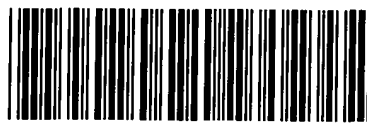


Abbott Diabetes Care Limited

Annual Report and Financial Statements
for the Year Ended 31 December 2014

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Registration number: 02548046

Abbott Diabetes Care Limited
Strategic Report for the Year Ended 31 December 2014

The directors present their strategic report for the year ended 31 December 2014.

Business review

Fair review of the business

As shown in the company's profit and loss account, turnover increased by £2,863,000 being a 6.3% increase on the prior year. This increase is due to development cost on new and existing production processes being recharged under the contract manufacturing agreement.

Principal risks and uncertainties

The company faces risk from a highly competitive market and technological change. The company manages this risk by ensuring that it remains at the forefront of technological developments and manufacturing processes.

The company is financed by share capital and a variable rate loan from a UK affiliated company and has no third party debt. The variable rate loan expires in December 2019. The company is therefore exposed to interest rate movements which the directors do not consider to be a significant risk.

The company has considerable financial resources. As a consequence, the directors believe that the company is well placed to manage its business successfully despite the current uncertain economic outlook.

Approved by the Board on 30/9/15 and signed on its behalf by:



A Crockett

Company secretary and director

Abbott Diabetes Care Limited
Directors' Report for the Year Ended 31 December 2014

The directors present their report and the financial statements for the year ended 31 December 2014.

Directors of the company

The directors who held office during the year were as follows:

T Freyman

P Cole

A Crockett - Company secretary and director

Employment of disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes 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. Company policy and practice ensures that there is no discrimination against disabled people regarding training, career development and promotion opportunities.

Employee involvement

The company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and the various factors affecting the performance of the company. This is achieved through formal and informal meetings and the company website. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests.

Disclosure of information to the auditor

Each director has taken 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 auditor is aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditor is unaware of.

Appointment of auditors

Following the resignation of Deloitte LLP, Ernst & Young LLP have been appointed as the company's auditor.

Approved by the Board on 30/9/15 and signed on its behalf by:



A Crockett
Company secretary and director

Abbott Diabetes Care Limited
Statement of Directors' Responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's Report to the Members of Abbott Diabetes Care Limited

We have audited the financial statements of Abbott Diabetes Care Limited for the year ended 31 December 2014, set out on pages 6 to 19 which comprise the profit and loss account, the balance sheet and related notes 1 to 22. 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).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 3), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent Auditor's Report to the Members of
Abbott Diabetes Care Limited**

..... continued

Matters on which we are required to report by exception

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

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

Ernst & Young LLP

.....
David Hales (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
Reading
United Kingdom

Date: *30 Sept 2015*

Abbott Diabetes Care Limited
Profit and Loss Account for the
Year Ended 31 December 2014

	Note	2014 £ 000	2013 £ 000
Turnover	2	48,296	45,433
Cost of sales		<u>(43,761)</u>	<u>(41,076)</u>
Gross profit		4,535	4,357
Administrative expenses		<u>(23)</u>	<u>(40)</u>
Operating profit	3	4,512	4,317
Other interest receivable and similar income	7	66	59
Interest payable and similar charges	8	<u>(187)</u>	<u>(246)</u>
Profit on ordinary activities before taxation		4,391	4,130
Tax on profit on ordinary activities	9	<u>(3,413)</u>	<u>592</u>
Profit for the financial year	18	<u><u>978</u></u>	<u><u>4,722</u></u>

Turnover and operating profit derive wholly from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

Abbott Diabetes Care Limited
(Registration number: 02548046)
Balance Sheet at 31 December 2014

	Note	2014 £ 000	2013 £ 000
Fixed assets			
Tangible fixed assets	12	<u>38,050</u>	<u>40,161</u>
Current assets			
Stocks	13	870	556
Debtors	14	43,315	38,490
Cash at bank and in hand		<u>1,810</u>	<u>1,415</u>
		45,995	40,461
Creditors: Amounts falling due within one year	15	<u>(23,430)</u>	<u>(46,301)</u>
Net current assets/(liabilities)		<u>22,565</u>	<u>(5,840)</u>
Total assets less current liabilities		60,615	34,321
Creditors: Amounts falling due after more than one year	16	<u>(25,316)</u>	<u>-</u>
Net assets		<u>35,299</u>	<u>34,321</u>
Capital and reserves			
Called up share capital	17	1,037	1,037
Capital Contribution	18	3,600	3,600
Profit and loss account	18	<u>30,662</u>	<u>29,684</u>
Shareholders' funds	19	<u>35,299</u>	<u>34,321</u>

Approved and authorised for issue by the Board of 22/2/15 and signed on its behalf by:



A Crockett
Company secretary and director

Abbott Diabetes Care Limited

Notes to the Financial Statements for the Year Ended 31 December 2014

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

The company is exempt from preparing a cash flow statement as 90% or more of the voting rights are held within the group.

Going concern

The company's business activities are set out in the Business Review which forms part of the Strategic Report. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Turnover

Turnover from the supply of services represents the value of services supplied under the contract manufacturing agreement to the extent that there is a right to consideration and is recorded at the value of consideration due.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold buildings	Straight line 10 - 50 years
Plant and machinery	Straight line 3 - 10 years
Fixtures and fittings	Straight line 5 - 10 years

Freehold land and construction in progress are not depreciated.

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Taxation

UK corporation tax is provided at amounts expected to be paid, or recovered, using the tax rates and laws enacted or substantially enacted at the balance sheet date.

Deferred Tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. A net deferred tax asset is recognised as recoverable only when, on the basis of available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is not discounted.

Foreign currency

Foreign currency transactions are translated into sterling at the rates ruling at the transaction date. Amounts payable or receivable in foreign currency are translated into sterling at the rate ruling at the balance sheet date, or where appropriate, at the rate of exchange in a related forward exchange contract. Any gains or losses are reported as exchange differences in the profit and loss account.

Abbott Diabetes Care Limited

Notes to the Financial Statements for the Year Ended 31 December 2014

..... continued

Operating Leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term, even if payments are not made on such a basis.

Pensions

The company operates a defined benefit pension scheme for all permanent employees under which contributions by employees and the company are held by a separately administered trustee company. Actuarial valuations are carried out at three year intervals. The amount charged to the profit and loss in respect of current pension costs is based on the most recent actuarial valuation.

Share-based payments

The company has applied the requirements of FRS20 "Share-based payments". The ultimate parent company issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value (excluding the effect of non market-based vesting conditions) at the date of grant. The value determined at the grant date of equity-settled share-based payments is expensed on a straight line basis over the vesting period, based on the group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions. Fair value is measured by the use of the Black-Scholes pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effect of non-transferability, exercise restrictions and behavioural considerations. The company also provides employees with the ability to purchase the ultimate parent company's ordinary shares at the current market value via a deduction from gross salary. The company operates a matching arrangement under which additional shares are purchased and held for the employee. The company records an expense of the actual cost of matching shares purchased.

2 Turnover

An analysis of turnover by geographical location is given below:

	2014 £ 000	2013 £ 000
Sales - UK	48,296	45,433

3 Operating profit

Operating profit is stated after charging:

	2014 £ 000	2013 £ 000
Operating leases - plant and machinery	85	96
Depreciation of owned assets	3,889	3,848
Auditor's remuneration	22	40

4 Auditor's remuneration

	2014 £ 000	2013 £ 000
Audit of the statutory financial statements	22	40

Abbott Diabetes Care Limited

Notes to the Financial Statements for the Year Ended 31 December 2014

..... continued

5 Particulars of employees

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2014 No.	2013 No.
Administration and support	20	23
Production	515	493
	<u>535</u>	<u>516</u>

The aggregate payroll costs (including directors) were as follows:

	2014 £ 000	2013 £ 000
Wages and salaries	21,504	20,766
Social security costs	1,552	1,788
Staff pensions	3,009	3,146
	<u>26,065</u>	<u>25,700</u>

6 Directors' remuneration

The directors' remuneration for the year was as follows:

	2014 £ 000	2013 £ 000
Remuneration	<u>447</u>	<u>390</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2014 No.	2013 No.
Received or were entitled to receive shares under long term incentive schemes	2	2
Accruing benefits under defined benefit pension scheme	<u>2</u>	<u>2</u>

In respect of the highest paid director:

	2014 £ 000	2013 £ 000
Remuneration	286	249
Defined benefit accrued pension entitlement at the end of the period	<u>29</u>	<u>25</u>

Abbott Diabetes Care Limited
Notes to the Financial Statements for the Year Ended 31 December 2014
..... continued

7 Other interest receivable and similar income

	2014 £ 000	2013 £ 000
Bank interest receivable	8	1
Interest on loans to group undertakings	<u>58</u>	<u>58</u>
	<u>66</u>	<u>59</u>

8 Interest payable and similar charges

	2014 £ 000	2013 £ 000
Interest on bank borrowings	-	23
Interest on loans from group undertakings	<u>187</u>	<u>223</u>
	<u>187</u>	<u>246</u>

Abbott Diabetes Care Limited
Notes to the Financial Statements for the Year Ended 31 December 2014
..... continued

9 Taxation

Tax on profit on ordinary activities

	2014 £ 000	2013 £ 000
Current tax		
Corporation tax charge	1,303	52
Adjustments in respect of previous years	1,457	-
Total current tax	<u>2,760</u>	<u>52</u>
Deferred tax		
Origination and reversal of timing differences	653	(309)
Deferred tax adjustment relating to previous years	-	(352)
Effect of changes in tax rates	-	17
Total deferred tax	<u>653</u>	<u>(644)</u>
Total tax on profit on ordinary activities	<u><u>3,413</u></u>	<u><u>(592)</u></u>

Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is higher than (2013 - lower than) the standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%).

The differences are reconciled below:

	2014 £ 000	2013 £ 000
Profit on ordinary activities before taxation	<u>4,391</u>	<u>4,130</u>
Corporation tax at standard rate	944	960
Capital Allowance less than depreciation	388	458
Expenses not deductible for tax purposes	62	(89)
Adjustment in respect of prior years	1,457	-
Group relief	<u>(92)</u>	<u>(1,277)</u>
Total current tax	<u><u>2,760</u></u>	<u><u>52</u></u>

Abbott Diabetes Care Limited
Notes to the Financial Statements for the Year Ended 31 December 2014
..... *continued*

10 Share-based payments

Share options

The company's ultimate parent company maintains an equity-settled share-based payment arrangement under which certain employees of the ultimate parent company's subsidiaries are awarded grants of share options. Options are granted at an exercise price equal to the market value of the shares at the date of grant. The options vest over three years beginning one year from the date of grant and have a maximum contractual term of 10 years. Share options are forfeited if the employee leaves the company for reasons other than retirement, death or disability.

	2014		2013	
	Number of share options	Weighted average exercise price US\$	Number of share options	Weighted average exercise price US\$
Outstanding at the beginning of the year	22,473	28.81	49,118	49.65
Forfeited during the year	-	-	-	-
Exercised during the year	(2,578)	22.28	(26,645)	23.17
Outstanding at the end of the year	19,895	25.20	22,473	28.81
Exercisable at the end of the year	19,895	25.20	22,473	23.75

The options outstanding at 31 December 2014 had a weighted average exercise price of US\$27.83 and a weighted average remaining contractual life of 6 years. No options were granted in 2014 or 2013. The inputs to the Black-Scholes Option Pricing Model are as follows:

	2014 US\$	2013 US\$
Weighted average share price	39.20	35.65
Weighted average exercise price	22.28	23.17
Expected volatility	20%	20%
Expected life	2.3 years	6 years
Risk-free rate	1.9%	1.1%
Expected dividend yield	2.2%	1.6%

Expected volatility is based on implied volatilities from traded options and historical volatility of share price over the expected life of the option.

The company has recognised total expense of £nil (2013: £nil) in relation to share options. As the company has not been required to make any payment to the ultimate parent company in relation to the cost of share options, the equity of the company has been increased by a capital contribution equal to the calculated value of the share options.

Abbott Diabetes Care Limited
Notes to the Financial Statements for the Year Ended 31 December 2014
..... *continued*

Restricted stock units

The company's ultimate parent company also maintains an equity-settled share based payment arrangement under which certain employees of the ultimate parent company's subsidiaries are awarded grants of restricted stock units. Restricted stock units vest over three years beginning one year from the grant date. Restricted stock units are forfeited if the employee leaves the company before the awards vest.

	2014		2013	
	Number of RSU's	Weighted average grant price (US\$)	Number of RSU's	Weighted average grant price (US\$)
Outstanding at the beginning of the year eriod	36,345	42.36	25,906	52.90
Granted during the year	25,264	38.29	23,740	34.68
Forfeited during the year	(1,252)	40.86	(470)	36.24
Vested during the year	<u>(15,752)</u>	39.22	<u>(12,831)</u>	34.91
Outstanding at the end of the year	<u>44,605</u>	56.48	<u>36,345</u>	42.36

The company has recognised total expense of £501,000 in relation to restricted stock units (2013: £513,000). The company has made a payment to the ultimate parent company in relation to the cost of restricted stock units and the equity of the company has been increased by a capital contribution equal to the calculated value of restricted stock units less the payment made to the ultimate parent company.

All employee share scheme

The company operates a share incentive plan for all employees. Employees purchase shares in the ultimate parent company at market value by means of a deduction from gross salary. The company matches the employee purchase at a rate of 1:1 subject to a limit of 1.75% of pensionable salary or £150 per month. Under this scheme the employees purchased 13,637 ordinary shares (2013: 10,547) at a weighted average price of £25.02 (2013: £22.57). The company purchased 6,563 ordinary shares (2013: 6,455) at a weighted average price of £24.89 (2013: £22.57).

Abbott Diabetes Care Limited
Notes to the Financial Statements for the Year Ended 31 December 2014
..... continued

11 Pension schemes

Defined benefit pension schemes

The company participates in the Abbott Laboratories Pension Fund. This is a defined benefit multi-employer scheme, the assets and liabilities of which are held separately from the group.

The company is unable to identify its share of the underlying assets and liabilities of the scheme and accordingly accounts for the scheme as if it were a defined contribution scheme.

Normal contributions to the scheme for the period were £3,009,000 (2013: £3,146,000) being 22% of pensionable salaries in the current and previous periods.

FRS17 disclosures:

The figures below have been based on the full actuarial valuation of the Abbott Laboratories Pension Fund as at 28 February 2013 updated to 31 December 2014 by a qualified actuary and showed that the market value of the assets was £538,461,000 and that the actuarial value of these assets representing 111% of the benefits that had accrued to members. As the company accounts for the scheme as if it were a defined contribution scheme, the figures relate to the entire assets and liabilities of the scheme, are illustrative only and do not impact the 31 December balance sheet.

	2014		2013		2012	
	Long term expected rate of return	Value £000's	Long term expected rate of return	Value £000's	Long term expected rate of return	Value £000's
Equities	6.6%	296,862	8.7%	299,748	8.7%	304,886
Other	6.4%	241,599	3.6%	178,716	3.6%	86,787
Total market value of assets		538,461		478,464		391,673
Present value of scheme liabilities		(486,985)		(422,266)		(377,490)
Related deferred tax		(10,295)		(11,240)		(3,404)
Surplus		<u>41,181</u>		<u>44,958</u>		<u>10,779</u>

The figures shown above were calculated on the basis of the following assumptions:

Demographic assumptions have been taken to be the same as for the 31 March 2013 funding valuation with the exception of post retirement mortality. Post retirement mortality was assumed to be in line with the SINA standard tables, rated down by one year, with an allowance for future improvements in mortality in line with CMI2013 projections with a 1.25% long-term rate of improvement starting from 2012.

	2014	2013	2012
Discount rate	3.8%	4.5%	4.5%
Rate of increase of salaries	4.0%	4.5%	4.5%
Rate of increase in deferred pensions	2.3%	2.8%	2.3%
Rate of increase of pensions in payment	3.1%	3.5%	3.1%
Inflation assumption	3.3%	3.8%	3.3%

Abbott Diabetes Care Limited

Notes to the Financial Statements for the Year Ended 31 December 2014

..... continued

12 Tangible fixed assets

	Freehold land and buildings £ 000	Plant and machinery £ 000	Fixtures and fittings £ 000	Constru- ction in Progress £ 000	Total £ 000
Cost or valuation					
At 1 January 2014	55,078	29,783	1,553	5,205	91,619
Additions	612	2,733	86	1,500	4,931
Disposals	(110)	(1,525)	-	(3,153)	(4,788)
At 31 December 2014	55,580	30,991	1,639	3,552	91,762
Depreciation					
At 1 January 2014	25,536	24,773	1,149	-	51,458
Charge for the year	2,264	1,522	104	-	3,890
Eliminated on disposals	(111)	(1,525)	-	-	(1,636)
At 31 December 2014	27,689	24,770	1,253	-	53,712
Net book value					
At 31 December 2014	27,891	6,221	386	3,552	38,050
At 31 December 2013	29,542	5,010	404	5,205	40,161

Freehold land of £4,340,000 (2013: £4,340,000) included in the above is not depreciated

13 Stocks

	2014 £ 000	2013 £ 000
Raw materials	870	556

14 Debtors

	2014 £ 000	2013 £ 000
Amounts owed by group undertakings	41,167	33,958
Other debtors	1,387	1,529
Corporation Tax	-	1,368
Deferred tax	8	661
Prepayments and accrued income	753	974
	43,315	38,490

Abbott Diabetes Care Limited
Notes to the Financial Statements for the Year Ended 31 December 2014
..... continued

Deferred tax

The movement in the deferred tax asset in the year is as follows:

	£ 000
At 1 January 2014	661
Deferred tax charged to the profit and loss account	<u>(653)</u>
At 31 December 2014	<u><u>8</u></u>

Analysis of deferred tax

	2014 £ 000	2013 £ 000
Difference between accumulated depreciation and amortisation and capital allowances	133	424
Other timing differences	<u>172</u>	<u>237</u>
	<u><u>305</u></u>	<u><u>661</u></u>

15 Creditors: Amounts falling due within one year

	2014 £ 000	2013 £ 000
Trade creditors	3,755	2,438
Amounts owed to group undertakings	10,737	37,893
Corporation tax	2,112	-
Other taxes and social security	998	1,039
Accruals and deferred income	<u>5,828</u>	<u>4,931</u>
	<u><u>23,430</u></u>	<u><u>46,301</u></u>

16 Creditors: Amounts falling due after more than one year

	2014 £ 000	2013 £ 000
Loans from other group undertakings	<u>25,316</u>	<u>-</u>

The loan is repayable in December 2019 and interest is calculated at a variable rate between 0.3% and 0.4%.

Abbott Diabetes Care Limited
Notes to the Financial Statements for the Year Ended 31 December 2014
..... continued

17 Share capital

Allotted, called-up and fully paid

	2014	2013
	£000	£000
1,036,832 ordinary shares of £1 each	<u>1,037</u>	<u>1,037</u>

18 Reserves

	Capital Contribution £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2014	3,600	29,684	33,284
Profit for the year	<u>-</u>	<u>978</u>	<u>978</u>
At 31 December 2014	<u>3,600</u>	<u>30,662</u>	<u>34,262</u>

19 Reconciliation of movement in shareholders' funds

	2014	2013
	£ 000	£ 000
Profit attributable to the members of the company	<u>978</u>	<u>4,722</u>
Net addition to shareholders' funds	978	4,722
Shareholders' funds at 1 January	<u>34,321</u>	<u>29,599</u>
Shareholders' funds at 31 December	<u>35,299</u>	<u>34,321</u>

Abbott Diabetes Care Limited
Notes to the Financial Statements for the Year Ended 31 December 2014
..... continued

20 Commitments

Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £25,743,000 (2013 - £9,756,000).

21 Related party transactions

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group. There were no other related party transactions in the current year.

22 Control

The company is controlled by the immediate parent company Abbott Laboratories Limited. The smallest and largest group into which the financial statements of Abbott Diabetes Care Limited are consolidated is the ultimate parent company, Abbott Laboratories, incorporated in the State of Illinois, USA. The consolidated financial statements are available to the public and may be obtained from Abbott Laboratories, 100 Abbott Park Road, Abbott Park, IL60064-6400, USA .