
SANOFI-AVENTIS UK HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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SANOFI-AVENTIS UK HOLDINGS LIMITED

COMPANY INFORMATION

Directors	F X Duhalde H Fry (appointed 1 January 2017)
Registered number	03203829
Registered office	One Onslow Street Guildford Surrey GU1 4YS
Independent Auditor	Ernst & Young LLP Statutory Auditors Apex Plaza Forbury Road Reading RG1 1YE

SANOFI-AVENTIS UK HOLDINGS LIMITED

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SANOFI-AVENTIS UK HOLDINGS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

Introduction

The directors present their strategic report for Sanofi-Aventis UK Holdings Limited ("the company") for the year ended 31 December 2017.

Business review

The company continues to act as an investment holding company.

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

	2017	2016	Change
	£000	£000	%
Dividend income	-	36,000	(100)
Shareholders' funds	284,550	285,797	-

Principal risks and uncertainties

The company's operations expose it to a variety of risks that include the effects of changes in interest rate risk and foreign exchange risk. The company complies with the Sanofi (the company's ultimate parent undertaking) policies and risk management program that seeks to limit the adverse effect of these risks on the company. In order to ensure stability of cash outflows and hence manage interest rate risk for the Sanofi group ("the group"), Sanofi manages the risk of fluctuation of interest rates on behalf of all companies within the group and uses derivative financial instruments to do this.

Interest rate risk

The company has short term interest bearing assets which include amounts receivable from other fellow subsidiaries within the United Kingdom which earn interest at LIBOR plus 15 basis points. Short term interest bearing liabilities include amounts payable to other fellow subsidiaries within the United Kingdom which earn interest at LIBOR minus 5 basis points. Short term interest bearing assets include amounts receivable from Sanofi which earn interest at LIBOR minus 5 basis points.

Impairment of investments

The company holds investments in trading companies of the Sanofi group. A significant change in the nature or market of those companies could lead to impairment in the carrying value of those investments. More information can be found in the individual accounts of the companies invested in Note 11.

There has been no impairment recognised in the current year.

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



F X Dunne
Director

Date: 25 June 2019

SANOFI-AVENTIS UK HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present their report and the financial statements for the year ended 31 December 2017.

Results and dividends

The loss for the year, after taxation, amounted to £1,247,000 (2016 - profit £34,713,000).

The company declared dividends of £Nil (2016 - £236,000,000) during the year.

Directors

The directors who served during the year were:

F X Duhalde

H Fry (appointed 1 January 2017)

Sanofi maintains liability insurance for the directors and officers of all group companies. Sanofi has also provided an indemnity for the directors, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006.

Future developments

The company plans to continue to receive income from loan interest and dividends.

Disclosure of information to auditors

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

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

Post balance sheet events

On 1 October 2018, Fisons Limited sold the Holmes Chapel manufacturing site and related assets to a third party for consideration of £49.1m.

As part of an ongoing legal simplification initiative, on 30 April 2019, the Company sold its' subsidiary Genzyme Therapeutics Limited to Aventis Pharma Limited for a consideration of £89.3m. Subsequent to that, Genzyme Therapeutics Limited transferred its' business to its' parent company and will continue as a non-trading entity for the foreseeable future.

Going concern statement

The company's performance and position are set out in the Business Review on page 1. The financial statements include the company's financial risk management objectives; details of its financial instruments and its exposures to interest rate risk.

The directors are satisfied that the company has access to considerable financial resources of the ultimate parent company, therefore, 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 of accounting in preparing the financial statements.

SANOFI-AVENTIS UK HOLDINGS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017**

Auditors

The auditors, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

A handwritten signature in black ink, appearing to be 'F.X. Duhalde', written over a horizontal line.

F.X. Duhalde
Director

Date: 25 June 2019

SANOFI-AVENTIS UK HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2017

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

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

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SANOFI-AVENTIS UK HOLDINGS LIMITED

Opinion

We have audited the financial statements of Sanofi-Aventis UK Holdings Limited for the year ended 31 December 2017, which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and the related notes 1 to 18, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2017 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 Auditors' responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

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

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

Other information

The other information comprises the information included 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, 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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SANOFI-AVENTIS UK HOLDINGS LIMITED (CONTINUED)

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SANOFI-AVENTIS UK HOLDINGS LIMITED
(CONTINUED)**

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.

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. This description forms part of our Auditors' Report.

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 Auditors' 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.

ERNST & YOUNG LLP

San Gunapala (Senior Statutory Auditor)

for and on behalf of
Ernst & Young LLP

Statutory Auditors

Reading

Date: 26/6/19

SANOFI-AVENTIS UK HOLDINGS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 £000	2016 £000
Other operating (charges)/income	4	(9)	45
Operating (loss)/profit	5	(9)	45
Income from shares in group companies		-	36,000
Interest receivable and similar income	7	2,744	4,546
Interest payable and similar charges	8	(4,279)	(6,200)
(Loss)/profit before tax		(1,544)	34,391
Tax on (loss)/profit	9	297	322
(Loss)/profit for the year		(1,247)	34,713
 Total comprehensive (expense)/income for the year		(1,247)	34,713

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of comprehensive income.

The notes on pages 11 to 22 form part of these financial statements.

SANOFI-AVENTIS UK HOLDINGS LIMITED
REGISTERED NUMBER: 03203829

BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 £000	2016 £000
Fixed assets			
Investments	11	757,220	757,220
		<u>757,220</u>	<u>757,220</u>
Current assets			
Debtors: amounts falling due within one year	12	-	1,502,595
		<u>-</u>	<u>1,502,595</u>
Creditors: amounts falling due within one year	13	(472,670)	(1,974,018)
		<u>(472,670)</u>	<u>(1,974,018)</u>
Net current liabilities		(472,670)	(471,423)
Total assets less current liabilities		284,550	285,797
		<u>284,550</u>	<u>285,797</u>
Net assets		284,550	285,797
		<u>284,550</u>	<u>285,797</u>
Capital and reserves			
Called up share capital	15	1,000	1,000
Profit and loss account	16	283,550	284,797
		<u>283,550</u>	<u>284,797</u>
Total equity		284,550	285,797
		<u>284,550</u>	<u>285,797</u>

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


F. X. Duhalde
 Director

Date:

25 June 2019

The notes on pages 11 to 22 form part of these financial statements.

SANOFI-AVENTIS UK HOLDINGS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 1 January 2017	1,000	284,797	285,797
Comprehensive expense for the year			
Loss for the year	-	(1,247)	(1,247)
Total comprehensive expense for the year	-	(1,247)	(1,247)
At 31 December 2017	1,000	283,550	284,550

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 1 January 2016	1,000	486,084	487,084
Comprehensive income for the year			
Profit for the year	-	34,713	34,713
Total comprehensive income for the year	-	34,713	34,713
Dividends: Equity capital	-	(236,000)	(236,000)
At 31 December 2016	1,000	284,797	285,797

The notes on pages 11 to 22 form part of these financial statements.

SANOFI-AVENTIS UK HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Sanofi-Aventis UK Holdings Limited ("the company") for the year ended 31 December 2017 were authorised for issue by the board of directors on 25 June 2019, and the Balance Sheet was signed on the board's behalf by F X Duhalde. The company is incorporated and domiciled in England. The address of the registered office is One Onslow Street, Guildford, Surrey, GU1 4YS.

These financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101"), see Note 2.1.

The company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

The company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of Sanofi, whose shares are listed on the Euronext Paris stock exchange.

The results of the company are included in the consolidated financial statements of Sanofi (20F) which are available on the corporate website.

The principal accounting policies adopted by the company are set out in note 2.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention, unless otherwise specified within these accounting policies, and in accordance with FRS 101 and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2017.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. Accounting policies (continued)

2.2 Financial Reporting Standard 101 - reduced disclosure exemptions

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

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

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- 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 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 requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

2.3 Valuation of investments

Investments in subsidiaries, associates and joint ventures are measured at cost less accumulated impairment, if any. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

2.4 Debtors

Short term debtors are measured at transaction price, less any provision for impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.5 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers

SANOFI-AVENTIS UK HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. Accounting policies (continued)

2.6 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.7 Current and deferred taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the Balance Sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary difference, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the Balance Sheet date.

The carrying amount of deferred income tax assets is reviewed at each Balance Sheet date. Deferred income tax assets and liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the company to make a single net payment.

Income tax is charged or credited to Other Comprehensive Income if it relates to items that are charged or credited to Other Comprehensive Income. Similarly, income tax is charged or credited directly to equity if it relates to items that are charged or credited directly to equity. Otherwise income tax is recognised in the Statement of Comprehensive Income.

SANOFI-AVENTIS UK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.8 Financial instruments

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

Financial assets

The company classifies all of its financial assets as loans and receivables.

Loans and receivables

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

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

Financial liabilities

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

Liabilities at amortised cost

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

SANOFI-AVENTIS UK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.9 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

2.10 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Dividends

Dividends receivable are recognised when they become legally receivable, or are received, and are credited to the Statement of Comprehensive Income.

Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Equity dividends are charged directly to equity.

Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable in the Statement of Comprehensive Income.

2.12 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

SANOFI-AVENTIS UK HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Balance Sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

No judgements were applied that had a significant effect on the amounts recognised in the financial statements.

4. Other operating income

	2017	2016
	£000	£000
Foreign exchange (loss)/gain	(9)	45

5. Operating (loss)/profit

The company did not generate any income or incur any expenses in relation to operating activities.

Auditors' remuneration of £4,500 (2016 - £4,500) was borne by another group undertaking in the current and prior year..

6. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2016 - £NIL).

Directors' emoluments are paid by Aventis Pharma Limited. Directors' services to the company and to a number of fellow subsidiaries are of a non-executive nature and their emoluments are deemed to be wholly attributable to their services to Aventis Pharma Limited. Accordingly no directors' remuneration is paid by the company.

7. Interest receivable

	2017	2016
	£000	£000
Interest receivable from group undertakings	2,744	4,546

SANOFI-AVENTIS UK HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

8. Interest payable and similar charges

	2017 £000	2016 £000
Bank interest payable	19	18
Interest payable to group undertakings	4,260	6,182
	<u>4,279</u>	<u>6,200</u>

9. Taxation

	2017 £000	2016 £000
Corporation tax		
Group taxation relief	(297)	(322)
Total current tax	<u>(297)</u>	<u>(322)</u>

The company has surrendered the benefit of tax losses to another group company for a consideration of £297,000 (2016 - £322,000) which has been set against the amounts owed to group companies. Accordingly, no tax losses are available to carry forward.

Factors affecting tax credit for the year

The tax assessed for the year is the same as (2016 - *lower than*) the standard rate of corporation tax in the UK of 19.25% (2016 - 20%). The differences are explained below:

	2017 £000	2016 £000
(Loss)/profit on ordinary activities before tax	<u>(1,544)</u>	<u>34,391</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016 - 20%)	(297)	6,878
Effects of:		
Dividends from UK companies	-	(7,200)
Total tax credit for the year	<u>(297)</u>	<u>(322)</u>

SANOFI-AVENTIS UK HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

9. Taxation (continued)

Factors that may affect future tax charges

A reduction in the corporation tax rate to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. A rate of 17% has therefore been applied to the deferred tax asset/liability at the balance sheet date.

10. Dividends

	2017 £000	2016 £000
Dividends paid	-	236,000

11. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2017	1,679,357
At 31 December 2017	1,679,357
Impairment	
At 1 January 2017	922,137
At 31 December 2017	922,137
Net book value	
At 31 December 2017	757,220
At 31 December 2016	757,220

SANOFI-AVENTIS UK HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

11. Fixed asset investments (continued)

At 31 December 2017 the directors conducted a review of the carrying value of the investments based upon their recoverable amounts, taking into consideration their asset values at 31 December 2017 and their results for the year then ended, and concluded that an impairment was not required against the carrying value of the investments.

At 31 December 2017 the company had the following subsidiary undertakings all engaged in the pharmaceuticals business. Except where indicated, the company held the entire share capital and voting rights. All companies carry out their principal activities in the countries in which they were incorporated.

Direct subsidiary undertakings

The following were direct subsidiary undertakings of the company:

Name	Class of shares	Holding	Country of incorporation
	Ordinary £0.25		
Fisons Limited	shares	100 %	England and Wales
Aventis Pharma Limited	Ordinary £1 shares	100 %	England and Wales
May & Baker Limited	Ordinary £1 shares	100 %	England and Wales
Sanofi-Synthelabo Limited	Ordinary £1 shares	100 %	England and Wales
Sanofi-Aventis Pension Trustees Limited	Ordinary £1 shares	100 %	England and Wales
Genzyme Therapeutics Limited	Ordinary £1 shares	100 %	England and Wales

Indirect Subsidiary undertakings

The following were indirect subsidiary undertakings of the company:

Name	Class of shares	Holding	Notes
Sanofi-Aventis Bangladesh Limited	Ordinary Tk100 shares	24.66 %	A company incorporated in Bangladesh. Subsidiary and associate company of Fisons Limited.
Sanofi-Aventis Bangladesh Limited	Ordinary Tk100 shares	29.94 %	A company incorporated in Bangladesh. Subsidiary and associate company of May & Baker Limited.
Zentiva Pharma UK Limited	Ordinary £1 shares	100 %	A company incorporated in England and Wales. Subsidiary company of Aventis Pharma Limited.
Roussel of Ireland Limited	Ordinary shares of €1.26974	100 %	A company incorporated in Ireland. Subsidiary company of Aventis Pharma Limited.

SANOFI-AVENTIS UK HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

12. Debtors

	2017	2016
	£000	£000
Amounts owed by group undertakings	-	1,502,595

The amounts owed by group undertakings are unsecured and repayable on demand. Amounts relating to trading balances owed by non-UK companies and balances owed by dormant companies are interest free. All other balances carry interest at LIBOR plus 15 basis points.

13. Creditors: Amounts falling due within one year

	2017	2016
	£000	£000
Amounts owed to group undertakings	472,660	1,973,982
Corporation tax	-	36
Other creditors	10	-
	472,670	1,974,018

The amounts owed to group undertakings are unsecured and repayable on demand. Amounts relating to trading balances owed to non-UK companies and balances owed to dormant companies are interest free. All other balances carry interest at LIBOR minus 5 basis points.

SANOFI-AVENTIS UK HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

14. Financial instruments

	2017 £000	2016 £000
Financial assets		
Financial assets that are debt instruments measured at amortised cost	-	1,502,595
	<u>-</u>	<u>1,502,595</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(472,670)	(1,973,982)
	<u>(472,670)</u>	<u>(1,973,982)</u>

Financial assets that are debt instruments measured at amortised cost comprise amounts owed by group undertakings and accrued income.

Financial liabilities measured at amortised cost comprise amounts owed to group undertakings and other creditors.

15. Share capital

	2017 £000	2016 £000
Allotted, called up and fully paid		
1,000,000 Ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

16. Reserves

Profit & loss account

The profit and loss account represents the accumulated profits, losses and distributions of the company.

17. Post balance sheet events

On 1 October 2018, Fisons Limited sold the Holmes Chapel manufacturing site and related assets to a third party for consideration of £49.1m.

As part of an ongoing legal simplification initiative, on 30 April 2019, the Company sold its' subsidiary Genzyme Therapeutics Limited to Aventis Pharma Limited for a consideration of £89.3m. Subsequent to that, Genzyme Therapeutics Limited transferred its' business to its' parent company and will continue as a non-trading entity for the foreseeable future.

SANOFI-AVENTIS UK HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

18. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Aventis Pharma Holdings Limited, a company incorporated in Great Britain. The ultimate parent undertaking and controlling party is Sanofi, a company incorporated in France. Sanofi is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 31 December 2017. The consolidated financial statements of Sanofi are available from: Sanofi, 54, Rue La Boétie, 75008 Paris, France.