

Registered number: 00603028

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021**

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JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

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JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

COMPANY INFORMATION

Directors

G Rice
A Peirce

Registered number

00603028

Registered office

50-100 Holmers Farm Way
High Wycombe
England
HP12 4EG

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
3 Forbury Place
23 Forbury Road
Reading
Berkshire
RG1 3JH

Bankers

Royal Bank of Scotland
PO Box 450
5-10 Great Tower Street
London
EC3P 3HX

Solicitors

Linklaters LLP
One Silk Street
London
EC2Y 8HQ

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

STRATEGIC REPORT FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021

The directors present their Strategic report on the company for the financial year ended 3 January 2021.

Principal activities

The principal activity of the company is to act as a service provider to other Johnson & Johnson group companies.

Business review

The directors are satisfied with the performance of the company during the year and its financial position at the year end as it is aligned with the Company strategy to reduce costs as part of their 'go to market' transformation.

The key financial and other performance indicators during the year were as follows:

	2020 €000	2019 €000	Change (%)
Revenue	107,417	121,719	(12)
Operating (loss)/profit	(8,563)	4,305	(299)
Total equity	65,077	72,184	(10)
Average number of employees	289	314	(8)

The results and dividend section within the Directors' report and the income statement on page 15 show the full results for the financial year.

Revenue has decreased 12% year on year due to a decrease in service activities performed on behalf of group affiliates. Operating profit has decreased by 299% year on year, the decrease is mainly due to pension salary linkage of €12,000,000 of past service cost.

Total equity has decreased by 10% year on year. This is mainly due to the charge from the parent entity for equity settled share-based payments and the loss for the year, net against the gain from pension actuarial movements.

The statement of financial position on page 17 of the financial statements shows the company's financial position at the end of the year.

The average number of employees has reduced to 289 by 8% year on year.

Future outlook

The directors' expect that the present level of activity will be sustained for the foreseeable future.

The directors' consideration of Brexit and COVID-19 is outlined within the Directors report.

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

STRATEGIC REPORT (CONTINUED) FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks.

The key business risks and uncertainties affecting the consumer group of companies which includes the company are considered to relate to general industry condition and competition; economic conditions; technological advances; challenges; challenges inherent in the new product development; and product efficacy or safety concerns resulting in product recalls, or regulatory action. The risks and uncertainties are managed at regular board meetings, and where applicable, actions are taken to mitigate the risks.

Section 172 Report

Section 172 ("section 172") of the Companies Act 2006 ("Act") states that a director of a company must act in a way he or she considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to the:

- (a) likely consequences of the decision in the long term;
- (b) interests of the company's employees;
- (c) need to foster the company's business relationships with suppliers, customers and others;
- (d) impact of the company's operations on the community and the environment;
- (e) desirability of the company maintaining a reputation for high standards of business conduct; and
- (f) need to act fairly between members of the company.

The Company is part of the Johnson & Johnson sub-group of companies in the UK and is ultimately owned by Johnson & Johnson. It is a member of the wider Johnson & Johnson international group of companies ("**Group**"). The Company has a culture of high standards of business conduct, which the directors ensure is maintained throughout the Company's operations and ultimately underpinned by **Our Credo**. It is the Group's values and principles as set out in **Our Credo**, together with the duties and responsibilities which the directors are subject to by virtue of the Act and other applicable law and regulation, which guide the directors' decision-making.

Decision making and corporate governance process

The Company's management is structured to align to the Company's objectives and strategy and those of the wider Group. Authority for day-to-day management of the Company is delegated to individual operational and functional managers who have clear processes to follow when considering decisions, including principal decisions which impact the Company's key stakeholders. Common with other international groups, certain of these operational and functional managers have a wider Group remit. Responsibility for decision making on certain matters is delegated to the key operational and functional management within the Group except where they cannot be delegated under the Act.

All employees, including the Company's operational and functional managers, are required to comply with the ethical values and principles set out in **Our Credo** which is further supported by the Company's Code of Business Conduct. Each employee is expected to keep up to date with these ethical values and principles and they are supported in doing so through business led training. Certain employees, determined according to the risk profile of their role, undertake annual advanced compliance training covering Anti-Bribery, Anti-Trust, Anti-Fraud and Anti-Theft. The training provided enables the directors to be committed to operating the business to the highest ethical, moral and legal standards when making decisions and putting the Group's core ethical values of integrity, honesty and respect for the law into practice in their daily duties. The directors monitor compliance with training requirements.

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

STRATEGIC REPORT (CONTINUED) FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021

Decision making and corporate governance process (continued)

Director meetings are held as required where the directors consider the Company's activities and make and approve decisions, as appropriate. Business strategies and decisions are subject to a rigorous review process involving various levels of employees from numerous departments. As part of the Company's governance framework, information submitted to the directors and operational and functional managers to support decision-making must be prepared to a high standard of accuracy and integrity and provide sufficient information to enable directors to discharge their duties effectively. The governance process provides a framework to ensure everyone involved in and contributing to the decision-making process understands the duties which the directors are subject to and the factors which they are required to have regard to.

Potential legal and ethical risks which may compromise the performance of the Company are monitored and discussed in senior management and risk and compliance meetings. Stakeholders from within the wider Johnson & Johnson Group are consulted with on key business decisions where appropriate and their input on Company strategy and objectives sought.

The directors acknowledge that the views of, and effects on, the Company's key stakeholders in regard to key business decisions are of critical importance to the continued success of the Company. Where a principal decision is to be made, an impact assessment will be undertaken, the results of which will be documented for recommendation to the directors or appropriate management function, where the decision has been delegated. The impact assessment will provide an assessment of the impact of the principal decision on key stakeholders, how each key stakeholders' interest was considered throughout the assessment process, details of any risks identified and resulting actions proposed to be taken to monitor and mitigate those risks and consideration of any potential impacts on the Company's reputation and how that impact will be monitored.

Stakeholder considerations

The principal activity of the Company is to act as a service provider to other members of the Johnson & Johnson Group. The Company's key stakeholders are accordingly the other members of the Johnson & Johnson Group to whom it provides services, its employees who in practice provide those services and its immediate Group shareholder.

Other Johnson & Johnson Group entities

In light of the Company's role within the Group, a key focus of the directors is to promote successful cross-functional relationships with employees and members of the management team of other Group entities. Team briefings, which complement other forms of Group communication, ensure that the Company's employees are kept up to date with matters affecting and relevant to the wider Group, which in turn ensures that the Company is well placed to provide the best level of service it can. The nature of the services provided include administrative, commercial and marketing support. In practice, engagement with the Company's internal customers is continual and largely achieved through day-to-day interaction. Regular feedback is sought on service levels, areas of improvement and the nature and quality of the services provided.

Employees

The directors recognise that the Company owes its success to its employees and those of the wider Johnson & Johnson Group. The directors are aware of their responsibility to the Company's employees and further recognise that key to providing an inclusive work environment, where individuals have a sense of fulfilment and purpose in their roles, is regular consultation on matters affecting the Company and them individually.

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

STRATEGIC REPORT (CONTINUED) FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021

Employees (continued)

The Company continually communicates with its employees through a variety of formats and media leveraging Group functions and initiatives. Through these forums, the Company provides employees with information on matters that are of concern to them as well as obtaining their views on Company matters likely to affect them or in which they may be interested. The engagement forums used by the Company include formal and informal meetings, offline and online communication including newsletters, 'Town Hall' meetings, Leadership blogs, digital daily digests, quarterly business updates, TED talks and events, conferences, **Our Credo** survey, webcasts and seminars and through employee representative forums. In light of the COVID-19 pandemic much of the Company's engagement initiatives in this financial year have been through online and electronic means. The Company also operates a 24/7 toll free employee hotline, run by external providers, to offer employees an alternative method of voicing their views outside of normal business channels. An Escalation Procedure is also in place by which employees can bring issues of concern to the attention of senior management.

During the financial year, the Company has engaged with employees on a variety of key business matters including COVID-19 pandemic crisis management response, awareness and support, ethical business practices, Environmental, Social and Governance (ESG) priorities, business performance, sustainable innovation, workplace health and safety, employee well-being, employee training and development, compensation and benefits, diversity and inclusion, human rights, community engagement initiatives, access to and affordability of medicines and data protection and privacy.

Employees have the ability to participate in a share option plan operated by the Company's ultimate parent company Johnson & Johnson. The purpose of the plan is to motivate employees to contribute towards the creation of long-term shareholder value whilst providing them with an opportunity to share in the wider Group's success.

Shareholder

The Company is a wholly owned subsidiary of another Johnson & Johnson Group entity. A key principle applied by the directors and key management personnel is to always consider whether the decision they are about to take leads to a positive long-term increase in the value of the Company for the benefit of its immediate Group shareholder, and ultimately Johnson & Johnson.

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

STRATEGIC REPORT (CONTINUED) FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021

Streamlined Energy and Carbon Reporting (SECR) disclosure

We believe industry has an important role to play in responding to climate change by implementing voluntary reductions of the greenhouse gases within their control. We have made strong progress in transitioning to renewable electricity, achieving over 50% globally in 2020 as we strive toward 100% over the next five years. Additionally, we expect to make further investments in energy efficiency across our operations and are evaluating alternative fuel sources and fleet vehicle choices.

The environmental performance has been reported in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, Scope 2.

The Scope 2 emissions have been calculated according to the dual reporting principals of the Greenhouse Gas Protocol Scope 2-Guidance (market and location based method). In our total carbon footprint calculations, the location Scope 2 emissions are used.

The Scope 3 emissions covers fuel for transport purchased for business use.

The Scope 3 emissions for the company are negligible.

The greenhouse gas emission calculation has been conducted based on actual vehicle fleet fuel consumption, facilities' energy consumption and waste generation in our operations.

The company has claimed an exemption on reporting prior year data due to the company year end for 2019 being 29 December 2019, which is outside of the required reporting period.

We have several renewable energy initiatives underway at Johnson & Johnson facilities across the globe:

Renewable Electricity Use Across Regions	Financial year ending 3 January 2021
Global	54 %
Europe	82 %
North America	72 %

Greenhouse gas emissions in tCO₂e

	Financial year ending 3 January 2021
Scope 1 - Direct emissions	(113)
Scope 2 - Indirect emissions	(323)
Total	<u>(436)</u>

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

STRATEGIC REPORT (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021

Energy consumption

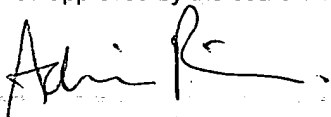
Financial year
ending
3 January 2021

Energy consumption in KWh

1,257,000

Intensity ratio for 2020 is 0.0041TCO₂e per £'000 revenue.

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



A Peirce
Director

Date: 30 September 2021

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

**DIRECTORS' REPORT
FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021**

The directors present their annual report and the audited financial statements for the financial year ended 3 January 2021.

The company's reporting period ends on the Sunday closest to 31 December, being 3 January 2021 for the current year (53 weeks) and 30 December for the prior year (52 weeks).

Statement of directors' responsibilities in respect of the financial statements

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

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

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

The directors 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.

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 audited financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

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

Future outlook

The directors' expectations for the future of the business are set out in the Strategic report included within the annual report and financial statements

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

**DIRECTORS' REPORT (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021**

Results and dividends

The income statement for the financial year is set out on page 15.

The company's loss for the financial year amounted to €7,680,000 (*profit - 2019: €6,237,000*). The aggregate dividends on the ordinary shares recognised during the year amounts to €nil (*2019: €nil*). There are no proposed dividends awaiting approval at 3 January 2021 (*2019: €nil*).

Financial risk management

The policies set by the Group are implemented by the company's finance department. The department has a policy and procedures manual that sets out specific guidelines to manage liquidity risk, interest rate cash flow risk and foreign exchange risk and circumstances where it would be appropriate to use financial instruments to manage these.

Liquidity risk

The company is funded within the Johnson & Johnson group of companies. The groups funding requirements are reviewed regularly by both the board of directors and the treasury department of Johnson & Johnson to ensure the company has sufficient available funds for operations and planned expansions.

Interest rate cash flow risk

The company only has interest bearing assets relating to cash balances, which earn interest at a fixed rate. The company has a policy of maintaining debt at a fixed rate to ensure certainty of future interest cash flows. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

Foreign exchange risk

The company makes sales and purchases in foreign currencies. The company manages its foreign exchange risk by hedging its significant exposures through a group hedging scheme.

Business Impact in Relation to Brexit

The United Kingdom (UK) withdrew from the European Union (EU) on 31 January 2020. The transition period lasted until 31 December 2020, at which point the UK completed its withdrawal from the EU Customs Union and single market.

During the transition period, negotiations were completed and a trade agreement between the two parties was reached. There is no tangible impact on the company's activities as a result of this agreement as the Company ensured that plans were made to minimise disruption.

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**DIRECTORS' REPORT (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021**

Events since the year end

There have been no other significant events affecting the company since the financial year end.

Going concern

Management have considered the impact of the COVID-19 pandemic on the company's ability to continue as a going concern and are satisfied with that basis having reviewed forecasts and future cashflows.

Directors

The directors who served during the year and up to the date of signing the financial statements, unless otherwise stated, are given below:

A Peirce
G Rice

Employee involvement and engagement

The company is committed to the continued development of employee involvement by an effective communications and consultative framework (see the strategic report S172 reporting). Consultative committees covering broad business areas, pensions, health and safety, quality and employee services are well established and meet regularly in order to take on the views of the employees in decision-making. Team briefings, which complement other forms of management communication, ensure that all levels in the organisation are kept up-to-date on the performance of the company, thereby increasing employee engagement. In addition, surveys such as the annual Credo Survey are conducted to provide opportunities for employees to feed back to senior management on the health of the business and general working environment.

The current emphasis is on facilitating cross-functional relationships to increase awareness and to build effective teamwork.

The company is committed to the principle of employee share participation and accordingly during the year have continued the Johnson & Johnson Employee Share Incentive Plan. This scheme provides employees with the opportunity to acquire shares in the US parent company of the Johnson & Johnson group on an advantageous basis and it is operated with tax benefits under HM Revenue & Customs approved share scheme arrangements.

The company's policies and practices are regularly reviewed and feedback is received from all staff levels.

Stakeholder involvement and engagement

The statement for the stakeholder involvement are set out in the Strategic report S172 reporting included within the annual report and financial statements.

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

DIRECTORS' REPORT (CONTINUED) FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

Modern slavery statement

The company, as a member of the Johnson & Johnson family of companies, is committed to ensuring that it conducts its business worldwide with respect for human rights and in compliance with all applicable laws and fair labour practices. The company has prepared a statement in accordance with the requirements of The Modern Slavery Act 2015, a copy of which is available on request or on certain of the company's websites.

Independent Auditors

PricewaterhouseCoopers LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place in accordance with s487 of the Companies Act 2006 for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

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



A Peirce
Director

Date: 30 September 2021

Independent auditors' report to the members of Johnson & Johnson Consumer Services EAME Ltd

Report on the audit of the financial statements

Opinion

In our opinion, Johnson & Johnson Consumer Services EAME Ltd's financial statements:

- give a true and fair view of the state of the company's affairs as at 3 January 2021 and of its loss for the 53 week period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 3 January 2021; the Income Statement, the Statement of Comprehensive Income and the Statement of Changes in Equity for the period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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

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

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

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

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

Reporting on other information

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

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

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

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

Strategic report and the Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and the Directors' Report for the period ended 3 January 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to taxation legislation and employment law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to manipulation of results through posting of fraudulent journals as well as adjustments between the trial balance and the financial statements. Audit procedures performed by the engagement team included:

- Enquiry of management and directors around known or suspected instances of non-compliance with laws and regulations and fraud.
- Review of minutes of meetings with the Board of Directors.
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations that represent a material misstatement due to fraud or are posted outside of the trial balance for financial statement purposes only.

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

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

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



Claire Turner (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Reading

30 September 2021

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD
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INCOME STATEMENT
FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021

		Financial year ended 3 January 2021 €000	Financial year ended 29 December 2019 €000
	Note		
Revenue	4	107,417	121,719
Administrative expenses		(115,980)	(117,414)
Operating (loss)/profit	5	(8,563)	4,305
Interest receivable and similar income	9	6	26
Other finance income	10	127	4,075
(Loss)/Profit before income tax		(8,430)	8,406
Income tax credit/(expense)	11	750	(2,169)
(Loss)/Profit for the financial year		(7,680)	6,237

The notes on pages 19 to 46 form part of these financial statements.

All amounts relate to continuing operations.

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD
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**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021**

		Financial year ended 3 January 2021	<i>Financial year ended 29 December 2019</i>
	Note(s)	€000	€000
(Loss)/Profit for the financial year		(7,680)	6,237
Other comprehensive income/(expense):			
Items that will not be reclassified to profit or loss:			
Actuarial gain/(loss) on defined benefit schemes	17, 18	5,929	(1,078)
Movement of deferred tax relating to defined benefit pension schemes	15	(1,480)	164
Total other comprehensive income/(expense)		4,449	(914)
Total comprehensive (expense)/income for the financial year		(3,231)	5,323

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD
REGISTERED NUMBER: 00603028

STATEMENT OF FINANCIAL POSITION
AS AT 3 JANUARY 2021

	Note(s)	3 January 2021 €000	3 January 2021 €000	29 December 2019 €000 <i>*restated</i>	29 December 2019 €000 <i>*restated</i>
Non-current assets					
Intangible assets	12		32,510		40,317
Property, plant and equipment			8		8
Defined benefit pension scheme asset	17, 18		13,870		22,144
			<u>46,388</u>		<u>62,469</u>
Current assets					
Trade and other receivables	13	120,232		114,924	
Cash and cash equivalents		137		166	
			<u>120,369</u>	<u>115,090</u>	
Trade and other payables: amounts falling due within one year	14	(100,020)		(102,855)	
Net current assets			<u>20,349</u>		<u>12,235</u>
Provisions for liabilities					
Other provision	16	(1,660)		(2,520)	
			<u>(1,660)</u>		<u>(2,520)</u>
Net assets			<u><u>65,077</u></u>		<u><u>72,184</u></u>
Capital and reserves					
Retained earnings			65,077		72,184
Total Equity			<u><u>65,077</u></u>		<u><u>72,184</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

A Peirce
Director

Date: 30 September 2021



The notes on page 19 to 46 form part of these financial statements.

*Please refer note 22 Restatement for further details

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021**

	Retained earnings €000	Total equity €000
At 31 December 2018	71,770	71,770
Comprehensive income/(expense) for the financial year		
Profit for the financial year	6,237	6,237
Actuarial loss on defined benefit pension scheme (Note 17,18)	(1,078)	(1,078)
Deferred tax on actuarial pension gains (Note 15)	164	164
Other comprehensive expense for the financial year	(914)	(914)
Total comprehensive income for the financial year	5,323	5,323
Excess current tax credit on share-based payments	878	878
Charge from parent for equity-settled share-based payments (Note 5,7)	(5,388)	(5,388)
Deferred tax on share-based payments in excess of fair value at grant (Note 15)	(399)	(399)
Total transactions with owners	(4,909)	(4,909)
At 29 December 2019	72,184	72,184
Comprehensive income/(expense) for the financial year		
Loss for the financial year	(7,680)	(7,680)
Actuarial gain on defined benefit pension scheme (Note 17,18)	5,929	5,929
Deferred tax on actuarial pension gain (Note 15)	(1,480)	(1,480)
Other comprehensive income for the financial year	4,449	4,449
Total comprehensive expense for the financial year	(3,231)	(3,231)
Excess current tax credit on share-based payments	723	723
Charge from parent for equity-settled share-based payments (Note 5,7)	(4,076)	(4,076)
Deferred tax on share-based payments in excess of fair value at grant (Note 15)	(523)	(523)
Total transactions with owners	(3,876)	(3,876)
At 3 January 2021	65,077	65,077

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021**

1. General information

Johnson & Johnson Consumer Services EAME Ltd ("the Company") is a private company limited by shares and is incorporated and domiciled in the United Kingdom. The address of its registered office is: 50-100 Holmers Farm Way, High Wycombe England, HP12 4EG. The company acts as a service provider to other Johnson & Johnson group companies.

Johnson & Johnson Management Limited, a company incorporated in the United Kingdom, is the company's immediate parent company.

Johnson & Johnson, incorporated in the United States of America, is the company's ultimate parent undertaking.

Johnson & Johnson prepares group financial statements and is both the smallest and largest group for which group financial statements are drawn up and of which the Company is a member. Copies of the consolidated financial statements may be obtained from the Secretary, Johnson & Johnson, One Johnson & Johnson Plaza, New Brunswick, New Jersey 08933, USA.

As the company is a wholly owned subsidiary of Johnson & Johnson, the group financial statements of which are publicly available, advantage is also taken of the exemption from disclosing transactions with group companies and from presenting a cash flow statement.

These financial statements are the company's separate financial statements for the financial year beginning 30 December 2019 and ending 3 January 2021.

The company's reporting period ends on the Sunday closest to 31 December, being 3 January 2021 for the current year (53 weeks) and 29 December 2019 for the prior year (52 weeks).

2. Accounting policies

2.1 Basis of preparation

The financial statements have been prepared on the going concern basis in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared on the historical cost convention, unless otherwise stated in the notes to the financial statements and in accordance with the Companies Act 2006. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Management have considered the impact of the COVID-19 pandemic on the company's ability to continue as a going concern and are satisfied with that basis having reviewed forecasts and future cashflows.

As permitted by the Companies Act 2006, the directors have adapted the prescribed format of the income statement in a manner appropriate to the nature of the company's business.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021**

2. Accounting policies (continued)

2.1 Basis of preparation (continued)

The preparation of financial statements in conformity with FRS 101 requires the use of certain accounting estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. It also requires management to exercise its judgement in the process of applying the company's accounting policies. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3 (critical accounting estimates and judgements)

FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in FRS 101 which addresses the financial reporting requirements and disclosure exemptions in the financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted IFRS.

The company is a qualifying entity for the purposes of FRS 101. Details of the company's parent and from where its consolidated financial statements prepared in accordance with a Generally Accepted Accounting Practice considered to be an equivalent to IFRS may be obtained are set out in note 1 to the financial statements.

The company has taken advantage of the following disclosure exemptions, where applicable, under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based payment
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

The remaining exemptions available under the framework are not applicable to the company at this time.

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021**

2. Accounting policies (continued)

2.2 New standards, amendments and IFRIC interpretations

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 3 January 2021 that have had a material impact on the company's financial statements.

2.3 Intangible assets

Intangible assets consist of computer software.

Costs associated with maintaining intangible assets are recognised as an expense as incurred within 'administrative expenses' in the income statement.

Intangible assets are amortised over their estimated useful lives as follows:

Computer software - 20.00 - 33.33%

2.4 Property, plant and equipment

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation on other assets is calculated using the straight line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows

Property, plant and equipment - 20.00 - 33.33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within the income statement.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021**

2. Accounting policies (continued)**2.5 Trade and other receivables**

Trade and other receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest 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 contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

2.6 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held with banks, and other short-term highly liquid investments with original maturities of three months or less.

2.7 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Accruals and deferred income comprise expenses relating to the current year, which will not be invoiced until after the date of the statement of financial position, and income received in advance relating to the following year.

2.8 Foreign currency translation*(a) Functional and presentation currency*

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in Euros (€), which is also the company's functional currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021**

2. Accounting policies (continued)**2.9 Dividends distribution**

Dividend distributions to the company's shareholders are recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

2.10 Share based payments

The company operates a number of equity-settled, share-based compensation plans, under which the company receives services from employees as consideration for equity instruments (options) of the ultimate parent company, Johnson & Johnson. The awards are granted by Johnson & Johnson, and the company has no obligation to settle the awards. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. A credit is recognised directly in equity. The total amount to be expensed is determined by reference to the fair value of the options granted.

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save). Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest.

The total expense is recognised over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied. At the end of each reporting period, the company revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity. When the options are exercised, the company is recharged the options' original fair value as of the grant date from Johnson & Johnson. These intercompany charges are accounted for as a deduction from equity.

Employer's national insurance on share options

Under unapproved share option schemes, the company is required to pay National Insurance on the difference between the exercise price and market value at the exercise date of the shares issued. The company becomes unconditionally liable to pay the National Insurance upon exercise of the options.

The company therefore calculates the provision by applying the latest enacted National Insurance rate to the difference between the market value of the underlying options at the date of the statement of the financial position and the option exercise prices. The initial provision calculated upon grant of the option follows the underlying option and the charge to the income statement is therefore spread over the vesting period. At each date of the statement of financial position until the date of exercise the provision is adjusted by using the market value of the options at that date. The amount of the National Insurance actually payable will depend on the number of employees who remain with the company and exercise their options, the market price of the ultimate parent company's shares at the time of exercise and the prevailing National Insurance rates at the time.

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021**

2. Accounting policies (continued)

2.10 Share based payments (continued)

Employee benefits – Certificates of Extra Compensation (CEC's)

CEC's were granted up until 31 December 2009 by the company if it wished to reward an employee for faithful service in the past and to encourage employees in their future work by permitting them to share in the growth and success of the company's enterprises by issuing to them Units of Agreements of Additional Remuneration ("AAR Units"), and to that end, receive as extra compensation sums based upon and measured by (a) the amount of cash dividends from time to time declared upon an equal number of shares of common stock of the ultimate parent company and (b) by the formula value of AAR Units as established in the AAR agreement, at the time of termination of employment or death while in such employment.

Employee benefits – Certificates of Long-Term Performance (CLP's)

Since 1 January 2010 CLP's may be granted by the company if it wishes to reward an employee for faithful service in the past and to encourage employees in their future work by permitting them to share in the growth and success of the company's enterprises by issuing to them Units of Agreements of Additional Remuneration ("AAR Units") and to that end receive as extra compensation sums based upon and measured by (a) the amount of cash dividends from time to time declared upon an equal number of shares of common stock of the ultimate parent company and (b) by the formula value of AAR Units as established in the AAR agreement. This award represents a deferred compensation instrument with the vested value being paid out at the tenth anniversary of the date of the grant or upon termination or retirement, whichever occurs earlier.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021

2. Accounting policies (continued)

2.11 Pensions obligations

The company participates in the Johnson & Johnson UK Group Retirement Plan. The UK Group operates a funded defined benefit pension scheme and defined contribution scheme for all UK employees. New entrants are eligible to join the funded defined benefit scheme and the defined contribution scheme is closed to new entrants. There is also an unfunded, unapproved defined benefit pension scheme arrangement for a small number of employees who are affected by the Inland Revenue Earnings Cap.

A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. The company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The asset or liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

The amount charged or credited to finance costs is a net interest amount calculated by applying the liability discount rate to the net defined benefit liability or asset. Past service cost are recognised immediately in the income statement.

Under the defined contribution plan, the company has no further payment obligations once the contributions have been paid. Contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021

2. Accounting policies (continued)

2.12 Provisions

Provisions for restructuring costs and legal claims are recognised when: the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.13 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable in respect of amounts charged to fellow group companies for services provided and expenses incurred by the company.

The company recognises revenue when performance obligations have been satisfied and when it is probable that future economic benefits will flow to the entity; and when the criteria included in the sales agreements have been met.

2.14 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the date of the statement of financial position. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; or arise from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates that have been enacted or substantively enacted by the date of the statement of financial position and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021**

2. Accounting policies (continued)

2.15 Financial instruments

The company classifies its financial assets in the following categories: at amortised cost; and at fair value through profit or loss. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership.

At initial recognition, the company measures a financial asset at its fair value. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Financial liabilities are measured at amortised cost.

(a) Financial assets at amortised cost

The company classifies its financial assets as at amortised cost if the recognition criteria is met. Subsequent to initial recognition these are measured at amortised cost using the effective interest method.

(b) Financial assets at fair value through profit or loss

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' and are categorised as fair value through profit or loss.

The following financial assets are classified at fair value through profit or loss (FVTPL):

- Debt investments that do not qualify for measurement at amortised cost
- Equity investments that are held for trading, and
- Equity investments for which the entity has not elected to recognise fair value gains and losses through OCI

(c) Financial liabilities at amortised cost

Financial liabilities are measured at amortised cost.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Trade payables are presented as amounts falling due within one year unless payment is not due within 12 months after the reporting period.

2.16 Impairment of financial assets

Assets carried at amortised cost

The company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a loss event) and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021**

2. Accounting policies (continued)

2.17 Derivative financial instruments and hedge accounting

The company has chosen not to apply hedge accounting and all derivatives are measured at fair value through profit and loss.

2.18 Called up share capital

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

3. Critical accounting estimates and judgements

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.

3.1. Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Useful economic lives of intangible software assets

The annual depreciation charge for intangible software assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

(b) Defined benefit pension scheme

The company has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors based on actuarial valuation reports in determining the net pension obligation in the statement of financial position. The assumptions reflect historical experience and current trends.

3.2. Critical judgements in applying the entity's accounting policies

The company's management considers that there are no significant judgements impacting the financial statements.

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021**

4. Revenue

An analysis of turnover by class of business is as follows:

	Financial year ended 3 January 2021 €000	<i>Financial year ended 29 December 2019 €000</i>
Services provided to group companies	107,417	121,719
	<u>107,417</u>	<u>121,719</u>

All revenue arose within the United Kingdom.

5. Operating (loss)/profit

The operating (loss)/profit is stated after charging/(crediting):

	Financial year ended 3 January 2021 €000	<i>Financial year ended 29 December 2019 €000</i>
Amortisation of intangible assets (Note 12)	14,887	18,062
Exchange differences	2,244	(8,660)
Share-based payments expense	<u>(4,076)</u>	<u>(5,388)</u>

6. Auditors' remuneration

Remuneration for the statutory audit and other services carried out for the company by the company's auditors are as follows:

	Financial year ended 3 January 2021 €000	<i>Financial year ended 29 December 2019 €000</i>
Audit of entity financial statements (including expenses)	21	50
	<u>21</u>	<u>50</u>

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021**

7. Employees

Staff costs, including directors' remuneration, were as follows:

	Financial year ended 3 January 2021 €000	<i>Financial year ended 29 December 2019 €000</i>
Wages and salaries	25,439	31,654
Social security costs	3,441	4,823
Other pension costs (Note 17,18)	20,137	8,314
Share-based payments	(4,076)	(5,388)
	<u>44,941</u>	<u>39,403</u>

The average quarterly number of employees, including the directors, during the year was as follows:

	Financial year ended 3 January 2021 No.	<i>Financial year ended 29 December 2019 No.</i>
Service provider personnel	289	314
	<u>289</u>	<u>314</u>

8. Directors' remuneration

The directors during the financial year were primarily employed by other companies within the Johnson & Johnson group and their remuneration has been borne by those companies (2019:€Nil).

9. Interest receivable and similar income

	Financial year ended 3 January 2021 €000	<i>Financial year ended 29 December 2019 €000</i>
Interest receivable on UK group banking arrangements	6	26
	<u>6</u>	<u>26</u>

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021**

10. Other finance income

	Financial year ended 3 January 2021 €000	Financial year ended 29 December 2019 €000
Net interest income on net defined benefit liability (Note 17)	501	761
Net interest income on pension Plan 16 scheme (Note 18)	8	9
Fair value (losses)/gains on derivative financial instruments	(382)	3,305
	<u>127</u>	<u>4,075</u>

11. Income tax expense

	Financial year ended 3 January 2021 €000	Financial year ended 29 December 2019 €000
Corporation tax		
Current tax on profits for the financial year	967	2,178
Adjustments in respect of prior periods	1,353	446
Total current tax	<u>2,320</u>	<u>2,624</u>
Deferred tax		
Origination and reversal of timing differences	(2,526)	(466)
Impact of change in tax rate	(544)	49
Adjustments in respect of prior periods	—	(38)
Total deferred tax	<u>(3,070)</u>	<u>(455)</u>
Taxation on profit	<u>(750)</u>	<u>2,169</u>

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021**

11. Income tax expense (continued)

Factors affecting tax charge for the year

The tax assessed for the financial year is higher than (2019 - *higher than*) the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	Financial year ended 3 January 2021 €000	<i>Financial year ended 29 December 2019 €000</i>
(Loss)/profit before income tax	(8,430)	8,406
(Loss)/profit multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	(1,602)	1,597
Effects of:		
Expenses not deductible for tax purposes	4	4
Adjustments in respect of prior periods	1,353	408
Share options	39	111
Remeasurement of deferred tax due to change in the UK tax rate	(544)	49
Income not subject to tax	—	—
Total tax (credit)/charge for the financial year	(750)	2,169

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021**

11. Income tax expense (continued)

Factors that may affect future tax charges

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate would increase from 19% to 25%, however given this had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements.

Tax expense included in other comprehensive (expense)/income

	Financial year ended 3 January 2021 €000	Financial year ended 29 December 2019 €000
Deferred tax		
Origination and reversal of temporary differences	1,480	(183)
Adjustment in respect of prior years	—	19
Total tax expense/(income) included in other comprehensive income	1,480	(164)

Tax income included in equity

	Financial year ended 3 January 2021 €000	Financial year ended 29 December 2019 €000
Current tax		
Current tax on share-based payments in equity	(723)	(878)
Deferred tax		
Origination and reversal of temporary differences	523	399
Total deferred tax included in equity	523	399
Total tax credit included in equity	(200)	(479)

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021**

12. Intangible assets

	Software
	€000
Cost	
At 30 December 2019	259,226
Additions	7,079
At 3 January 2021	<u>266,305</u>
Accumulated amortisation	
At 30 December 2019	218,909
Charge for the year	14,886
At 3 January 2021	<u>233,795</u>
Net book value	
At 3 January 2021	<u>32,510</u>
At 29 December 2019	<u>40,317</u>

13. Trade and other receivables

	3 January 2021	29 December 2019 *restated
	€000	€000
Amounts owed by group undertakings*	114,551	107,382
Other debtors	976	482
Prepayments and accrued income	118	169
Deferred taxation (Note 15)	4,587	3,520
Derivative financial instruments*	—	3,371
	<u>120,232</u>	<u>114,924</u>

JOHNSON & JOHNSON CONSUMER SERVICES EAME LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021

13. Trade and other receivables (continued)

Amounts owed by group undertakings includes an amount receivable of €4,523,800 (2019: €8,031,035) invested with the In-House Treasury Cash Pool.

The remaining balance included within amounts owed by group undertakings are unsecured, interest bearing at a rate of 0% (2019: 0%).

The company, together with other UK based affiliate companies, participates in one or more In-House Treasury Cash Pool arrangements administrated by J.C. General Services CVBA, a company incorporated under Belgian law with registered office at Turnhoutseweg 30, 2340 Beerse, Belgium. The centralised financial management provided in relation to the In-House Treasury Cash Pool is intended to, among other things, enable the Cash Pool participants, by acting collectively, to have access to the broadest range of credit options at arm's length conditions, while optimising the use and investment of the liquidities available within the In-House Treasury Cash Pool.

All investments with J.C. General Services CVBA are made on behalf of the UK group companies by Johnson & Johnson Management Limited. Transactions between Johnson & Johnson Management Limited and UK group affiliates to fund these investments are treated as separate arrangements.

* Derivative financial instruments balance €3,371,000 as at 29 December 2019 was incorrectly recorded under Trade and other payables and was also offset within the amounts owed by group undertakings overstating the amounts owed by group undertakings by €3,371,000. The balance as at 29 December has been reclassified to Trade and other receivables to reflect the correct balances (note 22).

14. Trade and other payables: amounts falling due within one year

	3 January 2021	29 December 2019 * restated
	€000	€000
Trade creditors	7,888	6,656
Amounts owed to group undertakings	82,726	82,820
Corporation tax	2,553	1,553
Other taxation and social security	722	933
Accruals and deferred income	5,749	10,893
Derivative financial instruments*	382	—
	<u>100,020</u>	<u>102,855</u>

Amounts owed to group undertakings are unsecured, interest bearing at a rate of 0% (2019: 0%) and repayable on demand.

* Derivative financial instruments balance €3,371,000 as at 29 December 2019 was incorrectly recorded under Trade and other payables. The balance as at 29 December has been reclassified to Trade and other receivables to reflect the correct balances (note 22).

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Deferred taxation

	Accelerated/ decelerated capital allowances €000	Retirement benefits €000	Provisions for liabilities €000	Share-based payments €000	Total €000
At 31 December 2018	2,485	(3,555)	797	3,573	3,300
Credit/(charge) to the income statement	826	(375)	91	(87)	455
Charge to other comprehensive income	—	164	—	—	164
Credit to equity	—	—	—	(399)	(399)
At 29 December 2019	3,311	(3,766)	888	3,087	3,520
Credit/(charge) to the income statement	931	2,609	(519)	49	3,070
Charge to other comprehensive income	—	(1,480)	—	—	(1,480)
Credit to equity	—	—	—	(523)	(523)
At 3 January 2021	4,242	(2,637)	369	2,613	4,587

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	3 January 2021 €000	29 December 2019 €000
Deferred tax assets	7,224	7,266
Deferred tax liabilities	(2,637)	(3,766)
Net deferred tax reported within trade and other receivables	4,587	3,500

At 3 January 2021, the company has no unused tax losses (2019: nil).

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16. Other Provisions

The company had the following provisions during the year:

	Employer's national insurance on share- based payments €000
At 30 December 2019	2,520
Charged to profit or loss	426
Utilised in financial year	(1,286)
At 3 January 2021	1,660

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Post-employment benefits

The company participates in three pension arrangements in conjunction with other companies in the Johnson & Johnson Group. These are a funded, defined benefit plan called the "Johnson & Johnson UK Group Retirement Plan", a defined contribution Plan with some underlying guarantees for employees called the "Johnson & Johnson UK Group Retirement Plan 16"; and an unfunded, unapproved defined benefit arrangement.

The company also participates in a life assurance arrangement called the "Johnson & Johnson UK Approved Life Assurance Plan".

The risks of the plans are as follows:

(a) Asset volatility

The plan liabilities are calculated using a discount rate set with reference to corporate bond yields. However, the plan holds a significant proportion of equities, which are expected to outperform corporate bonds in the long-term but do provide increased volatility and risk in the short-term.

(b) Changes in bond yields

A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

(c) Life expectancy

The majority of the plan's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities.

(d) Inflation risk

A significant proportion of the pension obligation is linked to inflation, and higher inflation will lead to higher liabilities.

A comprehensive actuarial valuation of the UK Group Retirement Plan was carried out at 31 March 2020. The valuation results at this date have been updated to 3 January 2021 by a qualified independent actuary. The valuation in the financial statements has been made based on the following assumptions:

	Financial year ended 3 January 2021 €000	<i>Financial year ended 29 December 2019 €000</i>
Expected rate of salary increases	4.05 %	3.90 %
Expected rate of increase of pensions in payment (with RPI capped at 5% per annum)	2.70 %	2.80 %
Discount rate	1.50 %	2.10 %
RPI inflation assumption	2.80 %	2.90 %
CPI inflation assumption	2.20 %	2.10 %

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Post-employment benefits (continued)

Assumptions regarding future mortality are set, based on actuarial advice, in accordance with published statistics and experience in the UK. These assumptions translate into an average life expectancy for a pensioner retiring at age 65:

	3 January 2021 Years	29 December 2019 Years
Longevity at age 65 for current pensioners		
- Men	22.1	22.3
- Women	23.6	24.2
Longevity at age 65 for future pensioners		
- Men	23.4	23.7
- Women	25.4	25.9

The Johnson & Johnson UK Group Retirement Plan does not have any self-investments.

There is a small unfunded unapproved pension arrangement for a small number of employees who were either affected by the old "Inland Revenue Earnings Cap" – which was abolished from 6 April 2006, or whose benefits are in excess of the Lifetime Allowance. These members' benefits are paid directly by the company. In addition, following the benefit changes that were implemented with effect from 1 April 2012 (and further benefit changes that were implemented with effect from 1 April 2014), more benefits are accrued outside of the registered pension arrangement. These benefits are also provided through this unfunded arrangement.

This unfunded arrangement has been included within the Johnson & Johnson UK Group Retirement Plan in determining the total plan assets and liabilities. The financial assumptions underlying the calculation of the unfunded, unapproved liability are identical to those underlying the calculation of the funded liability.

	Fair value of plan assets €000	Defined benefit obligation €000	Total €000
At 30 December 2019	246,379	(224,591)	21,788
Benefits paid	(4,014)	4,014	—
Employer and other contributions	7,126	(27)	7,099
Current service cost	—	(8,094)	(8,094)
Past service cost	—	(12,040)	(12,040)
Administrative expenses paid from plan	(526)	—	(526)
Foreign exchange differences	(13,550)	12,352	(1,198)
Interest income/(expense)	4,916	(4,415)	501
Remeasurement gains/(losses)			
- Effect of changes in demographic	—	1,010	1,010
- Effect of changes in financial assumptions	—	(30,640)	(30,640)
- Effect of experience adjustments	—	16,178	16,178
- Return on plan assets	19,365	—	19,365
At 3 January 2021	259,696	(246,253)	13,443

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Post-employment benefits (continued)

The expected contributions to the UK Group Retirement Plan in the year ended 3 January 2021 are €2,928,000 (2019: €8,904,000).

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	0.50 %	Decrease by 10.6%	Increase by 12.5%
Salary growth rate	0.50 %	0.00%	0.00%
Pension growth rate	0.50 %	Increase by 6.3%	Decrease by 5.7%
Life expectancy	1 year	Increase by 3.4%	Decrease by 3.4%

The above sensitivity analyses are based on a change in an assumption, while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

The total defined benefit cost recognised as an expense in the income statement is as follows:

	Financial year ended 3 January 2021 €000	Financial year ended 29 December 2019 €000
Current service cost	8,094	8,314
Past service cost	12,040	—
Foreign exchange differences and administrative expenses	1,724	(767)
Net interest income	(501)	(761)
	<u>21,357</u>	<u>6,786</u>

The defined benefit cost for the fiscal year ending 3 January 2021 includes a past service cost due to a plan amendment of €175,801,000 in relation to the CARE Plan. This has arisen due to the reinstatement of the final salary link on pre 2012 benefits due to change in legal interpretation of the CARE Plan Rules.

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17. Post-employment benefits (continued)

The fair value of the UK Group Retirement Plan assets was:

	3 January 2021 €000	<i>29 December 2019 €000</i>
Equity instruments	128,634	183,979
Debt instruments	128,634	58,281
Cash and cash equivalents	1,991	3,618
Other	437	501
	<u>259,696</u>	<u>246,379</u>

The return on the UK Group Retirement plan assets was:

	Financial year ended 3 January 2021 €000	<i>Financial year ended 29 December 2019 €000</i>
Interest income	4,916	6,041
Remeasurements	19,365	30,130
	<u>24,281</u>	<u>36,171</u>

18. Post-employment benefits Plan 16

In respect of Plan 16, which is a defined contribution plan with some underlying defined benefit guarantees, for the year ending 29 December 2019 there was a change in estimate resulting in defined benefit accounting being applied.

The total contributions paid by the company to Plan 16 and recognised as a defined contribution expense in the year were €103,000 (2019: €93,000). The best estimate of the company contributions expected in the year from 4 January 2021 to 31 December 2021 to be paid to Johnson & Johnson UK Group Retirement Plan 16 is €19,000.

The valuation in the financial statements for the UK Group Retirement Plan 16 has been made based on the following assumptions:

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 3 JANUARY 2021**

18. Post-employment benefits Plan 16 (continued)

	Financial year ended 3 January 2021	<i>Financial year ended 29 December 2019</i>
Expected rate of salary increases	4.05 %	3.90 %
Expected rate of increase of pensions in payment (with RPI capped)	2.70 %	2.80 %
Discount rate	1.50 %	2.10 %
RPI inflation assumption	2.80 %	2.90 %
CPI inflation assumption	2.20 %	2.10 %

Assumptions regarding future mortality are set, based on actuarial advice, in accordance with published statistics and experience in the UK. These assumptions translate into an average life expectancy for a pensioner retiring at age 65:

	Financial year ended 3 January 2021	<i>Financial year ended 29 December 2019</i>
Longevity at age 65 for current pensioners		
-Men	22.1	22.3
-Women	23.6	24.2
Longevity at age 65 for future pensioners		
-Men	22.9	23.7
-Women	25.3	25.9

Plan 16 is the Company's DC arrangement, which includes some underlying defined benefit guarantees. In particular, the benefits provided from Plan 16 must be at least equal to a 'defined benefit underpin', which arises as a result of Plan 16 having been contracted out of the State Second Pension ("S2P"), and previously the State Earnings Related Pension Scheme ("SERPS"). The benefits secured from a member's retirement account based on contributions before 6 April 1997 are subject to an underpin known as a Guaranteed Minimum Pension ("GMP"). Similarly, the benefits secured from a member's retirement account based on contributions on or after 6 April 1997 are subject to an underpin known as a Reference Scheme Test ("RST") pension.

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Post-employment benefits Plan 16 (continued)

	Fair value plan of assets €000	Defined benefit obligation €000	Total €000
At 30 December 2019	6,132	(5,788)	344
Benefits paid	(24)	24	—
Employer and other contributions	103	—	103
Past service cost	—	(3)	(3)
Foreign exchange	(85)	77	(8)
Administrative expenses paid from plan	(34)	—	(34)
Interest income/(expenses)	128	(120)	8
Remeasurement gains / (losses)			
-Effect of changes in demographic assumptions	—	37	37
-Effect of changes in financial assumptions	—	(624)	(624)
-Effect of experience adjustments	—	(758)	(758)
-Return on plan assets	1,362	—	1,362
At 3 January 2021	7,582	(7,155)	427

The total defined benefit cost recognised as an (income) / expense in the income statement is as follows:

	Financial year ended 3 January 2021 €000	Financial year ended 29 December 2019 €000
Past service cost	3	—
Foreign exchange differences and administrative expenses	42	24
Net interest income	(8)	(9)
	37	15

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Post-employment benefits Plan 16 (continued)

The fair value of the UK Group Retirement Plan 16 assets was:

	3 January 2021 €000	29 December 2019 €000
Equity instruments	5,307	4,292
Debt instruments	2,275	1,840
	7,582	6,132

The return on the UK Group Retirement plan 16 assets was:

	Financial year ended 3 January 2021 €000	Financial year ended 29 December 2019 €000
Interest income	128	149
Remeasurements	1,362	1,007
	1,490	1,156

19. Called up share capital

	3 January 2021 €000	29 December 2019 €000
Allotted, called up and fully paid		
100 (2019 - 100) Ordinary shares of £1 each	—	—

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Share based payment

Johnson & Johnson, the company's ultimate parent undertaking, operates a share option plan, a restricted stock unit plan (RSU), and a performance stock unit (PSU) plan, whereby options, RSUs and PSUs are granted to employees to acquire shares in Johnson & Johnson. The purpose of the plan is to motivate employees to contribute towards the creation of long-term shareholder value. The plan is an equity settled share based payment plan. Share options expire 10 years from the date of grant. Share options, RSUs and PSUs vest after three years. All options are granted at current market price on the date of grant. The company settles employee stock option exercises with treasury shares of the parent company.

The company recognises a share-based payment expense based on the fair value of the awards granted, and an equivalent credit directly in equity as a capital contribution.

On exercise of the shares by the employees, the company is charged the intrinsic value of the shares by Johnson & Johnson. This amount is treated as a reduction of the capital contribution and is recognised directly in equity.

The weighted average share price at the date of exercise for options exercised in the financial year was \$97.65 (2019: \$98.03).

Share options outstanding at the end of the financial year have the following expiry dates and exercise prices:

Year of expiry	Number of options	Weighted average exercise price (US \$)
2020	—	62.62
2021	713	62.20
2022	9,522	65.37
2023	13,194	72.54
2024	28,095	90.44
2025	26,058	100.06
2026	44,090	101.87
2027	47,826	115.67
2028	59,385	129.51
2029	49,059	131.94
2030	55,184	151.41

All options are granted at the current market price on a specific grant date during each calendar year. There is therefore no weighted average exercise price as the shares granted each year are all granted at the same price, given in the table above.

21. Events since the year end

There have been no other significant events affecting the company since the financial year end.

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**NOTES TO THE FINANCIAL STATEMENTS
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22. Restatement

This note explains the impact of restatement in financial statements.

Impact on the statement of financial position

	Restated Balances at 29 December 2019 €000	Adjustment €000	Balance at 29 December 2019 €000
Current assets			
Trade and other receivables	114,924	(3,371)	118,295
Amounts owed by group undertakings	107,382	(6,742)	114,124
Derivative financial instruments	3,371	3,371	—
Current liabilities			
Trade and other payables: amounts falling due within one year	102,855	3,371	106,226
Net current assets	12,235	—	12,235

A derivative financial instrument asset of €3,371,000 as at 29 December 2019 was incorrectly recorded as a derivative financial instrument liability under Trade and other payables (Note 14). As derivatives are balances held with the group treasury department, the corresponding error of €6,742,000 sat within Amounts owed by group undertakings (Note 13).

Corrections have been posted to correctly show the derivative financial instrument as an asset within Trade and other receivables and to show the correct Amounts owed by group undertakings.