

# **Eurofins Newtec Laboratories Limited**

## **Directors' Report and Financial Statements**

For the year ended 31 December 2018

Registered No. 02538770



**Directors' report and financial statements  
for the year ended 31 December 2018**

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## **Directors and advisers**

### **Directors**

A I Mills  
P D Coles

### **Secretary**

A I Mills

### **Independent auditors**

Mazars LLP  
45 Church Street  
Birmingham  
B3 2RT

### **Bankers**

HSBC UK Bank plc  
60 Queen Victoria Street  
London  
EC4N 4TR

### **Registered office**

i54 Business Park  
Valiant Way  
Wolverhampton  
WV9 5GB

## Directors' report

The directors present their report and audited financial statements for the year ended 31 December 2018.

### Principal activities

The principal activity of the Company was to provide analytical testing services to the food, agricultural and feed industries.

During 2018 the trade of the Company was transferred to another group entity and business ceased trading.

### Results and dividends

The loss for the year, after taxation, amounted to £59k (2017 - £655k). The directors do not recommend a final dividend (2017 - £Nil).

### Directors

The directors who served the Company during the period and up to the date of signing the financial statements were as follows:

A I Mills  
P D Coles

### Brexit impact

The terms on which the United Kingdom may withdraw from the European Union, are not clear, and it is therefore not currently possible to evaluate all the potential implications to the Company's trade, customers, suppliers and the wider economy. The Company continues to monitor any potential implication with respect to the Business.

### Future developments

During the year the company ceased trading having transferred laboratory analysis to other Eurofins entities. The directors expect to formally close the company in 2019.

### Disclosure of information to the auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### Independent auditors

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

### Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf by:



A I Mills  
Secretary  
9 August 2019

## **Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent auditor's report to the members of Eurofins Newtec Laboratories Limited**

### **Opinion**

We have audited the financial statements of Eurofins Newtec Laboratories Limited (the 'Company') for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **The impact of uncertainties due to Britain exiting the European Union on our audit**

The directors' view on the impact of Brexit is disclosed on page 3. The terms on which the United Kingdom may withdraw from the European Union, are not clear, and it is therefore not currently possible to evaluate all the potential implications to the Company's trade, customers, suppliers and the wider economy.

We considered the impact of Brexit on the Company as part of our audit procedures, applying a standard firm wide approach in response to the uncertainty associated with Company's future prospects and performance.

However, no audit should be expected to predict the unknowable factors or all possible implications for the Company and this is particularly the case in relation to Brexit.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Independent auditor's report to the members of Eurofins Newtec Laboratories Limited**

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

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

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and from the requirement to prepare a Strategic Report

## **Independent auditor's report to the members of Eurofins Newtec Laboratories Limited**

### **Responsibilities of Directors**

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

### **Auditor's 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 auditor's 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of the audit report**

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.

*Louis Burns*

Louis Burns (Senior Statutory Auditor) for and on behalf of Mazars LLP  
Chartered Accountants and Statutory Auditor  
45 Church Street  
Birmingham  
B3 2RT  
Date: 9 August 2019



## Statement of Comprehensive Income

for the year ended 31 December 2018

	Notes	2018 £'000	2017 £'000
<b>Revenue</b>		-	747
Cost of sales		-	(317)
<b>Gross profit</b>		-	430
General and administrative expenses		(28)	(1,067)
<b>Operating loss</b>	5.1	(28)	(637)
Interest payable	5.3	(31)	(18)
<b>Loss before tax</b>		(59)	(655)
Income tax	7	-	-
<b>Loss for the year</b>		(59)	(655)
<b>Other comprehensive income for the year</b>		-	-
<b>Total comprehensive loss for the year</b>		(59)	(655)

All the activities of the Company are classed as discontinued.

There were no recognised gains and losses for 2018 (2017 - £Nil) other than those included in the Statement of Comprehensive Income.

There was no other comprehensive income for 2018 (2017 - £Nil).

The notes on pages 11 to 20 form part of these financial statements.

## Statement of Financial Position

at 31 December 2018

	Notes	2018 £'000	2017 £'000
<b>Assets</b>			
<b>Current assets</b>			
Inventories	9	-	5
Trade and other receivables	10	77	90
Cash and cash equivalents	11	29	2
		<u>106</u>	<u>97</u>
<b>Total assets</b>		<u>106</u>	<u>97</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	12	(5)	(97)
Deferred revenues	13	-	(6)
		<u>(5)</u>	<u>(103)</u>
<b>Non-current liabilities</b>			
Other payables	14	(830)	(585)
Provisions	15	-	(79)
		<u>(830)</u>	<u>(664)</u>
<b>Total liabilities</b>		<u>(835)</u>	<u>(767)</u>
<b>Net liabilities</b>		<u>(729)</u>	<u>(670)</u>
<b>Equity attributable to the owners of the parent</b>			
Equity share capital	16	350	350
Accumulated losses		<u>(1,079)</u>	<u>(1,020)</u>
<b>Shareholder deficit</b>		<u>(729)</u>	<u>(670)</u>

The directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

The financial statements on pages 8 to 20 were approved by the Board of Directors on 9 August 2019 signed on its behalf by:



A. I. Mills

Director

Registered No. 02538770

## Statement of Changes in Equity

for the year ended 31 December 2018

	Share capital £'000	Retained earnings £'000	Total £'000
At 1 January 2017	350	(365)	(15)
Loss for the year	-	(655)	(655)
Total comprehensive losses	-	(655)	(655)
At 31 December 2017	350	(1,020)	(670)
At 1 January 2018	350	(1,020)	(670)
Loss for the year	-	(59)	(59)
Total comprehensive losses	-	(59)	(59)
At 31 December 2018	350	(1,079)	(729)

## Notes to the financial statements

for the year ended 31 December 2018

### 1. General information

Eurofins Newtec Laboratories Limited is a private company limited by shares, incorporated and domiciled in the United Kingdom.

The registered office is i54 Business Park, Valiant Way, Wolverhampton, WV9 5GB.

The principal activity of the Company was to provide analytical testing services to the food, agricultural and feed industries.

### 2. Accounting policies

#### 2.1 Basis of preparation

##### *Statement of compliance*

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006. The financial statements are presented in GBP and rounded to the nearest £1,000.

In the transition from FRS 102 to FRS 101, the Company was not required to make any measurement and recognition adjustments.

The Company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 401 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

##### *Going concern*

The Company participates in the centralised treasury arrangements and so shares banking arrangements with its fellow UK subsidiaries. The directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Company to continue as a going concern or its ability to continue with current banking arrangements. The Company is reliant on the ongoing financial support from the Eurofins group and there is no indication this will not continue given it is in the form of a long term loan falling due after more than 5 years.

##### *Disclosure exemptions applied*

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS101 paragraph 8:

- (i) The requirement of IFRS 7 'Financial Instruments: Disclosures' relating to the disclosure of financial instruments and the nature and extent of risks arising from such instruments;
- (ii) The requirement of IFRS 13 'Fair Value Measurement' paragraphs 91 to 99 relating to the fair value measurement disclosures of financial assets and financial liabilities that are measured at fair value, such as the available for sale investments and derivative financial instruments;
- (iii) The applicable requirements of IAS 1 'Presentation of Financial Statements' relating to the disclosure of comparative information in respect of the reconciliation of the carrying amount of property, plant and equipment (IAS 16.73(e)) and the reconciliation of the carrying amount of intangible assets (IAS 18 (118) (e)).
- (iv) The requirement of IAS 1 'Presentation of Financial Statements' paragraphs 134 to 136 relating to the disclosure of capital management policies and objectives;
- (v) The requirements of IAS 7 'Statement of Cash Flows' and IAS 1 'Presentation of Financial Statements' paragraph 10(d), 111 relating to the presentation of a Cash Flow Statement;
- (vi) The requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' paragraphs 30 and 31 relating to the disclosure of standards, amendments and interpretations in issue but not yet effective; and

## Notes to the financial statements

for the year ended 31 December 2018

### 2. Accounting policies (continued)

#### 2.1 Basis of preparation (continued)

- (vii) The requirements of IAS 24 'Related Party Disclosures' relating to the disclosure of key management personnel compensation and relating to the disclosure of related party transactions entered into between the Company and other wholly-owned subsidiaries of the group.

For certain disclosure exemptions listed above, the equivalent disclosures are included in the consolidated financial statements of Eurofins Scientific SE which are available to the public and can be obtained as set out in note 22.

#### 2.2 Significant accounting policies

##### (a) Foreign currency translation

The Company's financial statements are presented in Sterling, which is also the Company's functional currency.

##### *Transactions and balances*

Transactions in foreign currencies are initially recorded by the Company in Sterling at currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the Sterling spot rate of exchange ruling at the reporting date.

All exchange differences are taken to the statement of total comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

##### (b) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### *Rendering of services*

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

## Notes to the financial statements

for the year ended 31 December 2018

### 2. Accounting policies (continued)

#### 2.2 Significant accounting policies (continued)

##### (c) Impact of new international reporting standards, amendments and interpretations

###### *IFRS 9*

There have been no material impacts on the Company's financial statements as a result of adopting IFRS 9 from 1 January 2018.

###### *IFRS 15*

From 01 January 2018, the Company has applied IFRS 15 using the cumulative effect method. There have been no material impacts on the Company's financial statements as a result of adopting IFRS 15 from 01 January 2018.

##### (d) Taxes

###### *Current income tax*

Current income tax assets and liabilities for the current year ended are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of total comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

###### *Sales tax*

Revenues, expenses and assets are recognised net of the amount of sales tax, except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; or
- Receivables and payables, that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

##### (e) Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

The company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and other receivables.

Impairment provisions are also recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance

## Notes to the financial statements

for the year ended 31 December 2018

### 2. Accounting policies (continued)

#### 2.2 Significant accounting policies (continued)

account with the loss being recognised within administrative expenses in the Statement of Comprehensive Income. On confirmation that the trade receivable will not be collected, the gross carrying value of the asset is written off against the associated provision as what is then described as a known credit losses approach.

#### *Financial liabilities*

The Company classifies all of its financial liabilities as liabilities at amortised cost.

#### *At amortised cost*

Financial liabilities at amortised cost including bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried into the Statement of Financial Position.

#### **(f) Inventories**

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Purchase cost on a first-in, first-out basis. The cost of purchase comprises the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities) transport, handling and other costs directly attributable to the acquisition of raw materials. Volume discounts and rebates are included in determining the cost of purchase.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

#### **(g) Cash and cash equivalents**

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, net of outstanding bank overdrafts.

#### **(h) Pensions and other post-employment benefits**

The Company operates a defined contribution pension plan. The Company pays contributions to separately administered pension plans on behalf of its employees. Contributions to these plans are recognised in the income statement in the year ended in which they become payable.

## Notes to the financial statements

for the year ended 31 December 2018

### 3. Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

#### Judgements

##### Provisions

Management bases its judgements on the circumstances relating to each specific event and upon currently available information. However, given the inherent difficulties in estimating liabilities in these areas, it can't be guaranteed that additional costs will not be incurred beyond the amounts accrued as shown in note 12.

### 4. Revenues

The whole turnover is attributable to the principal activity of the Company and arose in the UK.

### 5. Other expenses and adjustments

#### 5.1 Operating loss

This is stated after charging:	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
<i>Included in cost of sales</i>		
Costs of inventories recognised as an expense	-	106
<i>Included in general and administrative expenses</i>		
Net foreign exchange differences	5	10
Depreciation	-	18
Minimum lease payments recognised as an operating lease expense	-	27

#### 5.2 Auditors' remuneration

During the year the Company paid the following amounts to its auditors in respect of the audit of the financial statements and for other services provided to the Company.

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Fees payable to the Company's auditors and its associates for the audit of the Company's financial statements	1	2
Other non-audit services	1	2
	<u>2</u>	<u>4</u>



## Notes to the financial statements

for the year ended 31 December 2018

### 5.3 Interest payable

	2018 £'000	2017 £'000
Interest on debts and borrowings - related parties	31	17
Interest on debts and borrowings - third parties	-	1
	<u>31</u>	<u>18</u>

### 6. Staff costs and directors' remuneration

#### a) Staff costs

	2018 £'000	2017 £'000
Wages and salaries	-	379
Social security costs	-	18
Other pension costs	-	4
Total expense	<u>-</u>	<u>401</u>

#### b) Employee numbers

The average monthly number of employees during the year ended 31 December 2018 was made up as follows:

	2018 No.	2017 No.
Laboratory/Technical Staff	<u>-</u>	<u>19</u>

#### c) Directors' emoluments

The directors of the Company were all remunerated via other group undertakings. No separately identifiable management recharge is made to Eurofins Newtec Laboratories Limited in respect of directors' remuneration.

## Notes to the financial statements

for the year ended 31 December 2018

### 7. Taxation

The major components of income tax expense for the year ended 31 December 2018 and 31 December 2017 are:

**Statement of comprehensive income**

	2018 £'000	2017 £'000
<b>Current tax:</b>		
Current tax charge	-	-
Adjustments in respect of prior periods		-
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	-	-
<b>Income tax expense reported in the profit for the year</b>	-	-

A reconciliation between tax expense and the product of accounting profit multiplied by the UK domestic tax rate for the year ended 31 December 2018 is as follows:

	2018 £'000	2017 £'000
<b>Accounting profit before income tax</b>	<b>(59)</b>	<b>(655)</b>
At UK's statutory income tax rate of 19.00% (2017 - 19.25%)	(11)	(126)
Expenses not deductible for tax purposes	28	-
Depreciation and amortisation in excess of capital allowances	-	1
Adjust deferred tax to average rate	-	15
Deferred tax not recognised	(17)	111
Group relief surrendered	-	(1)
<b>At the effective income tax rate of Nil% (2017 - Nil%)</b>	-	-

#### 7.1 Deferred tax

The Company has a deferred tax asset of £189 (2017 - £112,094) relating to tax losses and temporary differences which has not been recognised due to the uncertainty over the availability of future taxable profits.

### 8. Dividends

The directors have not recommended a dividend for the year ended 31 December 2018. (2017 - £Nil)

## Notes to the financial statements

for the year ended 31 December 2018

### 9. Inventories

	2018 £'000	2017 £'000
Raw materials at cost	-	5

### 10. Trade and other receivables

	2018 £'000	2017 £'000
Trade receivables	-	1
Prepayments and other receivables	7	51
Amounts owed by group undertakings	70	38
	<u>77</u>	<u>90</u>

As at 31 December 2018, trade receivables of £Nil (2017 - £Nil) were impaired and fully provided for.

### 11. Cash and cash equivalents

	2018 £'000	2017 £'000
Cash at bank and on hand	29	2

Bank balances earn interest at floating rates depending on daily bank deposit rates.

### 12. Trade and other payables

	2018 £'000	2017 £'000
Trade payables	-	10
Accruals	1	62
Other payables	2	22
Amounts owed to group undertakings	2	3
	<u>5</u>	<u>97</u>

Trade and other payables are all classified as other financial liabilities. The Company has no liabilities at fair value through the profit and loss or derivatives used for hedging.

The trade and other payables all have a maturity of less than 12 months.

## Notes to the financial statements

for the year ended 31 December 2018

### 13. Deferred revenue

	£'000
At 1 January 2018	6
Deferred during the year	-
Utilised	(6)
At 31 December 2018	-

### 14. Non-current liabilities

**Other payables: Amounts falling due after more than 5 years other than by instalments**

	2018 £'000	2017 £'000
Amount owed to ultimate parent company	830	585

The loan from Eurofins Scientific SE is denominated in GBP and is provided on an interest only basis at a floating rate equal to a 12 month index of the LIBOR plus a spread of 4.5%. The loan was agreed on 12 November 2018 and has a maturity date of 11 November 2025. The Company has not pledged any of its assets as security for this loan.

### 15. Provisions

	£'000
At 1 January 2018	79
Provided	-
Utilised	(79)
At 31 December 2018	-

### 16. Share capital

*Ordinary shares issued and fully paid*

	Shares	£'000
At 1 January and 31 December 2018	350,000	350

All shares have a par value of £1 each.

### 17. Reserves

#### Nature and purpose of reserves

The nature and purpose of each of the reserves within shareholder's equity is explained below.

#### Equity share capital

The accumulated amount subscribed for share capital.

#### Retained earnings

The cumulative gains and losses recognised in the income statement together with those gains or losses required to be taken directly to equity.

## Notes to the financial statements

for the year ended 31 December 2018

### 18. Pensions

During the year the Company paid £Nil (2017 - £4,425) in contributions to defined contribution pension schemes. At 31 December 2018 the Company had an outstanding payable of £Nil (2017 - £Nil) in respect of defined contribution pension scheme.

### 19. Commitments and contingencies

#### *Operating lease commitments*

At 31 December 2018, the Company had no lease commitments (2017 - £Nil).

#### *Capital commitments*

At 31 December 2018, the Company had commitments of £Nil (2017 - £Nil).

#### *Contingent liability*

At 31 December 2018, the Company had contingent liabilities of £Nil (2017 - £Nil).

### 20. Related party transactions

The Company did not enter into any related party transactions other than with group undertakings that are wholly owned members of the same group.

### 21. Events after the reporting period

During the year the company ceased trading having transferred laboratory analysis to other group entities. The directors expect to close the company in 2019.

### 22. Ultimate parent undertaking and controlling party

Eurofins Food Testing UK Holding Limited is the immediate parent of the Company. The ultimate parent and controlling party is Eurofins Scientific SE, a company incorporated in Luxembourg and the only company to consolidate the financial statements of Eurofins Newtec Laboratories Limited.

Copies of the Group's financial statement are publicly available and can be obtained from:

Eurofins Scientific SE  
23 Val Fleuri  
L-1526, Luxembourg

### 23. First time adoption of FRS 101

The policies applied under the entity's previous accounting framework are not materially different to FRS 101 and have not impacted on equity or profit or loss.