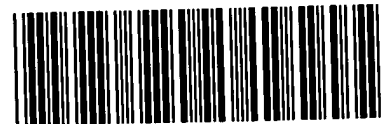


Registered number: 01472814

B. Braun Sterilog Limited  
Annual report and financial statements  
for the year ended 31 December 2022

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B. Braun Sterilog Limited  
Annual report and financial statements  
for the year ended 31 December 2022

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## **B. Braun Sterilog Limited**

### **Directors and advisers**

#### **Directors**

P Skelton  
M Parden  
C Cannings  
D Gold

#### **Registered Office**

Brookdale Road  
Thornccliffe Park Estate  
Sheffield  
South Yorkshire  
S35 2PW

The company is registered in England and Wales.

#### **Independent auditors**

Rödl & Partner Limited  
170 Edmund Street  
Birmingham  
B3 2HB

#### **Bankers**

HSBC Bank plc  
17 Church Street  
Sheffield  
S1 1HH

## **B. Braun Sterilog Limited**

### **Strategic Report for the year ended 31 December 2022**

The directors present their strategic report on the company for the year ended 31 December 2022.

#### **Principal activities**

The company's principal activity during the year was as an investment holding company, thereby incurring costs with no compensating revenue. The company is expected to be loss making.

#### **Review of the business**

The losses recognised during the year are in line with the losses that were expected to arise given the principal activity of the company. Taking into consideration the comments made in this review the year end financial position was as expected.

The company incurs costs as a holding company in respect of tenders for the provision of decontamination services on long term contracts. The contracts tend to be at least fifteen years in duration and the major customer is the NHS. The company also tenders on behalf of its subsidiary operating companies for business from third parties to supplement the income from major contracts. After the initial impact of the Coronavirus pandemic, which was declared as global pandemic by the World Health Organisation on 11 March 2020, volumes have continued to recover within the subsidiary operating companies as demand has resumed, and the directors believe that the forecast for sales and profitability remains realistic and achievable over the longer term. The company's objective is to continue to support the existing subsidiaries in maximising growth and efficiency by tendering for new business from the NHS and other third parties to utilise the spare capacity within the decontamination facilities.

The directors are committed to promoting the long-term success of the company whilst having regard to employees, the environment and the local community. They seek to do this by meeting quarterly and inviting input from the sales and marketing, human resources and other key stakeholders when it is appropriate to do so. The company benefits from the availability of Group finance.

#### **Principal risks and uncertainties**

The company relies on cash flows distributed from its subsidiaries. Given the long term nature of the decontamination contracts held by the subsidiary companies, the financial position of B. Braun Sterilog Limited is expected to be stable for the immediate future.

Following on from the COVID-19 pandemic, volumes in the subsidiary companies have started to recover, but have not yet reached full pre-pandemic levels. Mitigation strategies are in place in the NHS Trusts to protect elective surgery recovery during periods of industrial action.

On behalf of the Board



M Parden  
Director  
23 June 2023

## **B. Braun Sterilog Limited**

### **Directors' report for the year ended 31 December 2022**

The directors present their report and the audited financial statements of the company for the year ended 31 December 2022.

#### **Future developments**

The company's principal activity will continue to be as an investment holding company.

#### **Results and dividends**

The statement of comprehensive income for the year is set out on page 10. The directors do not recommend payment of a dividend (2021: £nil).

#### **Going concern**

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the immediate parent company B. Braun Medical Limited. The directors have received an undertaking that B. Braun Medical Limited will continue to support the company for at least one year after these financial statements are signed.

#### **Cash pooling**

The company meets its day-to-day working capital requirements through access to funds as part of the B. Braun group's cash pooling arrangement that is administered through B. Braun SE, a fellow group company, which acts as an internal bank for the group subsidiaries. The company has access to unrestricted funds as part of the contractual cash pooling terms and conditions, and either party has the right to withdraw from the agreement by giving notice, for which no reason needs to be given. Under the cash pooling arrangements, there is no cash held by the Company - all balances, with the exception of local deposit accounts, are 'swept' to B. Braun SE at the end of business on each day.

The Company is wholly dependent on the B. Braun group cash pooling arrangements for access to the cash flows necessary for the day-to-day running of the company and to support the going concern assertion.

Having received a letter confirming the availability of Group funding for a period of twelve months from the date these financial statements are signed, the directors have a reasonable expectation that the company has access to adequate financial and other resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

#### **Financial risk management**

As an investment holding company, our principal financial risks are limited to:

##### *Liquidity risk*

The continued availability of group funding ensures that the company has sufficient funds for operations.

##### *Interest rate cash flow risk*

Due to group financing arrangements in place, the directors do not consider that the company is significantly exposed to risk from fluctuations in interest rates due to the availability of funding within the group and no reliance on external funding.

## B. Braun Sterilog Limited

### Directors' report for the year ended 31 December 2022 (continued)

#### Directors

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

D Oates	Resigned 30 April 2023
P Skelton	
M Parden	
C Cannings	
D Gold	

In accordance with the Articles of Association, none of the directors is required to retire by rotation.

#### Employees and Employee Engagement

The company is committed to employment policies, which follow best practice, based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status. 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 that 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.

Consultation with employees or their representatives has continued at all levels with the aim of ensuring that views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the company as a whole. Communication with all employees continues through internal newsletters, briefing groups and electronic communications with the intention of providing relevant information on matters of concern, and raising awareness of the financial and the economic factors that affect the company's performance.

#### Directors' confirmations

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

- so far as the director is 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.

On behalf of the Board



M Parden  
Director  
23 June 2023

## **B. Braun Sterilog Limited**

### **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 regulation.

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

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

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

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

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are responsible for the maintenance and integrity of the company's financial statements published on the ultimate parent company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board



M Parden  
Director  
23 June 2023

## **B. Braun Sterilog Limited**

### **Independent auditors' report to the members of B. Braun Sterilog Limited**

## **Report on the audit of the financial statements**

### **Opinion**

We have audited the financial statements of B. Braun Sterilog Limited (the 'company') for the year ended 31 December 2022, which comprise the Statement of Comprehensive Income, Balance Sheet, 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework'.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 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 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.

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

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.

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 original financial statements were authorised for issue.

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



## **B. Braun Sterilog Limited**

### **Independent auditors' report to the members of B. Braun Sterilog Limited (continued)**

#### **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.

#### **Opinion 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 our 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

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

#### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities [set out on page 5], 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.

## **B. Braun Sterilog Limited**

### **Independent auditors' report to the members of B. Braun Sterilog Limited (continued)**

#### **Auditor 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## **B. Braun Sterilog Limited**

### **Independent auditors' report to the members of B. Braun Sterilog Limited (continued)**

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Use of our 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.



Imran Farooq (Senior Statutory Auditor)

For and on behalf of Rödl & Partner Limited, Statutory Auditor

170 Edmund Street

Birmingham

B3 2HB

Date: 23rd June, 2023

## B. Braun Sterilog Limited

### Statement of comprehensive income for the year ended 31 December 2022

	Note	2022 £'000	2021 £'000
Cost of sales		(23)	(23)
<b>Gross loss</b>		<b>(23)</b>	<b>(23)</b>
Administrative expenses		(988)	(988)
<b>Operating loss</b>	5	<b>(1,011)</b>	<b>(1,011)</b>
Interest receivable and similar income	6	149	149
Interest payable and similar expenses	7	(171)	(169)
<b>Loss before taxation</b>		<b>(1,033)</b>	<b>(1,031)</b>
Tax on loss	8	160	195
<b>Loss for the financial year</b>		<b>(873)</b>	<b>(836)</b>
Other comprehensive income		-	-
<b>Total comprehensive expense for the year</b>		<b>(873)</b>	<b>(836)</b>

All figures above relate to the principal activity of the company.

All items dealt with in arriving at operating loss relate to continuing operations.

The accompanying notes to the financial statements, as detailed on pages 13 to 25, form an integral part of these financial statements.

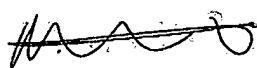
## B. Braun Sterilog Limited

### Balance sheet as at 31 December 2022

Registered Number: 01472814

	Note	2022 £'000	2021 £'000
<b>Fixed assets</b>			
Right-of-use assets	9	25	43
Investments	10	-	-
		<b>25</b>	<b>43</b>
<b>Current assets</b>			
Debtors: amounts falling due within one year	11	302	471
Debtors: amounts falling due after more than one year	12	1,853	6,103
Cash at bank and in hand		-	-
		<b>2,155</b>	<b>6,574</b>
<b>Creditors: amounts falling due within one year</b>	13	<b>(358)</b>	<b>(2,557)</b>
<b>Net current assets</b>		<b>1,797</b>	<b>4,017</b>
<b>Total assets less current liabilities</b>		<b>1,822</b>	<b>4,060</b>
<b>Creditors: amounts falling due after more than one year</b>	14	<b>(18,792)</b>	<b>(20,157)</b>
<b>Net liabilities</b>		<b>(16,970)</b>	<b>(16,097)</b>
<b>Capital and reserves</b>			
Called up share capital	15	2,000	2,000
Accumulated losses		<b>(18,970)</b>	<b>(18,097)</b>
<b>Total shareholders' deficit</b>		<b>(16,970)</b>	<b>(16,097)</b>

The financial statements on pages 10 to 25 were approved by the Board of directors on 23 June 2023 and signed on its behalf by:



P Skelton  
Director

## B. Braun Sterilog Limited

### Statement of changes in equity for the year ended 31 December 2022

	Called up share capital	Accumulated losses	Total shareholders' deficit
	£'000	£'000	£'000
Balance as at 1 January 2021	2,000	(17,261)	(15,261)
Loss and total comprehensive expense for the financial year	-	(836)	(836)
Balance as at 31 December 2021 and 1 January 2022	2,000	(18,097)	(16,097)
Loss and total comprehensive expense for the financial year	-	(873)	(873)
<b>Balance as at 31 December 2022</b>	<b>2,000</b>	<b>(18,970)</b>	<b>(16,970)</b>

## **B. Braun Sterilog Limited**

### **Notes to the financial statements for the year ended 31 December 2022**

#### **1 General information**

The company's principal activity is an investment holding company.

The company is a private limited company, limited by shares, domiciled and incorporated in the United Kingdom. The address of its registered office is Brookdale Road, Thorncliffe Park Estate, Chapeltown, Sheffield, S35 2PW.

#### **2 Significant accounting policies**

##### **Basis of preparation**

These financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with United Kingdom Accounting Standards, in particular Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and the Companies Act 2006 as applicable to companies using FRS 101. These accounting policies have been consistently applied to all years presented, unless otherwise stated.

The company's balance sheet shows that it had net liabilities at 31 December 2022 of £16,970,000 (2021: £16,097,000). The directors have received confirmation of the continued financial support of B. Braun Medical Limited for at least 12 months from the date of signing of these financial statements. The directors have also received an undertaking that B. Braun Medical Limited will not require repayment of the loan due to it for a period of one year from the date of signing of these financial statements. The directors, therefore, believe that preparing the financial statements on the going concern basis is appropriate.

FRS 101 sets out a reduced disclosure framework for a qualifying entity that would otherwise apply the recognition, measurement and disclosure requirement of EU-adopted IFRS. The company is a qualifying entity for the purposes of FRS 101. Note 18 provides details of the company's ultimate parent and from where its consolidated financial statements prepared in accordance with IFRS may be obtained.

A summary of the disclosure exemptions adopted for the year ended 31 December 2022 is presented below.

- IFRS 7, "Financial Instruments; Disclosures"
- Paragraph 38 of IAS 1, "Presentation of financial statements" comparative information requirements in respect of:
  - paragraph 73 (e) of IAS 16 Property, plant and equipment
  - paragraph 118 (e) of IAS 38 Intangible assets (reconciliations between the carrying amount at the beginning and end of the period)

## **B. Braun Sterilog Limited**

### **Notes to the financial statements for the year ended 31 December 2022 (continued)**

#### **2 Significant accounting policies (continued)**

##### **Basis of preparation (continued)**

- The following paragraphs of IAS 1, "Presentation of financial statements":
  - 10 (d) (statement of cash flows)
  - 16 (statement of compliance with all IFRS)
  - 38 A (requirement for minimum of two primary statements, including cash flow statements)
  - 38 B-D (additional comparative information)
  - 40 A-D (requirements for a third statement of financial position)
  - 111 (cash flow statement information), and
  - 134 – 136 (capital management disclosures)
- IAS 7, "statement of cash flows"
- Paragraph 17 of IAS 24 "Related party disclosures" (key management compensation)
- The requirements of IAS 24, "Related party disclosures" to disclose related party transactions entered into between two or more members of a group.
- Paragraph 61 of FRS101 relating to lessor accounting.

The company's shareholders have been notified and have not objected to the use of exemptions.

##### **Cash pooling**

The company meets its day-to-day working capital requirements through access to funds as part of the B. Braun group's cash pooling arrangement that is administered through B. Braun SE, a fellow group company, which acts as an internal bank for the group subsidiaries. The company has access to unrestricted funds as part of the contractual cash pooling terms and conditions, and either party has the right to withdraw from the agreement by giving notice, for which no reason needs to be given. Under the cash pooling arrangements, there is no cash held by the Company - all balances with the exception of local deposit accounts are 'swept' to B. Braun SE at the end of business on each day.

The Company is wholly dependent on the B. Braun group cash pooling arrangements for access to the cash flows necessary for the day-to-day running of the company and to support the going concern assertion.

After making enquiries, the directors have a reasonable expectation that the company has access to adequate financial and other resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.



## **B. Braun Sterilog Limited**

### **Notes to the financial statements for the year ended 31 December 2022 (continued)**

#### **2 Significant accounting policies (continued)**

##### **Investment in subsidiary undertakings**

Investments in subsidiary undertakings are recorded at cost plus incidental expenses less any provision for impairment.

##### **Impairment reviews**

Impairment reviews are performed by the directors when there has been an indication of potential impairment. Impairment reviews are performed based on the forecast discounted cash flows of the trading subsidiaries, covering a period commensurate with the length of the contracts they have entered into. The cash flow forecasts assume a growth rate consistent with approved budgets and management's long term expectations for the business.

##### **Leases**

Under IFRS 16, a right-of-use asset and a corresponding lease liability is recognised at the lease commencement date. The right-of-use asset is initially measured by reference to the present value of the lease payments due over the contractual lease term. These lease payments are discounted using an incremental borrowing rate set on a country-specific basis by the ultimate parent company. The weighted average incremental borrowing rate on adoption was 2.12%. The right-of-use asset is depreciated on a straight line basis from the commencement date to the end of the lease term.

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases (those with a lease term of 12 months or less). The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term. Total payments made in the year against leased assets was £16,000 (2021: £28,000).

##### **Exemption from the obligation to prepare group financial statements and a cash flow statement**

The company is a subsidiary of B. Braun SE AG and the results and cash flows of the company are included in the consolidated financial statements of that company. Accordingly, the company has chosen to take the exemption under the Companies Act 2006 Section 400 from preparing group financial statements and the exemption under FRS 101 paragraph 8 (g) from the obligation to prepare a cash flow statement.

## **B. Braun Sterilog Limited**

### **Notes to the financial statements for the year ended 31 December 2022 (continued)**

#### **2 Significant accounting policies (continued)**

##### **Related party transactions**

In accordance with the exemption allowed by IFRS 12 "Disclosures of interests in other entities", transactions with entities that are part of the B. Braun group are not disclosed.

##### **Loans and receivables**

Loans and receivables are non-derivative financial assets with determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the end of the reporting period which are classified as non-current assets. The company's loans and receivables comprise receivables and cash in the balance sheet.

##### **Borrowings**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost.

##### **Pensions**

The employees have access to a defined contribution pension scheme, which is administered by Aviva and is funded by contributions partly from employees and partly from the company.

Costs of defined contribution schemes represent the amounts payable in the year.

##### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

##### **Taxation**

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

##### **(i) Current tax**

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

## **B. Braun Sterilog Limited**

### **Notes to the financial statements for the year ended 31 December 2022 (continued)**

#### **2 Significant accounting policies (continued)**

##### **Taxation (continued)**

###### **(ii) Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

##### **Critical accounting estimates and assumptions**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying value of assets and liabilities which are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions to them are recognised in the period in which they are revised.

###### **(a) Impairment of investments in subsidiaries**

Determining whether the company's investments in, or loans to, subsidiaries have been impaired requires estimations of the investments' values in use. The value in use calculations require the entity to estimate the future cash flows expected to arise from the investments, and also suitable discount rates in order to calculate present values.

## **B. Braun Sterilog Limited**

### **Notes to the financial statements for the year ended 31 December 2022 (continued)**

#### **3 Employee information**

	<b>2022</b>	2021
	<b>£'000</b>	£'000
Wages and salaries	<b>514</b>	497
Social security costs	<b>65</b>	66
Pension costs (note 17)	<b>64</b>	62
	<b>643</b>	625

The average monthly number of persons (excluding executive directors) employed by the company during the year was:

<b>By activity</b>	<b>2022</b>	2021
	<b>Number</b>	Number
Sales and administration	<b>9</b>	9

#### **4 Directors' emoluments**

All of the directors are remunerated by B. Braun Medical Limited. It is not possible to make an accurate apportionment for four of the directors' emoluments in respect of each of the group companies for whom they work and hence no recharge of these costs has been made to B. Braun Sterilog Limited during the year. A recharge is made in respect of one of the directors as shown below.

	<b>2022</b>	2021
	<b>£'000</b>	£'000
Aggregate emoluments	<b>110</b>	108

## B. Braun Sterilog Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 5 Operating loss

	2022 £'000	2021 £'000
Operating loss is stated after charging:		
Depreciation – right-of-use assets	15	26
Auditors' remuneration for:		
- audit of the company	8	15
- other services – tax compliance	-	2

Employee benefit costs in respect of sales and administrative employees are disclosed within Operating Expenses.

#### 6 Interest receivable and similar income

	2022 £'000	2021 £'000
Group interest receivable	149	149

#### 7 Interest payable and similar expenses

	2022 £'000	2021 £'000
Group interest payable	169	166
Other finance costs	2	2
Leasing interest	-	1
	171	169

## B. Braun Sterilog Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 8 Tax on loss

	2022	2021
	£'000	£'000
<b>Current tax:</b>		
UK corporation tax on losses of the year	160	195
<b>Total tax on loss</b>	<b>160</b>	<b>195</b>

Tax assessed for the year is higher than (2021: higher than) the standard rate of corporation tax in the UK of 19.0% (2021: 19.0%). The differences are explained below:

	2022	2021
	£'000	£'000
<b>Loss before taxation</b>	<b>(1,033)</b>	<b>(1,031)</b>
Loss before taxation multiplied by the standard rate of corporation tax in the UK of 19.0% (2021: 19.0%).	(196)	(196)
Effects of:		
Prior period adjustments	19	-
Expenses not deductible	17	1
<b>Total tax for the year</b>	<b>(160)</b>	<b>(195)</b>

#### Factors affecting current and future tax changes

In the Spring Budget 2021, the UK government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted. This new law was substantively enacted on 24 May 2021. There is no impact on these financial statements.

## B. Braun Sterilog Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 9 Right-of-use assets

	Vehicles £'000
<b>Cost</b>	
At 1 January 2022	76
Additions	-
Disposals	(16)
<b>At 31 December 2022</b>	<b>60</b>
<b>Accumulated depreciation</b>	
At 1 January 2022	33
Charge for the year	15
Disposals	(13)
<b>At 31 December 2022</b>	<b>35</b>
<b>Net book amount</b>	
<b>At 31 December 2022</b>	<b>25</b>
At 31 December 2021	43

#### 10 Investments

	Interests in group undertakings £'000
Cost at 1 January 2022 and 31 December 2022	4,000
Provision against carrying value at 1 January 2022 and 31 December 2022	(4,000)
<b>Net book value at 31 December 2021 and 31 December 2022</b>	<b>-</b>

All companies are registered and incorporated in England and Wales and have a year end of 31 December. Their registered office address is Brookdale Road, Thorncliffe Park, Sheffield S35 2PW.

Both B. Braun Sterilog (Yorkshire) Limited and B. Braun Sterilog (Birmingham) Limited operate decontamination centres as outsourced facilities for the NHS and other third party companies.

During the year the Directors reviewed the carrying value of the investment in subsidiary companies and have taken the decision that the provision against this carrying value is still required.

## B. Braun Sterilog Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 10 Investments (continued)

##### Interests in group undertakings

The company had the following subsidiary undertakings at 31 December 2022:

Name of undertaking	Description of shares held	Proportion of nominal value of issued shares held	Aggregate capital and reserves	Profit / (loss) for the year
		%	£'000	£'000
B. Braun Sterilog (Yorkshire) Limited	Ordinary	100	630	2,243
B. Braun Sterilog (Birmingham) Limited	Ordinary	100	(2,123)	(207)

#### 11 Debtors: amounts falling due within one year

	2022	2021
	£'000	£'000
Amounts owed by group undertakings	290	357
Other debtors	12	114
	302	471

Included in amounts owed by group undertakings is the balance on the intercompany cash pooling account administered by B. Braun SE of £12,000 (2021: creditor £2,221,000). This amount is unsecured and interest is receivable (2021: payable) at SONIA less 0.20% (2021: LIBOR plus 1.00%). The remaining amounts are normal trading balances and no interest is payable.



## B. Braun Sterilog Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 12 Debtors: amounts falling due after more than one year

	2022	2021
	£'000	£'000
Amounts owed by group undertakings	1,853	6,103

Amounts owed by group undertakings shown above are unsecured and interest is receivable at SONIA less 0.20%. (2021: LIBOR plus 1.0%).

Under IFRS 9, amounts owed by group undertakings are subject to an annual impairment assessment. The amounts included in these financial statements are net of any provision recorded in previous years. No additional impairment provision was recognised in the 2022 year.

It has been confirmed to the group undertakings that settlement will not be required within one year from the date of signing of these financial statements.

#### 13 Creditors: amounts falling due within one year

	2022	2021
	£'000	£'000
Trade creditors	37	21
Amounts owed to group undertakings	213	2,433
Lease liability	12	15
Accruals and deferred income	96	88
	358	2,557

Amounts owed to group undertakings shown above are unsecured, have no fixed date of repayment and are repayable on demand. No interest is payable.

## B. Braun Sterilog Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 14 Creditors: amounts falling due after more than one year

	2022	2021
	£'000	£'000
Amounts owed to group undertakings	18,780	20,130
Lease liability	12	27
	18,792	20,157

Included in amounts owed to group undertakings is an intercompany loan from B. Braun Medical Limited of £18,780,000 (2021: £20,130,000). This amount is unsecured and interest is payable at SONIA plus 1.00% (2021: LIBOR plus 1.00%).

It has been confirmed by the group undertakings that settlement will not be required within at least one year from the date of signing of these financial statements.

The maturity analysis for lease liability as at 31 December is as follows:

	2022	2021
	£'000	£'000
Less than one year	12	15
Greater than one year but less than five years	12	27
	24	42

#### 15 Called up share capital

	Allotted and fully paid	
	2022	2021
	£'000	£'000
2,000,000 (2021: 2,000,000) ordinary shares of £1 each	2,000	2,000

## B. Braun Sterilog Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 16 Financial commitments

The company leases vehicles for use by the sales and management team.

Under IFRS 16, these contracts were recognised as lease liabilities with a corresponding right-of-use asset. In addition, the following amounts were recognised as an expense in the income statement:

	2022	2021
	£'000	£'000
Interest expense on lease liability	-	1

#### 17 Post-employment benefits

Employees have access to a defined contribution pension scheme. The cost of contributions to this scheme for the year was £64,000 (2021: £62,000). The balance sheet creditor as at the year end was £nil (2021: £nil).

#### 18 Ultimate parent company

The directors regard B. Braun Holding GmbH & Co. KG, a company registered in Germany, as the ultimate parent company and controlling party. The immediate parent undertaking is B. Braun Medical Limited.

B. Braun SE AG is the largest group in which these results are consolidated. Copies of the parent's consolidated financial statements may be obtained from Carl Braun Strasse 1, 34212 Melsungen, Germany.

B. Braun SE AG is the smallest and largest group in which these results are consolidated.