statements Annual report 2016 (not endorsed by the EU) -

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The amendment to IAS1 are part of the initiative of the IASB to improve presentation and disclosure in financial reports and are designed to further encourage companies to apply professional judgement in determining what information to disclose in their financial statements. Fagron will review the effects of these amendments and consider adoption when appropriate.

The other new standards, amendments of standards and interpretations which were published but are not yet mandatory for this financial year starting 1 January 2014, are not applicable for Fagron UK Ltd.

Revenue recognition
Revenue of goods is recognised at the moment that delivery of the products has been made to the customer, the customer has accepted the products and the related receivables are likely to be collectable.

Property, plant and equipment
Tangible fixed assets are valued at the acquisition or production plus directly attributable costs if applicable. Depreciation pro rata calculated based on the useful life of the asset. The useful life of equipment and machinery is 2.5 to 5 years.

In general all assets are depreciated on a straight-line, based on the estimated economic life. Any residual value taken into account when calculating the depreciations is reviewed annually.

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

Borrowings are classified as current liabilities, unless Fagron UK has an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

Inventories
Raw materials, auxiliary materials and trade goods are valued at the acquisition value using the FIFO method or using the net realisable value (NRV) at the balance sheet date, whichever is lower. Work in progress and inventory finished products are valued at direct and indirect production cost. In addition to purchasing costs of raw materials and auxiliary materials, production costs include production costs and production overhead costs directly attributable to the individual product or the individual product group.

Taxation
Income taxes as recognised in the statement of profit or loss and other comprehensive income include current income tax and deferred taxes. Current income taxes include the expected tax liabilities on the taxable income of the Company for the financial year, based upon the applicable tax rates at the balance sheet date, and any adjustments of previous years.

Deferred taxes are recognised using the balance sheet liability method and are calculated on the basis of the temporary differences between the carrying amounts of assets and liabilities for financial reporting and the amount used for taxation purposes. This method is applied to all temporary differences arising, except for differences whereby the timing of reversing the temporary difference is controlled by the Company and whereby the temporary difference is not likely to be reversed in the near future. The calculation is based on the tax rates as enacted or substantially enacted at the balance sheet date and expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Under this calculation method, the Company is also required to account for deferred taxes relating to any difference between the fair value of the net acquired assets and their fiscal book value resulting from any acquisitions. Deferred tax assets are recognised to the ratio as the tax losses carried forward are likely to be utilised in the foreseeable future. Deferred income tax receivables are fully written off when it ceases to be likely that the corresponding tax benefit will be realised.

Research and development
Research costs related to the prospect of gaining new scientific or technological knowledge and understanding are recognised as costs as at the moment they are incurred.

Development costs are defined as costs incurred for the design of new or substantially improved products and for the processes preceding commercial production or use. They are capitalised if, among other things the following criteria are met:
- Technical feasibility of the project;
- Intention to complete and to use or sell the asset;
- Ability to use or sell the asset;
- Probability that the asset will generate future economic benefits;
- Adequate resources to complete the asset;
- Ability to measure the cost reliability.

Development costs are amortised using the straight line method over the period of their expected benefit, currently not exceeding five years. Amortisation starts as of the moment that these assets are ready for use.

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2. ACCOUNTING POLICIES - continued

Transactions in foreign currencies
The financial statements are presented in sterling being the Company's functional and presentational currency.

Transactions in foreign currencies are translated to the functional currency using the exchange rates on the transaction date. Profits and losses from exchange rate differences resulting from settling these transactions and from the conversion of monetary assets and liabilities into foreign currencies at exchange rates valid at year end are recognised in the statement of profit and loss and other comprehensive income.

Employee benefit costs
The Company operates a defined contribution pension scheme. For defined contribution plans, the Company pays contributions to insurance companies. Once the contributions have been paid, the Company ceases to have any liabilities. Contributions to defined contribution plans are recognised as a cost in the statement of profit or loss and other comprehensive income at the moment they are made.

Trade receivables
Trade receivables are initially valued at fair value and are measured at amortised costs. A Provision for impairment loss relating to trade receivables is created when there is objective evidence that Fagron UK Limited will not be able to collect all amounts due. After that trade receivables are valued at cost price less impairments. Significant financial difficulties of the debtor, the probability of the debtor becoming insolvent or undergoing financial restructuring, and non or overdue payments are regarded as indicators for recognising an impairment loss for the trade receivable in question.

If trade receivables are transferred to a third party (through factoring), the trade receivables are taken off the balance sheet provided that (1) there is no longer a right to receive cash flows and (2) Fagron UK Limited has substantially transferred all risks and rewards.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less, and are valued at acquisition at fair value and subsequently recognised at cost. Adjustments to the carrying amounts are made when at balance sheet date realisation value is lower than the book value.

Equity
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are recognised in the equity as a deduction, net of taxes, from the proceeds.

Provisions
The Company recognises provisions when a present legal or constructive obligation as a result of a past event exists, and it is probable that an outflow of economic benefits is required to settle the obligation. Different provisions exist for restructuring costs, legal claims, risk of losses or costs potentially arising from personal securities or collateral constituted as guarantees for creditors or commitments to third parties, from obligations to buy or sell no-current assets, from fulfilment of completed or received orders, technical guarantees associated with turnover or services already completed by the Company, unresolved disputes, fines and penalties related to taxes, or compensation for dismissal. Provisions for restructuring costs comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

The Company recognises a provision if:
1. A present obligation (legal or constructive) has arisen as a result of a past event (the obligating event);
2. Payment is probable ('more likely than not'); and
3. The amount can be estimated reliably.

Provisions are recognised based on management's best estimate of the expenditure required to settle the present obligation at balance sheet date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

Lease contracts - Operating leases
Lease contracts in which a significant portion of the risks and benefits of ownership are retained by the lessor are classified as operating leases. Payments under operating leases are made on a straight line basis over the life of the operating lease.

3. OTHER OPERATING INCOME

	2014	2013
	£	£
Sundry receipts	380	-
Exchange gains	87,546	-
	87,926	-

continued...

4. EMPLOYEES AND DIRECTORS

	2014	2013
	£	£
Wages and salaries	391,649	405,828
Social security costs	43,456	43,964
Other pension costs	39,372	35,078
	474,477	484,870

The average monthly number of employees during the year was as follows:

	2014	2013
Administration	4	3
Distribution	9	12
	13	15

	2014	2013
	£	£
Directors' remuneration	-	-

5. PROFIT BEFORE INCOME TAX

The profit before income tax is stated after charging/(crediting):

	2014	2013
	£	£
Cost of inventories recognised as expense	1,093,782	1,088,461
Depreciation - owned assets	17,210	1,557
Foreign exchange differences	(87,546)	2,612
Other operating leases	21,891	12,900
Operating leases - hire of plant and machinery	11,178	5,547

6. AUDITORS' REMUNERATION

	2014	2013
	£	£
Audit fee	8,000	6,000

7. INCOME TAX

Analysis of tax expense

	2014	2013
	£	£
Current tax:		
Tax	51,882	79,115
Amounts in respect of previous periods	1,119	1,149
Total current tax	53,001	80,264
Deferred tax	17,331	-
Total tax expense in statement of profit or loss and other comprehensive income	70,332	80,264

continued...

7. INCOME TAX - continued

Factors affecting the tax expense

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2014 £	2013 £
Profit on ordinary activities before income tax	312,316	344,980
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21.490% (2013 - 23.246%)	67,117	80,194
Effects of:		
Expenses not deductible for tax purposes	446	443
Capital allowances in excess of depreciation	(15,681)	(1,522)
Amounts due in respect of previous periods	1,119	1,149
Deferred tax	17,331	-
Tax expense	70,332	80,264

8. DIVIDENDS

	2014 £	2013 £
Interim	-	797,447

An interim dividend of £Nil per share was paid during the year (2013: £3.18851).

9. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated using the weighted average number of shares adjusted to assume the conversion of all dilutive potential ordinary shares.

Reconciliations are set out below.

	Earnings £	2014 Weighted average number of shares	Per-share amount pence
Basic EPS			
Earnings attributable to ordinary shareholders	241,984	250,100	96.75
Effect of dilutive securities	-	-	-
Diluted EPS			
Adjusted earnings	241,984	250,100	96.75

	Earnings £	2013 Weighted average number of shares	Per-share amount pence
Basic EPS			
Earnings attributable to ordinary shareholders	264,716	250,100	105.84
Effect of dilutive securities	-	-	-
Diluted EPS			
Adjusted earnings	264,716	250,100	105.84

continued...

10. INTANGIBLE ASSETS

	Development
	£
COST	
Additions	13,418
At 31 December 2014	13,418
NET BOOK VALUE	
At 31 December 2014	13,418

11. PROPERTY, PLANT AND EQUIPMENT

	Furniture and vehicles
	£
COST	
At 1 January 2014	9,236
Additions	90,177
At 31 December 2014	99,413
DEPRECIATION	
At 1 January 2014	1,557
Charge for year	17,210
At 31 December 2014	18,767
NET BOOK VALUE	
At 31 December 2014	80,646
At 31 December 2013	7,679

12. INVENTORIES

	2014	2013
	£	£
Trade goods	117,884	103,193

13. TRADE AND OTHER RECEIVABLES

	2014	2013
	£	£
Current:		
Trade receivables	383,502	449,058
Amounts owed by group undertakings	411,511	128,509
Other receivables	9,458	112
Deferred charges	38,209	35,085
	842,680	612,764

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2014	2013
			£	£
250,100	Ordinary	£1	250,100	250,100

	2012	2013
Par value per share	£1	£1

Each share entitles the holder to full voting rights of one vote per share and full rights to participate in dividends and other distributions. On a winding up or return of capital the shareholder is entitled to return of capital and to share in any surplus.

The shares are held by Fagron BV, the immediate parent company.

continued...

15. RESERVES

	Retained earnings £
At 1 January 2014	184,767
Profit for the year	241,984
At 31 December 2014	426,751

16. TRADE AND OTHER PAYABLES

	2014 £	2013 £
Current:		
Trade payables	93,290	34,246
Amounts owed to group undertakings	78,986	77,502
Social security and other taxes	112,501	99,186
Other payables	-	1,662
Accrued expenses	61,236	28,823
	346,013	241,419

17. FINANCIAL LIABILITIES - BORROWINGS

	2014 £	2013 £
Current:		
Bank overdrafts	352	11,235

Terms and debt repayment schedule

	1 year or less £
Bank overdrafts	352

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2014 £	2013 £
Within one year	36,252	28,678
Between one and five years	112,852	106,095
In more than five years	106,367	131,277
	255,471	266,050

Operating lease payments represent rentals payable by the Company for office premises and motor vehicles. The operating lease for the Company's premises represents 91.60% of the total operating leases. The rents are reviewed every three years under the terms of the lease and rentals are charged on a straight line basis.

19. DEFERRED TAX

	2014 £	2013 £
Charge for year	17,331	-
Balance at 31 December	17,331	-

The provision for deferred taxation is made up of accelerated capital allowances.

20. ULTIMATE PARENT COMPANY

Fagron NV, a company incorporated in Belgium, is the ultimate parent company of Fagron UK Ltd.

continued...

21. RELATED PARTY DISCLOSURES

During the year the company made total purchases of £828,743 (2013: £1,002,373), management charges of £95,881 (2013: £52,118) interconcern charges of £100,374 (2013: £60,421), sales of £88,079 (2013: £44,086) with associated companies. All transactions were on an arms length basis. The total balance due from the associated companies at the year end was £332,525 (2013: £51,007).

The associated companies were Fagron BV, Spruyt Hillen BV, Fagron Iberica S.A.U., Fagron Services BV, Fagron GmbH & Co. KG, Fagron BV, ACA Pharma NV, Fagron a.s. (CZ) Fagron A/S (DK), Fagron Italia SrL, Fagron SAS, Fagron Inc, Fagron NV, Fagron Group BV, Twipe BV, and Fagron Capital NV.

During the year the company paid dividends of £nil to Fagron Group BV (2013: £797,447), the immediate parent company of Fagron UK Limited.

The company has a Debenture letter and a letter of Intent from Fagron BV. Fagron BV is the immediate parent company of Fagron UK Limited.

Key management received remuneration totalling £64,484 (2013: £121,601).

22. ULTIMATE CONTROLLING PARTY

The immediate controlling party is Fagron Group BV. The ultimate controlling party is the board of directors of Fagron NV.