

# Fisher Scientific UK Holding Company 2

## Annual report and financial statements for the year ended 31 December 2020

Company registration number: 03977334

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# **FISHER SCIENTIFIC UK HOLDING COMPANY 2 ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

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## **FISHER SCIENTIFIC UK HOLDING COMPANY 2**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **Directors**

A Smith  
D Norman  
E Cameron  
S W Ahmed

#### **Company Secretary**

Oakwood Company Secretary Limited  
R Gregg

#### **Registered office**

3rd Floor  
1 Ashley Road  
Altrincham, Cheshire  
WA14 2DT

#### **Bankers**

Bank Mendes Gans N.V.  
Herengracht 619  
Amsterdam  
1017 CE  
The Netherlands

#### **Solicitors**

Addleshaw Goddard  
1 St Peter's Square  
Manchester  
M2 3DE

#### **Independent auditors**

Mitchell Charlesworth LLP  
Glebe Business Park  
Lunts Heath Road  
Widnes  
Cheshire  
WA8 5SQ

## **FISHER SCIENTIFIC UK HOLDING COMPANY 2**

### **STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their strategic report on the company for the year ended 31 December 2020.

#### **Review of the business and future developments**

The principal activity of the company is to act as a holding company. The principal activity of the subsidiary remains the repackaging and distribution of pharmaceutical products for clinical trial on behalf of biotech and pharmaceutical companies.

The profit for the financial year was £47,066,000 (2019: £76,737,000). As at 31 December 2020 the company had net assets of £119,249,000 (2019: £118,883,000).

The company does not expect its activities to materially change in the future.

#### **Section 172 statement**

The directors work to promote the success of the company, by considering the impact that their decisions may have on the company, along with the company's stakeholders, having regard to the requirements of section 172 (1) (a) – (f).

The Company is a UK subsidiary of Thermo Fisher Scientific Inc., listed on the New York Stock Exchange. As the principal activity of the Company is to act as a holding company for other entities in the group, the Company has had no commercial business, employees, customers or suppliers other than transactions with other group companies during the period and, as such, the breadth of stakeholder and other considerations that would often apply in operating or commercial trading companies have generally not applied to the decisions made by the directors.

While section 172 (1) requires consideration of all stakeholders, including employees and suppliers, due to the nature of the Company's operations within the wider group, it does not have any direct employee or supplier engagement. Engagement with these stakeholders is undertaken at group level.

#### **Key performance indicators and principal risks and uncertainties**

The company's only activities are that of an investment in group companies. The company provides support to group companies as required. KPI analysis is neither necessary nor helpful for an understanding of the company's performance and position due to the nature of the business.

#### **Financial risk management**

The company's operations expose it to limited financial risks that include the effects of changes in liquidity risk and interest rate risk. The company has in place a risk management program that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs and as such, no hedge accounting is applied.

In order to ensure stability of cash out flows and hence manage interest rate risk, the company is supported by fellow group operations. The company does not use derivative financial instruments to manage interest rate costs and as such, no hedge accounting is applied.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board and are actively involved in evaluating and monitoring the company's assets and liabilities. The policies set by the board of directors are implemented by the company's finance department. The department has a policy and procedures manual that sets out specific guidelines to manage interest rate risk, credit risk and circumstances where it would benefit. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

## FISHER SCIENTIFIC UK HOLDING COMPANY 2

### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

#### *Liquidity and interest rate risk*

The company has interest bearing assets in the form of group loans. There are no interest bearing liabilities. As a result the management of cash flows is taken account of as part of the group's financing activity.

In order to ensure stability of cash outflows and hence manage interest rate risk, the company is supported by fellow group operations. The company does not use derivative financial instruments to manage interest rate costs and as such, no hedge accounting is applied.

#### *Investment Recoverability*

This recoverability risk is mitigated by regular impairment reviews to ensure that the subsidiaries and sub-subsidiaries of the company have suffered no material diminution in value or that this diminution is mitigated as far as possible.

#### *Brexit*

On 23 June 2016 the UK held a referendum on the UK's continuing membership of the European Union the outcome of the vote determined that the United Kingdom would leave the European Union. As a result the United Kingdom entered into a period of transition on 31 January 2020 and left the European Union on 31 December 2020. As the company is a holding company there has been no impact to date and we don't expect any future significant impact from Brexit.

#### *COVID-19*

The COVID-19 outbreak rapidly developed in 2020, with a significant number of infections causing a worldwide pandemic. Measures taken by the government to contain the virus impacted economic activity. Thermo Fisher Scientific Inc. took a number of measures to monitor, prevent and mitigate the effects of the COVID-19 virus such as safety and health measures for our people (social distancing, working from home etc.) and implementing additional protocols at our manufacturing sites to keep them operating safely. At this stage, management has determined that the impact of COVID-19 is limited due to the fact it is a holding company. The company will continue to monitor the situation and potential impact to our business.

On behalf of the Board

DocuSigned by:  
  
BF6BDC147B7644B...  
D Norman  
Director

30 July 2021

## **FISHER SCIENTIFIC UK HOLDING COMPANY 2**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their report and the audited financial statements of the company for the year ended 31 December 2020.

#### **Future developments**

Future developments are deemed to be of strategic importance to the company and as such have been outlined within the strategic report.

#### **Dividends**

During the year the directors recommended and paid total dividends of £46,700,000 (2019: £64,200,000).

#### **Going concern**

Thermo Fisher Scientific Inc. has indicated its intention to provide any necessary support to enable the company to continue in operational existence for the foreseeable future. The directors have thus received a letter of support from Thermo Fisher Scientific Inc. and the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the directors believe that it is appropriate for the financial statements to be prepared on the going concern basis.

#### **Financial risk management**

Disclosures relating to these areas are included in the strategic report.

#### **Directors**

The directors who held office during the year and up to the date of signing the financial statements are given below:

A Smith  
D Norman  
E Cameron  
S W Ahmed (appointed on 23 March 2020)

#### **Third party indemnity provision**

The company has made qualifying third party indemnity provisions for the benefit of its directors (which extend to the performance of any duties as a director of any associated company) and these remain in force at the date of this report.

#### **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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

## **FISHER SCIENTIFIC UK HOLDING COMPANY 2**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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

#### **Directors' confirmations**

In the case of each director in office at the date the directors' report is approved:

- so far as 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.

#### **Independent Auditors**

The independent auditors, Mitchell Charlesworth LLP, have indicated their willingness to continue in office.

On behalf of the Board

DocuSigned by:  
*David Norman*  
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**D Norman**  
**Director**

30 July 2021

# **FISHER SCIENTIFIC UK HOLDING COMPANY 2 INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FISHER SCIENTIFIC UK HOLDING COMPANY 2**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF FISHER SCIENTIFIC UK HOLDING COMPANY 2 LIMITED**

#### **Opinion**

We have audited the financial statements of Fisher Scientific UK Holding Company 2 Limited (the 'company') for the year ended 31 December 2020 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 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.

#### **Basis for opinion**

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

#### **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 financial statements are 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.

#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

# **FISHER SCIENTIFIC UK HOLDING COMPANY 2**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FISHER SCIENTIFIC UK HOLDING COMPANY 2**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

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

In our opinion, based on the work undertaken in the course of our 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 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 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 directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

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

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

The nature of the industry and sector, control environment and business performance.

The companies' own assessment of the risks that irregularities may occur either as a result of fraud or error.

## **FISHER SCIENTIFIC UK HOLDING COMPANY 2 INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FISHER SCIENTIFIC UK HOLDING COMPANY 2**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

Results of our enquiries of management about their own identification and assessment of the risks of irregularities.

Any matters we identified having obtained and reviewed the Companies documentation of their policies and procedures relating to:

- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
- the internal procedures and controls established to mitigate risks of fraud or non-compliance with laws and regulations;

The matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

We considered the opportunities and incentives that may exist within the company for fraud and identified the greatest potential for fraud in the areas where management are required to exercise significant judgement.

We performed specific audit procedures to assess the risk of management override.

#### **Audit response to risks identified**

Our procedures to respond to the risks identified included the following:

- Enquiry of management, those charged with governance around actual and potential litigation and claims.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 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.

**Robert Davies (Senior Statutory Auditor)**  
For and on behalf of Mitchell Charlesworth

2/8/21

**Chartered Accountants  
Statutory Auditor**



Glebe Business Park  
Lunts Heath Road  
Widnes  
Cheshire  
WA8 5SQ

**FISHER SCIENTIFIC UK HOLDING COMPANY 2**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER**  
**2020**  
**PROFIT AND LOSS ACCOUNT**

|                                          |             | <b>Year ended</b>  |               |
|------------------------------------------|-------------|--------------------|---------------|
|                                          |             | <b>31 December</b> |               |
|                                          | <b>Note</b> | <b>2020</b>        | <b>2019</b>   |
|                                          |             | <b>£'000</b>       | <b>£'000</b>  |
| Administrative expenses / income         | 5           | (8)                | 12,512        |
| Operating loss / income                  | 5           | (8)                | 12,512        |
| Income from shares in group undertakings | 9           | 46,700             | 64,200        |
| Interest receivable and similar income   | 7           | 374                | 25            |
| Net interest income                      | 7           | 374                | 25            |
| <b>Profit before taxation</b>            |             | <b>47,066</b>      | <b>76,737</b> |
| Tax on profit                            | 8           | —                  | —             |
| <b>Profit for the financial year</b>     |             | <b>47,066</b>      | <b>76,737</b> |

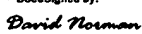
There is no difference between the profit for the year stated above and the total comprehensive income for the year, therefore no separate statement of comprehensive income is presented in these financial statements.

**FISHER SCIENTIFIC UK HOLDING COMPANY 2****BALANCE SHEET**

|                                                       |             | <b>As at 31 December</b> |              |
|-------------------------------------------------------|-------------|--------------------------|--------------|
|                                                       | <b>Note</b> | <b>2020</b>              | <b>2019</b>  |
|                                                       |             | <b>£'000</b>             | <b>£'000</b> |
| <b>Fixed assets</b>                                   |             |                          |              |
| Investments                                           | 9           | 135,583                  | 135,583      |
| <b>Current assets</b>                                 |             |                          |              |
| Debtors falling due within one year                   | 10          | —                        | 25           |
| Debtors falling due after one year                    | 10          | 12,520                   | 12,520       |
| Cash at bank and in hand                              |             | 430                      | 39           |
|                                                       |             | 12,950                   | 12,584       |
| <b>Creditors: amounts falling due within one year</b> | 11          | (29,284)                 | (29,284)     |
| <b>Net current liabilities</b>                        |             | (16,334)                 | (16,700)     |
| <b>Total assets less current liabilities</b>          |             | 119,249                  | 118,883      |
| <b>Net assets</b>                                     |             | 119,249                  | 118,883      |
| <b>Capital and reserves</b>                           |             |                          |              |
| Called up share capital                               | 13          | 7,023                    | 7,023        |
| Retained earnings                                     |             | 112,226                  | 111,860      |
| <b>Total equity</b>                                   |             | 119,249                  | 118,883      |

The notes on pages 14 to 23 are an integral part of these financial statements.

The financial statements on pages 11 to 23 were authorised for issue by the board of directors on 30 July 2021 and were signed on its behalf

DocuSigned by:  
  
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 D Norman

**Director**

Fisher Scientific UK Holding Company 2

Company registration number: 03977334

**FISHER SCIENTIFIC UK HOLDING COMPANY 2**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31**  
**DECEMBER 2020**

|                                                                  |      | £'000                      | £'000                | £'000           |
|------------------------------------------------------------------|------|----------------------------|----------------------|-----------------|
|                                                                  | Note | Called up<br>share capital | Retained<br>earnings | Total<br>equity |
| Balance as at 1 January 2019                                     |      | 7,023                      | 99,323               | 106,346         |
| Profit for the financial year                                    |      | —                          | 76,737               | 76,737          |
| Total comprehensive income for the year                          |      | —                          | 76,737               | 76,737          |
| Dividends                                                        | 13   | —                          | (64,200)             | (64,200)        |
| Total transactions with owners, recognised<br>directly in equity |      | —                          | (64,200)             | (64,200)        |
| Balance as at 31 December 2019                                   |      | 7,023                      | 111,860              | 118,883         |
| Balance as at 1 January 2020                                     |      | 7,023                      | 111,860              | 118,883         |
| Profit for the financial year                                    |      | —                          | 47,066               | 47,066          |
| Total comprehensive income for the year                          |      | —                          | 47,066               | 47,066          |
| Dividends                                                        | 13   | —                          | (46,700)             | (46,700)        |
| Total transactions with owners, recognised<br>directly in equity |      | —                          | (46,700)             | (46,700)        |
| <b>Balance as at 31 December 2020</b>                            |      | <b>7,023</b>               | <b>112,226</b>       | <b>119,249</b>  |

# **FISHER SCIENTIFIC UK HOLDING COMPANY 2**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**

### **31 DECEMBER 2020**

#### **1. General Information**

Fisher Scientific UK Holding Company 2 ('the company') is an investment holding company. The company is a private unlimited company incorporated in the United Kingdom and registered in England (registered number 03977334), and the registered office is the 3rd Floor, 1 Ashley Road, Altrincham, Cheshire, WA4 2DT.

#### **2. Statement of compliance**

The individual financial statements of Fisher Scientific UK Holding Company 2 have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102') and the Companies Act 2006.

#### **3. Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The company has adopted FRS 102 in these financial statements.

#### **Basis of preparation**

These financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

#### **Going concern**

Thermo Fisher Scientific Inc. has indicated its intention to provide any necessary support to enable the company to continue in operational existence for the foreseeable future. The directors have thus received a letter of support from Thermo Fisher Scientific Inc. and the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the directors believe that it is appropriate for the financial statements to be prepared on the going concern basis.

#### **Exemptions for qualifying entities under FRS 102**

FRS 102 allows a qualifying entity certain disclosure exemptions.

#### ***Cash flow statement and related party disclosures***

The company is included in the consolidated financial statements of Thermo Fisher Scientific Inc. which are publicly available. Consequently, as the company is a 100% owned subsidiary, the company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, Thermo Fisher Scientific Inc., includes the company's cash flows in its own consolidated financial statements. The company is also exempt under the terms of FRS 102 paragraph 33.1 from disclosing related party transactions with entities that are part of the Thermo Fisher Scientific Inc. group (see note 15).

## **FISHER SCIENTIFIC UK HOLDING COMPANY 2**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **3. Summary of significant accounting policies (continued)**

##### **Consolidated financial statements**

The financial statements contain information about Fisher Scientific UK Holding Company 2 as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent company, Thermo Fisher Scientific Inc., a company incorporated in the United States of America (see note 16). The ultimate parent undertaking and the smallest and largest group to consolidate these financial statements is Thermo Fisher Scientific Inc.. the address of the ultimate parent's registered office is 168 Third Avenue, Waltham, MA 02451, USA.

##### **Foreign currency**

###### *(i) Functional and presentation currency*

The company's functional and presentation currency is the pound sterling.

###### *(ii) Transactions and balances*

Transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transactions would be included as an exchange gain or loss in the profit and loss account except when deferred in other comprehensive income as qualifying cash flow hedges.

Non-monetary items measured at historical costs 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 that relate to borrowings and cash and cash equivalents would be presented in the profit and loss account within 'Net interest (expense) / income'. All other foreign exchange gains and losses are presented in the profit and loss account within 'Administrative expenses'.

##### **Dividend income**

Dividend income is recognised when the right to receive payment is established.

##### **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. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

#### **3. Summary of significant accounting policies (continued)**

## **FISHER SCIENTIFIC UK HOLDING COMPANY 2**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**

### **31 DECEMBER 2020**

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

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

#### **Investments**

Investments held as fixed assets are stated at cost less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

#### **Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, and where applicable bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### **Financial instruments**

The company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

#### **Financial assets**

Basic financial assets, including cash and bank balances and other debtors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred

to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

### **3. Summary of significant accounting policies (continued)**

## **FISHER SCIENTIFIC UK HOLDING COMPANY 2**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**

### **31 DECEMBER 2020**

#### *Financial liabilities*

Basic financial liabilities, including accruals and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

#### *Offsetting*

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Share capital**

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

#### **Distributions to equity holders**

Dividends and other distributions to company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the company's shareholders. These amounts are recognised in the statement of changes in equity.

#### **Related party transactions**

The company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

#### **4 Critical accounting judgements and estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### **(a) Critical accounting estimates and assumptions**

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

# **FISHER SCIENTIFIC UK HOLDING COMPANY 2**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**

### **31 DECEMBER 2020**

#### **4 Critical accounting judgements and estimation uncertainty (continued)**

##### **(i) Impairment of debtors**

The company makes an assessment of the debtor's ability to settle the amounts owed to the company considering the available funding of the counter parties.

##### **(ii) Impairment of investments**

The company makes an estimate of the recoverable value of investment in its subsidiary companies. When assessing impairment of investments, management considers factors including the current results of the company for the year and the net asset position. See note 9 for the carrying amount of the investments and any associated impairment provision. There were no adjustments to the carrying value of investments during the year.

#### **5 Operating income**

Auditors' remuneration for the company of £6,000 (2019: £4,000). In 2008 a provision was made for a debtor in the amount of £14,700,000. In 2019 this provision is reversed for an amount of £9,500,000.

#### **6 Employees and directors**

The company had no employees or staff costs during the year (2019: nil).

The emoluments of the directors are paid by a fellow group company, Thermo Electron (Management Services) Limited, which makes no recharge to the company. The directors are directors of Thermo Electron (Management Services) Limited and a number of fellow subsidiaries and it is not possible to make an accurate apportionment of their emoluments in respect of their services to each of the subsidiaries. Their total emoluments are included in the aggregate of directors' emoluments disclosed in the financial statements of Thermo Electron (Management Services) Limited.

#### **7 Net interest income**

##### **Interest receivable and similar income**

|                                                                                             | <b>2020</b>  | <b>2019</b>  |
|---------------------------------------------------------------------------------------------|--------------|--------------|
|                                                                                             | <b>£'000</b> | <b>£'000</b> |
| Interest receivable from group undertakings                                                 | <b>374</b>   | <b>25</b>    |
| Total interest income on financial assets not measured at fair value through profit or loss | <b>374</b>   | <b>25</b>    |
| <b>Total interest receivable and similar income</b>                                         | <b>374</b>   | <b>25</b>    |

# FISHER SCIENTIFIC UK HOLDING COMPANY 2

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### 8 Tax on profit

Tax expense included in profit and loss:

|                      | 2020<br>£'000 | 2019<br>£'000 |
|----------------------|---------------|---------------|
| <b>Current tax</b>   |               |               |
| Total current tax    | —             | —             |
| <b>Deferred tax</b>  |               |               |
| Total deferred tax   | —             | —             |
| <b>Tax on profit</b> | —             | —             |

### Reconciliation of tax charge:

The tax assessed for the year is different (2019: different) than the standard rate of corporation tax in the UK 19% (2019: 19%). The differences are outlined below:

|                                                                                     | 2020<br>£'000  | 2019<br>£'000   |
|-------------------------------------------------------------------------------------|----------------|-----------------|
| <b>Profit before taxation</b>                                                       | <b>47,066</b>  | <b>76,737</b>   |
| Profit before taxation multiplied by the standard rate of corporation tax in the UK | <b>8,943</b>   | <b>14,580</b>   |
| <b>Effects of:</b>                                                                  |                |                 |
| Dividend income not chargeable for tax purposes                                     | <b>(8,873)</b> | <b>(12,198)</b> |
| Transfer pricing adjustment                                                         | <b>(422)</b>   | <b>(422)</b>    |
| Reversal of impaired debtor not taxed                                               | <b>—</b>       | <b>(2,379)</b>  |
| Group relief surrendered for nil charge                                             | <b>352</b>     | <b>419</b>      |
| <b>Total tax charge for the year</b>                                                | <b>—</b>       | <b>—</b>        |

### Factors that may affect future tax charges:

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. At the balance sheet date, the proposal to increase the rate to 25% had not been substantively enacted, substantive enactment occurred on 24 May 2021, therefore, its effects are not included in these financial statements.

# FISHER SCIENTIFIC UK HOLDING COMPANY 2

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### 9 Investments

|                                        | Subsidiary<br>undertakings<br>£'000 |
|----------------------------------------|-------------------------------------|
| <b>Cost and net book value</b>         |                                     |
| At 1 January 2020 and 31 December 2020 | 135,583                             |
|                                        | £'000                               |
| Analysed as:                           |                                     |
| Fisher Clinical Services Limited       | 135,583                             |

Fixed asset investments comprise equity shares in Fisher Clinical Services Limited which is not publicly traded.

The carrying value of investments is compared to estimated recoverable amounts, represented by the value in use of the investment. The directors believe that the carrying value of the investments is supported by their underlying net assets and cash flow estimates.

|                                                               | Incorporated<br>in | Share<br>Class | Percentage<br>held | Activity |
|---------------------------------------------------------------|--------------------|----------------|--------------------|----------|
| Fisher Clinical Services Limited (Direct) *                   | UK                 | Ordinary       | 100 %              | Trading  |
| Fisher Clinical Services Pte. Limited (Indirect) **           | Singapore          | Ordinary       | 100 %              | Trading  |
| Fisher Clinical Services (Beijing) Co. Limited (Indirect) *** | China              | Ordinary       | 100 %              | Trading  |

\* registered at 3rd Floor, 1 Ashley Road, Altrincham, Cheshire, WA14 2DT, England

\*\* registered at TMF Singapore H Pte. Ltd. 38 Beach Road, South Beach Tower, #29-11 Singapore 189767

\*\*\* registered at Floor 3/4, No. 1 Building Maohua Plant, No. 1 Nancaizhen Caidasanjie, Sunyi District, Beijing, China

Dividends were received by the company from the subsidiary undertakings during the year amounted to £46,700,000 (2019: £64,200,000).

# **FISHER SCIENTIFIC UK HOLDING COMPANY 2**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**

### **31 DECEMBER 2020**

#### **10 Debtors**

| <b>Debtors falling due within one year</b> | <b>2020</b>  | <b>2019</b>  |
|--------------------------------------------|--------------|--------------|
|                                            | <b>£'000</b> | <b>£'000</b> |
| Amounts owed by group undertakings         | —            | 25           |

Amounts owed by group undertakings are unsecured and repayable on demand. This amount relate to the accrued interest on the loan which is described in the note below.

| <b>Debtors falling due after one year</b> | <b>2020</b>  | <b>2019</b>  |
|-------------------------------------------|--------------|--------------|
|                                           | <b>£'000</b> | <b>£'000</b> |
| Amounts owed by group undertakings        | 12,520       | 12,520       |

Included within amounts owed by group undertakings is a loan of £ 12,519,938. This loan bears interest at 12m GBP Libor + 200 bps. The loan is repayable on 5 December 2024. As at 31 December 2020, all accrued interest has been settled. The loan is not secured.

#### **11 Creditors: amounts falling due within one year**

|                                    | <b>2020</b>     | <b>2019</b>     |
|------------------------------------|-----------------|-----------------|
|                                    | <b>£'000</b>    | <b>£'000</b>    |
| Amounts owed to group undertakings | (29,277)        | (29,277)        |
| Accruals and deferred income       | (7)             | (7)             |
|                                    | <b>(29,284)</b> | <b>(29,284)</b> |

The amounts owed to group undertakings are unsecured, repayable on demand and interest free.

## FISHER SCIENTIFIC UK HOLDING COMPANY 2

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

#### 12 Financial Instruments

The company has the following financial instruments:

|                                                                       | Note | 2020<br>£'000   | 2019<br>£'000   |
|-----------------------------------------------------------------------|------|-----------------|-----------------|
| Financial assets that are debt instruments measured at amortised cost |      |                 |                 |
| – Amounts owed by group undertakings < 1 year                         | 10   | —               | 25              |
| – Amounts owed by group undertakings > 1 year                         | 10   | 12,520          | 12,520          |
| – Cash at bank and in hand                                            |      | 430             | 39              |
|                                                                       |      | <b>12,950</b>   | <b>12,584</b>   |
| Financial liabilities measured at amortised cost                      |      |                 |                 |
| – Amounts owed to group undertakings due within one year              | 11   | (29,277)        | (29,277)        |
| – Accruals                                                            | 11   | (7)             | (7)             |
|                                                                       |      | <b>(29,284)</b> | <b>(29,284)</b> |

Interest on loans are disclosed in note 7.

#### 13 Called up share capital

|                                                          | 2020<br>£        | 2019<br>£        |
|----------------------------------------------------------|------------------|------------------|
| Allotted and fully paid                                  |                  |                  |
| 702,266,630 (2019: 702,266,630) ordinary shares of £0.01 | <b>7,022,666</b> | <b>7,022,666</b> |

During the year the company recommended and paid equity dividends of £46,700,000 (2019: £64,200,000).

## **FISHER SCIENTIFIC UK HOLDING COMPANY 2**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**

### **31 DECEMBER 2020**

#### **14 Contingent assets and liabilities**

The company is a participant in a group banking arrangement under which all surplus cash balances are held as collateral for bank facilities advanced to group members. No liability is expected to arise under this arrangement.

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

See note 6 for disclosure of the directors' remuneration.

The company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the Group.

#### **16 Controlling parties**

The immediate parent undertaking is Fisher Scientific U.K. Holding Company Limited whose registered office is 3rd Floor, 1 Ashley Road, Altrincham, Cheshire WA14 2DT.

The ultimate parent undertaking and controlling party is Thermo Fisher Scientific Inc. which is the largest and smallest group to consolidate these financial statements. The company is incorporated in the United States of America and its common stock is listed on the New York Stock Exchange. Copies of the financial statements of the ultimate parent company are publicly available and can be obtained from its headquarters at 168 Third Avenue, Waltham, MA 02451, USA.