

# **Univar UK Limited**

## **Report and Financial Statements**

31 December 2019



## Univar UK Limited

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### **Directors**

S Duyfjes

P Bryant

J Carr (resigned with effect from 17 February 2020)

N Perkins (appointed with effect from 17 February 2020)

### **Secretary**

Eversheds Sutherland

Eversheds House

70 Great Bridgewater Street

Manchester

M1 5ES

### **Auditor**

Ernst & Young LLP

1 Bridgewater Place

Water Lane

Leeds

LS11 5QR

### **Registered Office**

Aquarius House

6 Mid Point Business Park

Thornbury

Bradford

BD3 7AY

## Univar UK Limited

Registered No. 04066871

## Strategic Report

The directors present the strategic report for the year ended 31 December 2019.

### Principal activity and review of the business

The company is a sub-holding company.

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

	2019 £000	2018 £000	Change £000
Profit before taxation	891	1,327	(436)
Shareholders' funds	192,600	191,709	891

The increase in shareholders' funds is attributable to the profit for the year of £891,000 (2018: £1,327,000).

The current year profit reflects activity in connection with a group re-structuring project. The company received a dividend of £2,531,000 from Fiske Food Limited, a wholly owned subsidiary and subsequently the Directors reviewed the carrying investment value and opted to reduce the carrying investment value to equal the Shareholders Funds of the subsidiary, generating an impairment of £2,531,000.

Subsequent to the balance sheet date, the wholly owned subsidiaries Fiske Food Limited and Ellis & Everard Distribution Limited were dissolved on 25 February 2020 and 14 January 2020 respectively. Both entities were dissolved in connection with the group's legal entity restructuring project.

### Future developments

The directors intend that the company will continue to operate as a sub-holding company.

### The Board of Directors' Statement on s172(1)

Under section 172 of the UK Companies Act 2006 ('Section 172') directors must act in the way that they consider, in good faith, would be most likely to promote the success of their company. In doing so, our directors must have regard to stakeholders and the other matters set out in Section 172. The information presented below comprises the Section 172 statement, which describes how the directors have had regard to these matters when performing their duties.

We have identified the stakeholder groups below as key to the success of the Company. In light of our objectives and strategies, our directors take steps to understand the needs and priorities of each stakeholder group and do so through a variety of mediums and channels.

The Board of directors ('the Board') is comprised of S Duyfjes, P Bryant, and N Perkins. The Board meets as and when required. The directors communicate within their functional teams and cross functionally with the wider EMEA senior management team on a regular basis. Information from various business areas, with particular feedback on specific stakeholder groups, is relayed to the Board. The outcome of stakeholder engagement influences the formulation and ongoing review of the long-term strategy and financial planning to ensure that our approach continues to deliver sustainable returns and promotes reputational reward.

As part of the Board of directors' ('the Board') decision-making process, the Board considers the potential impact of decisions on relevant stakeholders whilst also having regard to a number of broader factors, including the impact of the Company's responsible business practices and the likely consequences of decisions in the long term.

Univar UK Limited

## Directors' report (continued)

### Strategic Report (continued)

#### The Board of Directors' Statement on s172(1) (continued)

The summary below details the interests of each of the relevant stakeholder groups and the approaches taken to engage them.

*Investors – Our ultimate parent, Univar Solutions Inc.*

As the owner of the Company, our ultimate parent's priorities are critical to us and their support allows us to implement our strategy and to achieve our long-term plans.

Key topics of engagement	How we engaged in 2019	Considerations and outcomes
Key areas are: <ul style="list-style-type: none"> <li>• Compliance with all regulations;</li> <li>• Compliance with internal US Group policies;</li> <li>• Operating in ethical manner;</li> <li>• Performance against the strategic and financial plan; and</li> <li>• Effective leadership to ensure the Company's long-term sustainability and ultimately deliver a return on investment.</li> </ul>	We have open, frequent dialogue with our parent company senior leadership team through one-to-one meetings, function meetings and board meetings. A matrix reporting structure is in place with our parent company.  Key parent company senior leadership members are directors of the UK Group holding companies.	During 2020 there has been a further rationalisation of the UK legal entities with the dissolution of two non-trading entities – Fiske Food Limited and Ellis & Everard Distribution Limited.

#### *Subsidiaries*

Oversight and governance of subsidiaries is important to ensuring implementation of our Group strategy and achievement of our Group long-term plans.

Key topics of engagement	How we engaged in 2019	Considerations and outcomes
Key areas are: <ul style="list-style-type: none"> <li>• Monitoring of performance;</li> <li>• Intercompany balances;</li> <li>• Dividends; and</li> <li>• Consideration of investment values</li> </ul>	Directors are consistent across the Company and subsidiaries ensuring the directors can make the appropriate decisions for the benefit of the UK Group as a whole. Formal items are discussed at Board of director meetings where required.	During 2020 there has been a further rationalisation of the UK legal entities with the dissolution of two non-trading entities – Fiske Food Limited and Ellis & Everard Distribution Limited.

#### Principal risks and uncertainties

The principal balances held by the company are all denominated in GBP with fellow group companies and as a result the risks are reduced.

There are risks concerning the carrying value of the investments, however the trading performance of the main trading companies supporting this carrying value, Univar Solutions UK Limited and Distrupol Limited, has been more than sufficient in recent years and is forecast to continue.

In December 2019, a novel strain of coronavirus ("COVID-19") was reported in Wuhan, China. As the epidemic evolves, many areas have now detected imported cases and local transmission of COVID-19. As of now, COVID-19 has since spread to over 150 countries worldwide and on March 11, 2020 the World Health Organization ('WHO') declared COVID-19 a pandemic.

Univar UK Limited

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## Directors' report (continued)

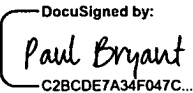
### Strategic Report (continued)

#### Principal risks and uncertainties (continued)

The spread of the COVID-19 outbreak has caused severe disruptions in the UK and global economy and financial markets and could potentially create widespread business continuity issues of an as yet unknown magnitude and duration. Many countries, including the UK, have reacted by instituting quarantines, mandating business and school closures and restricting travel. Many experts predict that the outbreak will trigger a period of global economic slowdown or a global recession.

We are closely monitoring the potential impact of COVID-19 on our 2020 financial results and cashflows and have prepared a detailed risk assessment and revised projections for the business. Our top priority remains the health and safety of our staff, customers and suppliers.

On behalf of the Board

DocuSigned by:  
  
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P Bryant - Director

2 December 2020

Univar UK Limited

## Directors' report

The directors present their report and financial statements for the year ended 31 December 2019.

### Results and dividends

The profit for the year after taxation amounted to £891,000 (2018 – £1,327,000). The directors do not recommend a final dividend (2018 – £nil).

### Going concern

The company has significant assets and no liabilities. As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

### Directors

The directors who served the company during the year and up to the date of this report were as follows:

S Duyfjes

P Bryant

J Carr (resigned with effect from 17 February 2020)

N Perkins (appointed with effect from 17 February 2020)

### Directors' qualifying third party indemnity provision

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provisions remain in force as at the date of approving the directors' report.

### Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report.

### Disclosure of information to the auditor

The Directors who were members of the board at the time of approving the directors' report are listed on page 1. Having made enquiries of fellow directors and of the Company's auditor, each of the directors confirms that:

- to the best of each director's knowledge and belief, there is no information (that is, information needed by the Company's auditor in connection with preparing their report) of which the Company's auditor is unaware; and
- each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditor is aware of that information.

### Auditor

Ernst & Young LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

On behalf of the Board

DocuSigned by:

Paul Bryant

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P Bryant – Director

2 December 2020

## Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report, Strategic Report and the financial statements in accordance with applicable UK 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 including FRS 101 "Reduced Disclosure Framework" (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 then apply them consistently;
- make judgments and 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 Univar UK Limited

## Opinion

We have audited the financial statements of Univar UK Limited (the 'company') for the year ended 31 December 2019 which comprise the Income Statement, Statement of Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and the related notes 1 to 10, 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 FRS 101 "Reduced Disclosure Framework" (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 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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.

## Emphasis of matter – Effects of COVID-19

We draw attention to Note 11 of the financial statements, which describes the disruption the company's trading subsidiaries are facing as a result of COVID-19 which is impacting their consumer demand and ultimately the long-term carrying value. Our opinion is not modified in respect of this matter.

## 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 auditor's 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 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.



## Independent auditor's report (continued)

to the members of Univar UK Limited

### Opinions 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 and 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 set out 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.

### 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://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.

*Ernst & Young LLP*

Peter Buckler (Senior Statutory Auditor)  
For and on behalf of Ernst & Young LLP, Statutory Auditor  
Leeds

2<sup>nd</sup> December 2020

## Univar UK Limited

**Income Statement**

for the year ended 31 December 2019

	<i>Notes</i>	<i>2019</i> <i>£000</i>	<i>2018</i> <i>£000</i>
Admin expenses		–	–
<b>Operating profit</b>	2	–	–
Financial asset impairment		–	–
Impairment of investments in subsidiary undertakings		(2,531)	–
Dividends received from subsidiary undertakings		2,531	–
Interest receivable and similar income	4	891	1,327
<b>Profit on ordinary activities before taxation</b>		891	1,327
Tax	5	–	–
<b>Profit for the financial year</b>		891	1,327

**Statement of other comprehensive income**

for the year ended 31 December 2019

There is no comprehensive income other than the profit attributable to the shareholders of the company of £891,000 in the year ended 31 December 2019 (2018 – £1,327,000).

## Univar UK Limited

**Balance sheet**

at 31 December 2019

	Notes	2019 £000	2018 £000
<b>Fixed assets</b>			
Investments	6	140,003	142,534
<b>Current assets</b>			
Debtors: amounts falling due within one year	7	52,597	49,175
Cash at bank		—	—
<b>Net current assets</b>		52,597	49,175
<b>Total assets less current liabilities</b>		192,600	191,709
<b>Net assets</b>		192,600	191,709
<b>Capital and reserves</b>			
Called up share capital	8	250,000	250,000
Share premium		92,774	92,774
Capital contribution		31,487	31,487
Profit and loss account		(181,661)	(182,552)
<b>Shareholders' funds</b>		192,600	190,709

The financial statements of Univar UK Limited (registered number 04066871) were approved by the board of directors and authorised for issue on 2 December 2020. They were signed on its behalf by:

DocuSigned by:

*Paul Bryant*

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P Bryant

Director

2 December 2020

## Univar UK Limited

**Statement of changes in equity**

at 31 December 2019

	<i>Called-up share capital</i>	<i>Share premium</i>	<i>Capital contribution</i>	<i>Profit and loss account</i>	<i>Total</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
<b>Balance as at 1 January 2018</b>	250,000	92,774	31,487	(183,879)	190,382
Profit for the year	–	–	–	1,327	1,327
Other comprehensive income for the year	–	–	–	–	–
Total comprehensive income for the year	–	–	–	1,327	1,327
<b>Balance as at 31 December 2018</b>	<u>250,000</u>	<u>92,774</u>	<u>31,487</u>	<u>(182,552)</u>	<u>191,709</u>
<b>Balance as at 1 January 2019</b>	250,000	92,774	31,487	(182,552)	191,709
Profit for the year	–	–	–	891	891
Other comprehensive income for the year	–	–	–	–	–
Total comprehensive income for the year	–	–	–	891	891
<b>Balance as at 31 December 2019</b>	<u>250,000</u>	<u>92,774</u>	<u>31,487</u>	<u>(181,661)</u>	<u>192,600</u>

Share premium - consideration received for shares above their nominal value, net of share issue costs.

Capital contribution - funds received in relation to a loan obtained at a non-market rate of interest.

Profit and loss account – cumulative profit and loss net of distributions to owners.

## Univar UK Limited

## Notes to the financial statements

at 31 December 2019

### 1. Accounting policies

#### **Authorisation of financial statements and statement of compliance with FRS 101.**

The financial statements of Univar UK Limited (the "Company") for the year ended 31 December 2019 were authorised for issue by the board of directors on 2 December 2020 and the balance sheet was signed on the board's behalf by P Bryant. The Company is incorporated and domiciled in England and Wales. The Company's registered office is disclosed the company information on page 1.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and under the historical cost convention. 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 principal accounting policies adopted by the Company are set out below.

#### **Basis of preparation**

The accounting policies that follow set out the policies which apply in preparing the financial statements for the year ended 31 December 2019.

The company meets the definition of a qualifying entity under Financial Reporting Standard 100 'Application of Financial Reporting Requirements'. Accordingly, as permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard.

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

- (a) the requirement in paragraph 38 of IAS 1 *Presentation of Financial Statements* to present comparative information in respect of:
  - (i) paragraph 79(a) (iv) of IAS 1;
  - (b) the requirements of IAS 7 *Statement of Cash Flows*;
  - (c) 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 party to the transaction is wholly owned by such a member and the compensation of key management personnel.
  - (d) IFRS 7 *Financial Instruments: Disclosures*

Where required, equivalent disclosures are given in the group accounts of Univar Inc. The group accounts of Univar Inc are available to the public and can be obtained as set out in note 10.

#### **Going concern**

The company has significant assets and no liabilities. As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

#### **Group financial statements**

The company has not prepared group financial statements as it is a wholly owned subsidiary undertaking of a company which itself prepares group financial statements and so is exempt by virtue of section 401 of the Companies Act 2006. These financial statements present information about the company as an individual undertaking and not about its group.

## Notes to the financial statements

at 31 December 2019

### 1. Accounting policies (*continued*)

#### **Investments**

Investments in subsidiaries are stated in the balance sheet at cost less any provisions for impairment. The carrying value of investments is reviewed on an annual basis for any signs of impairment. When a provision for impairment is deemed necessary the resulting expense is charged to the income statement.

#### **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 differences, 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 credited or charged directly to equity. Otherwise income tax is recognised in the income statement.

#### **Financial Assets**

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition.

The Company's financial assets include cash and short-term deposits and other receivables.

## Notes to the financial statements

at 31 December 2019

### 1. Accounting policies (*continued*)

The subsequent measurement of financial assets depends on their classification as follows:

#### **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognised at fair value and subsequently measured at amortised cost using the effective interest (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance revenue in the income statement. Losses arising from impairment are recognised in the income statement in other operating expenses.

Cash and short term deposits in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity of three months or less.

#### **Financial Liabilities**

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

#### **Judgements and key sources of estimation uncertainty**

The directors do not consider there to be any significant estimates or judgements in preparing the financial statements.

### 2. Operating profit

Auditor's remuneration of £2,000 in the current year was borne by a fellow group company (2018: £2,000).

### 3. Directors' remuneration and staff costs

No emoluments were paid to the directors in the current year or preceding year for their services to the company.

The directors of the company are also directors of the holding company and/or fellow subsidiaries. Their remuneration in relation to qualifying services as directors of this company is included in the costs borne by Univar Solutions Inc, Univar Solutions AG and Univar Europe Limited.

### 4. Interest receivable and similar income

	2019	2018
	£000	£000
Receivable from group undertakings	891	1,327

## Univar UK Limited

**Notes to the financial statements**

at 31 December 2019

**5. Tax****(a) Tax on profit on ordinary activities**

The tax credit is made up as follows:

	2019	2018
	£000	£000
<b>Current tax:</b>		
UK Corporation tax at 19% (2018 – 19%)	–	–
Adjustments in respect to prior years	–	–
Total current tax (note 5(b))	–	–
<b>Deferred tax:</b>		
Adjustments in respect of previous years	–	–
Tax on loss on ordinary activities	–	–

**(b) Factors affecting tax credit for the year**

The tax assessed for the year differs from that at the standard rate of corporation tax in the UK of 19% (2018 – 19%). The differences are explained below:

	2019	2018
	£000	£000
Profit on ordinary activities before tax	891	1,327
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 – 19%)	169	252
<b>Effects of:</b>		
Group loss relief surrendered for no consideration	(175)	(252)
Transfer pricing adjustments	6	–
Income not taxable	(481)	–
Non-deductible expenses	481	–
Total tax for the year (note 5(a))	–	–

**(c) Factors that may affect future tax charges**

In the Spring Budget 2020, the Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted). This new law was substantively enacted on 17 March 2020. As the proposal to keep the rate at 19% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements. However, had it been substantively enacted by the balance sheet date, it is unlikely to have had any impact on the company's tax expense or balance sheet for the period.



## Univar UK Limited

**Notes to the financial statements**

at 31 December 2019

**6. Investments**

	<i>Subsidiary undertakings £000</i>
Cost:	
At 1 January 2019 and 31 December 2019	<u>142,534</u>
Provisions:	
At 1 January 2019	-
Impairment during the year	<u>(2,531)</u>
At 31 December 2019	<u>(2,531)</u>
Net book value:	
At 31 December 2019	<u>140,003</u>
At 1 January 2019	<u>142,534</u>

The company has taken advantage of section 405(2) of the Companies Act 2006 and disclosed only those investments whose results or financial position materially affected the figures shown in the company's annual financial statements.

The material investments in which the company holds at least 20% of the nominal value of any class of share capital, all of which are unlisted, are as follows:

<i>Name of company</i>	<i>Holding</i>	<i>Proportion of voting rights and shares held</i>	<i>Nature of business</i>
Fiske Food Limited	Ordinary shares	100%	Non-trading
Ellis & Everard Distribution Limited	Ordinary shares	100%	Non-trading
Distrupol Limited	Ordinary shares	100%	Chemical distribution
Univar Solutions UK Limited	Ordinary shares	100%	Chemical distribution
Univar Speciality Consumables Limited*	Ordinary shares	100%	Consumables distribution

\*Investment held by subsidiary undertaking.

Fiske Food Limited, a wholly owned subsidiary was dissolved subsequent to the balance sheet date on 25 February 2020. The increase to the provision relates to the investment held in Fiske Food Limited being impaired to equal the Shareholders Funds of the subsidiary. Ellis & Everard Distribution Limited, a wholly owned subsidiary was dissolved subsequent to the balance sheet date on 14 January 2020. Both entities were dissolved in connection with the group's legal entity restructuring project.

The registered office of all of the subsidiary undertakings is Aquarius House, 6 Mid Point Business Park, Thornbury, Bradford, BD3 7AY.

## Univar UK Limited

## Notes to the financial statements

at 31 December 2019

### 7. Debtors

	2019	2018
	£000	£000
Amounts due within one year:		
Amounts owed by group undertakings	52,597	49,175

### 8. Issued share capital

	No.	2019 £000	No.	2018 £000
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	250,000,001	250,000	250,000,001	250,000

The company's ordinary shares, which carry no right to fixed income, each carry a right to one vote at general meetings of the company.

### 9. Related party transactions

The directors have taken advantage of the exemption under paragraph 8(k) of FRS101, and have not disclosed related party transactions with parent and fellow subsidiary undertakings.

### 10. Ultimate parent undertaking and controlling party

Univar Solutions Inc (formerly Univar Inc) is the ultimate parent undertaking and controlling party. Following the acquisition of Nexeo Solutions on 1 March 2019, Univar embarked on a rebranding project and as a result Univar Inc changed its name to Univar Solutions Inc with effect from 1 September 2019.

Group financial statements, incorporating Univar UK Limited, for year ended 31 December 2019 were drawn up by Univar Solutions Inc, a company incorporated in the USA. The consolidated financial statements of Univar Solutions Inc have been filed at Companies House in conjunction with the financial statements of the ultimate UK parent company, Ulixes Limited.

The immediate parent undertaking is Ulixes Limited, which is registered in England and Wales.

### 11. Post balance sheet events

Subsequent to the year end, the coronavirus (COVID-19) outbreak has spread rapidly across the world, impacting many economies and markets. The Company itself is a non trading intermediate holding company and so there was little direct impact from lockdown on the company's own direct operations with the appropriate infrastructure put in place for home working to be achieved where appropriate. At all times the company has been in compliance with government guidance.

However, the company also has investments in trading subsidiaries whose trade is the distribution of industrial chemicals and pharmaceuticals. The subsidiaries have been impacted by the pandemic as there has been some reduction in demand for the products supplied to certain sectors of the economy. In addition to the investment in shares in those subsidiaries as disclosed in note 6 the company also has amounts recoverable from group entities as disclosed in note 8.

## Notes to the financial statements

at 31 December 2019

### 11. Post balance sheet events (continued)

The subsidiaries are responding with an increased focus on cost control, discretionary spend and working capital management.

At the date of this report the coronavirus outbreak remains an ongoing event and whilst the Directors consider it unlikely that any impairment in subsidiary carrying value will arise the threat of impairment cannot be described as remote. The directors do consider the impairment of amounts recoverable from group entities as remote because all group entities who are debtors enjoy the support of the ultimate parent entity. That support for each entity includes access to funding from the group treasury arrangements. In assessing the ability of the ultimate parent to support the subsidiaries if needed to settle debt to Univar UK Limited the directors of Univar UK Limited have received and reviewed a copy of the group managements going concern assessments which are produced as each set of quarterly results are released to the US market in accordance with ASC 205-40-50. The directors note that the US parent has considerable net current assets and very high levels of liquidity due to a combination of cash reserves and access to undrawn but committed facilities. The pandemic is considered an event which is indicative of conditions which arose after the reporting period and as such any eventual impairments as a result would be booked to accounting periods subsequent to 31 December 2019.