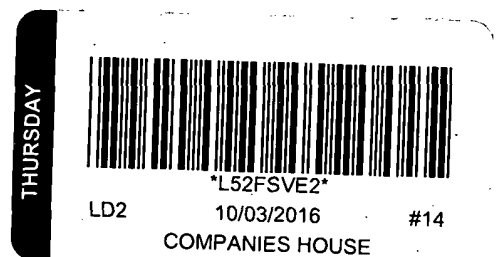


**ZERTUS UK Holding Limited**

**Company Registration Number:  
08227685 (England and Wales)**

**Report of the Directors and  
Audited Financial Statements**

**For the year ended  
31 December 2015**



## **ZERTUS UK Holding Limited**

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**ZERTUS UK Holding Limited**  
**Company Information**  
**for the year ended 31 December 2015**

Directors: J. Riemer  
A. Romankiewicz  
Dr. C. Diekmann  
C. Beecham

Company secretary: J. Riemer

Registered office: 1000 Highgate Studios  
53-79 Highgate Road  
London NW5 1TL

Company Registration Number: 08227685 (England and Wales)

Auditor: BDO LLP  
55 Baker Street  
London  
W1U 7EU

**ZERTUS UK Holding Limited**  
**Strategic Report**  
**for the year ended 31 December 2015**

The Directors present their strategic report for Zertus UK Holding Limited ("Zertus UK" or "the Company") for the year ended 31 December 2015.

**Principal activity**

The principal activity of the Company is to acquire or make investments in companies or businesses operating in the UK and to act as the holding company providing strategic direction, management services and financial support.

**Review of the development, performance and position of the business**

In the year under review the Company entered into multiple loan agreements with its parent company, Zertus GmbH, to borrow funds which it subsequently provided as intercompany loans to its subsidiary undertakings in respect of short term working capital and to fund a major factory extension.

The detailed results for the year under review are set out on page 12. In this year the Company had net interest payable of £16,783 (Previous Year: £17,758) and incurred administrative expenses of £12,096 (Previous Year: £31,318). Overall this led to a loss for the financial year after taxation of £28,880 (Previous Year: £49,076).

**Key Performance Indicators**

As an investment holding company there are no Key Performance Indicators. However, the Directors review the budget and business plans of its subsidiary, including sales, operating profits, profit before tax and net assets, to assess the carrying value of the company's only asset. At the date of this report the Directors do not consider there to be any indicators of impairment in relation to the carrying value of its subsidiary.

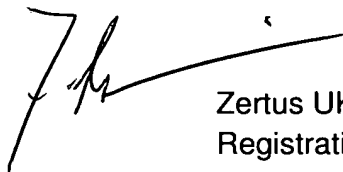
**ZERTUS UK Holding Limited**  
**Strategic Report**  
**for the year ended 31 December 2015 (continued)**

**Principal risks and uncertainties**

As an investment holding company, the Company's only source of income is dividends from its subsidiary. The main risk and uncertainty is therefore the ability of the Group headed by Zetar Limited to pay dividends.

Signed on behalf of the Board

J Riemer  
Director



Zertus UK Holding Limited  
Registration number 08227685

22 February 2016

**ZERTUS UK Holding Limited**  
**Director's Report**  
**for the year ended 31 December 2015**

The Directors present their report and accounts of the Company for the year ended 31 December 2015.

**Information included in the Strategic Report**

The following information is included in the Strategic Report:

- Details of the principal activity of the Company
- A review of the business including developments in the year, its performance and current position
- A summary of the principal risks and uncertainties affecting the Company, and
- Information relating to the KPIs monitored by the Company.

**Directors**

The Directors of the Company during the year under review were as follows:

J. Riemer

A. Romankiewicz

Dr. C. Diekmann

C. Beecham

Zertus GmbH maintains liability insurance for directors of the holding and subsidiary companies, with a cover limit for each claim or series of claims against them in that capacity. The Directors have also been granted a third party indemnity provision under section 234 of the Companies Act 2006.

**Dividends**

The Directors are not recommending payment of a dividend for the ordinary or preference shares.

**ZERTUS UK Holding Limited**  
**Director's Report**  
**for the year ended 31 December 2015 (continued)**

**Future developments**

The Company is reviewing potential future acquisitions in line with its strategic objectives which are aligned with its parent company.

**Financial instruments**

All funding is provided to the Company by its parent company, Zertus GmbH, via intercompany loans. The Company itself provides financial support to the Group headed by Zetar Limited ("Zetar Group") via intercompany loans.

**Liquidity risk**

The Company can request funding from its parent company. It grants financial support to the Zetar Group and may receive dividends from its subsidiary to meet the needs of the business.

**Interest rate cash flow risk**

The Company pays interest on its parent company loans and receives interest payments from its subsidiary undertakings. It does not deem it necessary to cover its interest rate risk which it considers is minimal.

**Political donations, for the year under review**

No contributions or donations were made to political organisations during the year under review.

**Employee Involvement and Disabled persons**

Zertus UK and its subsidiary believe in close consultation between employees and seek to keep all employees informed of matters affecting them. Regular meetings are held between employees and senior management to encourage the development of new ideas and to enable an open exchange of views when decisions are made which affect employees' interests. Equal opportunity is given to the employment of disabled persons where practicable. Every endeavour is made to ensure that disabled employees, benefit from training and career development programmes in common with all employees.

**ZERTUS UK Holding Limited**  
**Director's Report**  
**for the year ended 31 December 2015 (continued)**

**Statement of Directors' Responsibilities**

The Directors are responsible for preparing the report of the Directors, the strategic 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 company financial statements in accordance with the International Financial Reporting Standards as adopted by the European Union (IFRS EU). Under company law the Directors must not approve the company 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 year.

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;
- they have been prepared in accordance with IFRS's as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements;
- 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.

**ZERTUS UK Holding Limited**


**Director's Report  
for the year ended 31 December 2015 (continued)**

In so far as each of the Directors is aware:

- there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the board of directors on 22 Feb 2016  
and signed on behalf of the Board by:

Name: J. Riemer  
Status: Director

A handwritten signature in black ink, appearing to be 'J. Riemer', written over a horizontal line.

## **ZERTUS UK Holding Limited**

### **Independent auditor's report to the members of Zertus UK Holding Limited**

We have audited the financial statements of Zertus UK Holding Limited for the year ended 31 December 2015 which comprise the statement of comprehensive income, the statement of financial position, the cash flow statement, the statement of changes in equity and the related notes. 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 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 auditors**

As explained more fully in the statement of directors' responsibilities, 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Basis for qualified audit opinion on the financial statements**

The company has not prepared group financial statements, which is contrary to the provisions of the Companies Act 2006. As further explained in note 2.3, Zertus UK Holding Limited is the parent company of a large UK group, as defined by Companies Act 2006, and is therefore required to prepare consolidated group financial statements unless it has taken an exemption from doing so. An exemption exists within section 400 of Companies Act 2006 if the results of the group are included in the consolidated financial statements of an EU registered group and the financial statements of the EU registered group are delivered to the Registrar of Companies for England & Wales ('Registrar'). However, Zertus UK Holding Limited's parent company, Zertus GmbH's financial statements will not be delivered to the Registrar. As a result, Zertus UK Holding Limited is unable to take this exemption and should have prepared group accounts.

### **Qualified opinion arising from failure to prepare group accounts**

In our opinion, except for the effects of the matters described in the basis for qualified opinion paragraph, the parent financial statements

## **ZERTUS UK Holding Limited**

### **Independent auditor's report to the members of Zertus UK Holding Limited (continued)**

- give a true and fair view of the parent company's affairs as at 31 December 2015 and of the company's loss 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 matters prescribed by the Companies Act 2006**

Notwithstanding our qualified opinion regarding the lack of group financial statements, 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.

#### **Matters on which we are required to report by exception**

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

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



*Marc Reinecke (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor  
55 Baker Street  
London  
W1U 7EU  
United Kingdom  
Date 22/2/2016*

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC30512).

**ZERTUS UK Holding Limited**

**Statement of Comprehensive Income  
for the year ended 31 December 2015**

	Note	Year ended 31 December 2015 £	Year ended 31 December 2014 £
Administrative expenses		12,096	31,318
<b>Operating Loss</b>	<b>3</b>	<b>12,096</b>	<b>31,318</b>
Finance income	5	(160,010)	(33,806)
Finance costs	6	176,793	51,564
<b>Loss before taxation</b>		<b>28,879</b>	<b>49,076</b>
Tax on loss	7	-	-
<b>Loss for the Year and other comprehensive loss attributable to equity owners of the parent</b>		<b>28,879</b>	<b>49,076</b>

All amounts relate to continuing activities.

The notes on pages 16 to 28 form part of these financial statements.

**ZERTUS UK Holding Limited**

**Statement of Financial Position  
at 31 December 2015**

Company number 8227685

	Note	Year ended 31 December 2015 £	Year ended 31 December 2014 £	1 January 2014 £
<b>Non-current assets</b>				
Investments	8	42,725,354	42,725,354	42,725,354
		<b>42,725,354</b>	<b>42,725,354</b>	<b>42,725,354</b>
<b>Current assets</b>				
Loans and other Receivables	9	10,386,104	4,317,756	-
Cash and cash equivalents		1,690	5,499	6,472
		<b>10,387,794</b>	<b>4,323,255</b>	<b>6,472</b>
<b>Total Assets</b>		<b>53,113,148</b>	<b>47,048,609</b>	<b>42,731,827</b>
<b>Current Liabilities</b>				
Accruals	10	8,000	4,850	3,750
Borrowings	10	10,386,104	4,317,756	-
		<b>10,394,104</b>	<b>4,322,606</b>	<b>3,750</b>
<b>Net current (liabilities) / assets</b>		<b>(6,310)</b>	<b>649</b>	<b>2,722</b>
<b>Total assets less current liabilities</b>		<b>42,719,044</b>	<b>42,726,003</b>	<b>42,728,076</b>
<b>Non-current Liabilities</b>				
Borrowings	11	820,930	799,010	752,007
		<b>820,930</b>	<b>799,010</b>	<b>752,007</b>
<b>Total Liabilities</b>		<b>11,215,034</b>	<b>5,121,616</b>	<b>755,757</b>
<b>Net assets</b>		<b>41,898,114</b>	<b>41,926,993</b>	<b>41,976,069</b>
<b>Equity</b>				
Share capital	12	42,000,000	42,000,000	42,000,000
Retained deficit		(101,886)	(73,007)	(23,931)
<b>Total Equity attributable to equity holders of the parent</b>		<b>41,898,114</b>	<b>41,926,993</b>	<b>41,976,069</b>

The financial statements were approved by the Directors and authorised for issue on 22nd Feb 2016 and are signed on their behalf by:

  
J. Riemer  
Director

  
Dr. C. Diekmann  
Director

The notes on pages 16 to 28 form part of these financial statements.

**ZERTUS UK Holding Limited**

**Cash Flow Statement  
for the year ended 31 December 2015**

	Note	Year ended 31 December 2015 £	Year ended 31 December 2014 £
<b>Net cash used in operating activities</b>	13	(8,946)	(30,218)
<b>Investing</b>			
Interest received from subsidiary undertakings	5	82,352	-
Proceeds from intercompany loans	9	16,438,640	-
Repayment of intercompany loans	9	(22,507,270)	(4,351,450)
<b>Net cash used in investing activities</b>		<u>(5,986,278)</u>	<u>(4,351,450)</u>
<b>Financing</b>			
Interest paid to parent company	6	(81,175)	-
Proceeds from intercompany loans	10, 11	22,511,230	4,380,695
Repayment of intercompany loans	10, 11	(16,438,640)	-
<b>Net cash inflow from financing</b>		<u>5,991,415</u>	<u>4,380,695</u>
<b>Decrease in cash and cash equivalents</b>		<u>(3,810)</u>	<u>(973)</u>
Cash and cash equivalents at 1 January		5,499	6,472
<b>Cash and cash equivalents at 31 December</b>		<u>1,690</u>	<u>5,499</u>

The notes on pages 16 to 28 form part of these financial statements.

## ZERTUS UK Holding Limited

### Statement of Changes in Equity

	Share capital <sup>1</sup> £'000	Retained deficit <sup>2</sup> £'000	Total £'000
<b>Balance at 1 January 2014</b>	<b>42,000,000</b>	<b>(23,931)</b>	<b>41,976,069</b>
<b>Comprehensive loss:</b>			
Loss for the year	-	(49,076)	(49,076)
<b>Total comprehensive loss:</b>	<b>-</b>	<b>(49,076)</b>	<b>(49,076)</b>
<b>Balance at 31 December 2014</b>	<b>42,000,000</b>	<b>(73,007)</b>	<b>41,926,993</b>
<b>Comprehensive loss:</b>			
Loss for the year	-	(28,879)	(28,879)
<b>Total comprehensive loss:</b>	<b>-</b>	<b>(28,879)</b>	<b>(28,879)</b>
<b>Balance at 31 December 2015</b>	<b>42,000,000</b>	<b>(101,886)</b>	<b>41,898,114</b>

1 Share capital contains amounts subscribed for share capital at nominal value.

2 Retained Deficit contains all gains and losses and transactions with owners

The notes on pages 16 to 28 form part of these financial statements.

**ZERTUS UK Holding Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2015**

**1. Basis of preparation and measurement**

The financial statements of the Company have been prepared under the historical cost convention and in accordance with the International Financial Reporting Standards as adopted by the European Union (IFRS EU). The Company has transitioned to IFRS EU from previously extant UK Generally Accepted Accounting Practice (UK GAAP) for all periods presented; accordingly the financial statements are the Company's first set of financial statements prepared under International Financial Reporting Standards as adopted by the European Union. The date of transition to IFRS selected by the Company ('first-time adopter') for the first IFRS financial statement is 1 January 2014. The latest reporting period covered by the Company's first IFRS financial statements is 1 January 2015 to 31 December 2015. The transition from UK GAAP to IFRS EU had no effect on the financial position, financial performance and cash flows of the Company.

There were a number of standards and interpretations which were in issue at 31 December 2015 but were not effective at 31 December 2015 and have not been adopted for these Financial Statements. The Directors have assessed the full impact of these accounting changes on the Company. To the extent that they may be applicable, the Directors have concluded that none of these pronouncements will cause material adjustments to the Company's Financial Statements. They may result in consequential changes to note disclosures.

The new standards include:

IFRS 9	Financial Instruments <sup>2</sup>
IFRS 11 (Amendments)*	Accounting for Acquisitions of Interests in Joint Operations <sup>1</sup>
IFRS 14	Regulatory Deferral Accounts <sup>1</sup>
IFRS 15	Revenue from Contracts with Customers <sup>2</sup>
IFRS 16	Leases <sup>3</sup>
IAS 1 (Amendments)*	Disclosure Initiative <sup>1</sup>
IAS 16 (Amendments)*	Clarification of Acceptable Methods of Depreciation and Amortisation <sup>1</sup>
IAS 27 (Amendments)*	Equity Method in Separate Financial Statements <sup>1</sup>
IAS 38 (Amendments)*	Clarification of Acceptable Methods of Depreciation and Amortisation <sup>1</sup>
Improvements to IFRSs*	Annual Improvements 2012-2014 Cycle <sup>1</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2016

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2018

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2019

\* Standard adopted by European Union

**ZERTUS UK Holding Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2015**

**2. Statement of significant accounting policies**

The following principal accounting policies have been applied:

**2.1 Going concern**

The Group of which the Company is a member, has considerable financial resources and continues to trade profitably. As a consequence the Directors believe that the Company is well placed to manage its business risks successfully despite the current challenging economic environment. Accordingly, it remains appropriate to prepare the financial statements on a going concern basis.

**2.2 Critical accounting judgements and key sources of estimation uncertainty**

The preparation of financial statements under IFRS requires the Company to make estimates and assumptions that affect the application of policies and reported amounts. The main areas in which assumptions and estimates relate to are investments and their recoverability. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

**2.3 Non-consolidation**

Zertus UK Holding Limited is the parent company of a large UK group, as defined by Companies Act 2006, and is therefore required to prepare consolidated group financial statements unless it has taken an exemption from doing so. The company has not prepared group financial statements as the results of the group are included in the consolidated financial statements of its parent company, Zertus GmbH, a company incorporated in Germany. However the parent company accounts are not filed at Companies House and as such no exemption is available. As such these accounts are contrary to the consolidation requirements of the Companies Act 2006.

**ZERTUS UK Holding Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2015**

**2.4 Investments**

In accordance with IAS 27 *Separate Financial Statements* investments are stated at cost less any provision for impairment.

**2.5 Impairment of assets**

The Company reviews an asset's carrying value when there are indications that the book value of an asset exceeds its recoverable amount. The recoverability of assets held for use is assessed by making a comparison of the book value of an asset or group of assets against the recoverable value of the asset. The recoverable value of the asset is the higher of the value in use or fair value less costs to sell. If the value of such an asset is considered to be impaired, the carrying value is reduced to the recoverable value.

**2.6 Financial instruments**

The Company's financial assets include unsecured loans due from subsidiary undertakings ("loans and other receivables", cf. for details to Note 9) and cash and cash equivalents. Loans and other receivables fall in the IAS 39 category loans and receivables and as such are initially recognized at fair value and subsequently carried at amortized cost. Finance income on the loans is recognized in the income statement on an accrual basis.

The Company's financial liabilities include borrowings and other payables, which both fall in the IAS 39 category financial liabilities measured at amortised cost. Financial liabilities are recognised when the Company becomes party to the contractual agreements of the instrument. All interest related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included in the income statement line items "finance costs" and "finance income".

**Borrowings**

Borrowings comprise unsecured loans owed to the parent company (cf. for details to Note 10 and 11). Borrowings are initially recognised at fair value plus any transaction costs associated with the issue of the relevant financial liability. Subsequent to initial measurement, borrowings are measured at amortised cost with the borrowing costs being accounted for on an accruals basis in the income statement using the effective interest rate method.

**ZERTUS UK Holding Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2015**

**Other payables**

Other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

**Liquidity risk**

At 31 December 2015 the Company's liabilities have the following contractual maturities:

	Current £	Non-Current £
Accruals	8,000	-
Amounts owed to parent company	10,386,104	820,930
	<b>10,394,104</b>	<b>820,930</b>

**Currency Risks**

The Company has a policy of receiving and paying Inter-Group loans in Euros. The following shows the Sterling value of the Company's Euro-denominated Inter-Group loans:

	Year ended 31 December 2015 £	Year ended 31 December 2014 £	1 January 2014 £
Financial Assets	10,386,104	4,317,756	-
Financial Liabilities	10,386,104	4,317,756	-
	<b>10,386,104</b>	<b>4,317,756</b>	-

Foreign exchange gains and losses on Inter-Group loans are offset.

**ZERTUS UK Holding Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2015**

**2.7 Foreign Currency Transactions**

The functional and presentational currency of the Company is Sterling.

Foreign currency transactions are recorded at the exchange rate ruling on the date of transaction. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the retranslation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the profit and loss account.

**2.8 Cash and cash equivalents**

Cash and cash equivalents comprise cash-on-hand and on-demand deposits, together with other short-term, highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

**2.9 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**ZERTUS UK Holding Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2015**

**2.10 Taxation**

Current tax is the tax currently payable on the taxable result for the year. Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- the recognition of deferred tax assets is limited to the extent that the Company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

In addition, tax losses available to be carried forward as well as other income tax credits to the Company are assessed for recognition as deferred tax assets. Deferred tax assets are recognised to the extent that it is probable that the underlying timing differences will be able to be offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the reporting date. Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the profit and loss account, except where they relate to items that are charged or credited direct to reserves in which case the deferred tax effect is also charged or credited direct to reserves.

## **ZERTUS UK Holding Limited**

### **Notes to the Financial Statements for the year ended 31 December 2015**

#### **3. Operating loss**

The operating loss amounts to £12,096 (Previous Year: £31,318) which mainly comprises the auditor's remuneration of £11,391 (Previous Year: £15,640). Of this amount £3,936 (Previous Year: £9,000) related to tax services.

#### **4. Directors' remuneration**

No director received any emoluments during the current year (Previous Year: nil).

#### **5. Finance Income**

	<b>Year ended 31 December 2015 £</b>	<b>Year ended 31 December 2014 £</b>
Interest on loans from subsidiary undertakings	160,010	33,806
	<b>160,010</b>	<b>33,806</b>

#### **6. Finance Costs**

	<b>Year ended 31 December 2015 £</b>	<b>Year ended 31 December 2014 £</b>
Interest on loans from parent	176,793	51,564
	<b>176,793</b>	<b>51,564</b>

**ZERTUS UK Holding Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2015**

**7. Taxation**

**Analysis of the tax charge**

	<b>Year ended 31 December 2015 £</b>	<b>Year ended 31 December 2014 £</b>
UK corporation tax	-	-

The UK corporation tax rate of 20% has been applied in 2015 and in the previous year.

**Factors affecting the tax charge**

The tax assessed for the year differs to the standard effective rate of corporation tax in the UK. The difference is explained below:

	<b>Year ended 31 December 2015 £</b>	<b>Year ended 31 December 2014 £</b>
Loss on ordinary activities	28,879	49,076
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20%	5,776	9,815
Losses carried forward	6,129	354
Current tax charge for the year/period	-	-

No deferred tax asset has been recognized for the losses carried forward, which would have amounted to £5,776 (Previous Year: £9,815)

**Factors which may affect future tax charge**

The small companies UK corporation tax rate from for the year was 20%. From 1 April 2017 onwards, the corporation tax rate will be reduced to 19%.

**ZERTUS UK Holding Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2015**

**8. Investments**

Shares in subsidiary undertaking:

	Year ended 31 December 2015 £	Year ended 31 December 2014 £
Balance brought forward	42,725,354	42,725,354
Additions - cash consideration	-	-
Additions - non cash consideration	-	-
Balance at <b>31 December</b>	<b>42,725,354</b>	<b>42,725,354</b>

Investments in subsidiaries are recorded at cost less any provision for impairment.

Zetar Limited, incorporated in England and Wales, is and was the Company's only investment at 31 December 2015 and 31 December 2014 respectively, and is a wholly owned subsidiary.

**9. Current Assets**

	Year ended 31 December 2015 £	Year ended 31 December 2014 £	1 January 2014 £
Amounts owed by subsidiary undertakings	10,386,104	4,317,756	-
	<b>10,386,104</b>	<b>4,317,756</b>	-

Amounts owed by subsidiary undertakings have interest rates of between 3.0% and 2.85% per annum and are repayable between 18 January 2016 and 31 January 2016. The loans are unsecured.

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**10. Current Liabilities**

	Year ended 31 December 2015 £	Year ended 31 December 2014 £	1 January 2014 £
Accruals	8,000	4,850	3,750
Amounts owed to parent company	10,386,104	4,317,756	-
	<b>10,394,104</b>	<b>4,322,606</b>	<b>3,750</b>

Amounts owed to the parent company have interest rates of between 3.0% and 2.85% per annum and are repayable between 18 January 2016 and 31 January 2016. The loans are unsecured.

**11. Non-current Liabilities**

	Year ended 31 December 2015 £	Year ended 31 December 2014 £	1 January 2014 £
Loan from Zertus GmbH	820,930	799,010	752,007
	<b>820,930</b>	<b>799,010</b>	<b>752,007</b>

The loan from the parent Zertus GmbH, Hamburg, which was provided in December 2012, is repayable with twelve months' notice from either party. This loan is unsecured and interest is charged on it at a 2% margin over the 6 month Euribor rate.

Included within this £820,930 (Previous Year: £799,010) loan amount outstanding at the year end is interest payable of £53,950 (Previous Year: £37,166).

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**12. Share Capital**

Allotted, called up and fully paid:

	Year ended 31 December 2015	Year ended 31 December 2014	1 January 2014
	£	£	£
"A" Ordinary shares	2,889,000	2,851,000	2,851,000
"B" Ordinary shares	911,000	949,000	949,000
Preference shares	38,200,000	38,200,000	38,200,000
	<b>42,000,000</b>	<b>42,000,000</b>	<b>42,000,000</b>

There are two classes of equity shares;

- "A" and "B" ordinary shares.  
The "A" and "B" ordinary shares rank pari passu. The A ordinary shares, represent 76.03%, and are wholly owned by the controlling parent company, Zertus GmbH. The B ordinary shares, represent 23.97%, are owned by current and former senior employees of the Company's subsidiary group and may only be sold to Zertus GmbH in accordance with the Articles of Association.
- Preference shares  
The non-redeemable preference shares are owned by Zertus GmbH and current and former senior employees of the Company's subsidiary group. Dividends of up to a maximum of £3.82 million in respect of the period from the issue date to 30 April 2013 and £3.82 million per annum thereafter may be declared at the discretion of the Directors and take priority to distributions or capital payments to ordinary shareholders in accordance with the Articles of Association. The senior employees may only sell their preference shares to Zertus GmbH in accordance with the Articles of Association. No such dividends have been declared in the current year or in the prior year.

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**13. Reconciliation of Operating Loss to Net Cash Outflow from Operating Activities**

	<b>Year ended 31 December 2015</b>	<b>Year ended 31 December 2014</b>
	<b>£</b>	<b>£</b>
Operating loss	(12,096)	(31,318)
Increase in creditors	3,150	1,100
Net cash outflow from operating activities	<b>(8,946)</b>	<b>(30,218)</b>

**14. Related Party Transactions**

The Company receives and provides financial support from and to other members of the Group as detailed in the Directors Report. It also receives administrative and management services from other group companies.

During the year new loan agreements were put in place between Zertus GmbH and the Company. At year end a total of £10,386,104 (31 December 2014: £4,317,756, 1 January 2014: -) was outstanding. Additionally a long term loan owed to Zertus GmbH amounting to £820,930 was still outstanding as of 31 December 2015 (31 December 2014: £799,010, 1 January 2014: 752,007). The terms and conditions of these loans are set out in notes 10 and 11 respectively.

Interests charged during the year on these loans amounted to £176,793 (Previous Year: £51,564).

During the year Company entered into loan agreements with its subsidiary undertakings. The total amount outstanding as of 31 December 2015 was £10,386,104 (31 December 2014: £4,317,756, 1 January 2014: -). Interests charged during the year on these loans amounted to £ 160,010 (Previous Year: £33,806). The terms and conditions of these loans are set out in note 9.

**15. Parent undertaking and ultimate controlling party**

The Company's immediate parent is Zertus GmbH and the Company's ultimate controlling party is Zuckerraffinerie Tangermünde Fr. Meyers Sohn Holding GmbH ("ZRT"), a company incorporated in Germany.

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**16. Post reporting date events**

At the beginning of January 2016, the Company settled a loan with an amount of £7,696,500 granted by Zertus GmbH for working capital purposes.

Simultaneously a loan of £7,696,500 provided by the Company to its indirect subsidiary undertaking was repaid.