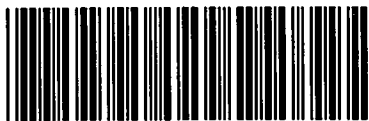


Univar UK Limited

Report and Financial Statements

31 December 2022

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18/10/2023

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COMPANIES HOUSE

Directors

R N Hayes

P Bryant

N Perkins (resigned 1 July 2023)

I A Trainer (appointed 1 July 2023)

Secretary

Pinsent Masons Secretarial Limited

1 Park Row

Leeds

LS1 5AB

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

Bankers

Bank of America

2 King Edward Street

London

EC1A 1HQ

Registered No. 04066871

Strategic Report

The directors present the strategic report for the year ended 31 December 2022:

Principal activity and review of the business

The company has acted, and continues to act, as an intermediate holding company for the UK based subsidiaries of the Univar Solutions Group.

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

	2022 £000	2021 £000
Profit/(loss) before taxation	20,000	89,126
Shareholders' funds	119,129	119,129

Profit for the period amounts to £20.0m (2021: £89.1m) that primarily consists of £20.0m earned from dividends received from subsidiary companies.

Future developments

The directors intend that the company will continue to operate as an intermediate 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.

During the year the Board of directors ('the Board') comprised of P Bryant, R N Hayes 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 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.

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 2022	Considerations and outcomes
<p>Key areas are:</p> <ul style="list-style-type: none"> • Compliance with all regulations; • Compliance with internal US Group policies; • Operating in ethical manner; • Performance against the strategic and financial plan; and • Effective leadership to ensure the Company's long-term sustainability and ultimately deliver a return on investment. 	<p>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.</p> <p>Key parent company senior leadership members are directors of the UK Group holding companies.</p>	<p>During 2022, dividends were received from subsidiary companies amounting to £20m.</p> <p>Consequently, dividends of £20m were paid to the immediate parent company, Ulixes Limited.</p>

Subsidiaries

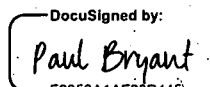
Oversight and governance of subsidiaries is important to ensuring implementation of our Group strategy and achievement of our Group long-term plans.

Key topics of engagement	How we engaged in 2022	Considerations and outcomes
<p>Key areas are:</p> <ul style="list-style-type: none"> • Monitoring of performance; • Intercompany balances; • Dividends; and • Consideration of investment values 	<p>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.</p>	<p>During 2022, dividends were received from subsidiary companies amounting to £20m.</p> <p>Consequently, dividends of £20m were paid to the immediate parent company, Ulixes Limited.</p> <p>During 2022, the Company's indirectly owned subsidiary, Univar Specialty Consumables Limited initiated a restructuring project to focus on its core competency and expertise within the automotive industry. This was achieved through the alignment to key customers/suppliers and with the simplification of the business structure. Customer lists were sold to a 3rd party in October 2022 and to a fellow group company in December 2022.</p>

Principal risks and uncertainties

As a holding company, there are no specific risks and uncertainties faced by Univar UK Limited other than those faced by the trading subsidiaries, Univar Solutions UK Limited, Univar Europe Limited, and Univar Specialty Consumables Limited, which are detailed within the separate financial statements, copies of which are available from Companies House.

On behalf of the Board

DocuSigned by:

P Bryant - Director
28 September 2023

Directors' report

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

Results and dividends

The profit for the year after taxation amounted to £20.0m (2021: £89.1m). A dividend of £20m was received from a subsidiary, Univar Solutions UK Limited, consequently a dividend of £20m was paid to the immediate parent company, Ulixes Limited, during the period.

Going concern

The Company participates in the group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries. The formal centralised treasury arrangements entitle the company to access funds contributed to the arrangement on demand as well as access additional facilities if required. A letter of support has been obtained from the ultimate parent reinforcing the rights to funding from the group treasury arrangements. In assessing the ability of the ultimate parent to support the company if needed the directors 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. 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 and the group have adequate resources to continue in operational existence for the period to 30 September 2024. 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:

R N Hayes
P Bryant
N Perkins

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.

Directors' report (continued)

Post balance sheet events


On 25 July 2023, the directors acknowledged the declaration of an interim dividend of £30,000,000 from a subsidiary, Univar Solutions UK Limited and recommended the payment of an interim dividend of the same amount to the immediate parent company Ulixes Limited.

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:


P Bryant – Director

28 September 2023

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 for the year ended 31 December 2022 which comprise the Income Statement, the Statement of Other Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 11, 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 company's affairs as at 31 December 2022 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 ending 30 September 2024.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Independent auditor's report (continued)

to the members of Univar UK Limited

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 this 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

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 directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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.

Independent auditor's report (continued)

to the members of Univar UK Limited

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework, FRS 101, The Companies Act 2006 and the relevant direct and indirect tax laws and regulations in the UK. In addition, we conclude that there are certain significant laws and regulations which may have an effect on the determination of the amounts and disclosure in the financial statements relating to health & safety, employee laws and regulation and data protection.
- We understood how the company is complying with those frameworks by making enquiries of management and those charged with governance to understand how the company maintains and communicates its policies and procedures in these areas. We corroborated the results of our enquiries through reading the board minutes and correspondence with UK tax authorities to identify if there are matters where there is a risk of breach of such frameworks that could have a material impact on the company. We understood controls put in place by the management to reduce the opportunities for fraudulent transactions.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering previous EY experience with the company, inquiring with management from various parts of the business to understand where they considered there was susceptibility to fraud and what entity level controls are in place. We also identified the existence of performance targets and their potential influence on management to manage earnings by manipulating Revenue. We considered the controls that the Company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how management monitors those controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk relating to revenue and management override of control.

Independent auditor's report (continued)

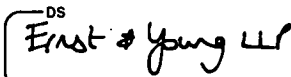
to the members of Univar UK Limited

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations and framework identified above and to respond to the assessed risks. Our procedures included: journal entry testing where we leveraged our data analytics platform to review the entire population of journals to assist in identifying specific transactions to test being those that did not meet certain criteria, with a focus on manual journals and journals indicating large or unusual transactions, enquires of company management and those charged with governance; and challenging the assumptions and judgements made by management by agreeing to supporting third party evidence wherever possible. The results of our procedures did not identify any instances of non-compliance.

A further description of our responsibilities for the audit of the financial statements is located 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.

The image shows a handwritten signature in black ink. The signature appears to be 'Peter Buckler' with a stylized 'EY' logo to the right. Above the signature, the letters 'DS' are printed in a small font.

Peter Buckler (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

Leeds

29 September 2023

Income Statement

for the year ended 31 December 2022

	Notes	2022 £000	2021 £000
Admin expenses	2	-	(799)
Operating profit		-	(799)
Other income		-	2,174
Gain on sale of subsidiary undertaking		-	46,121
Dividends received from subsidiary undertaking		20,000	41,600
Interest receivable and similar income	4	-	30
Profit on ordinary activities before taxation		20,000	89,126
Tax	5	-	(69)
Profit for the financial year		<u>20,000</u>	<u>89,057</u>

The notes on pages 14 to 21 are an integral part of these financial statements.

All amounts relate to continuing activities.

Statement of other comprehensive income

for the year ended 31 December 2022

There is no comprehensive income other than the profit attributable to the shareholders of the company of £20.0m in the year ended 31 December 2022 (2021 – £89.1m).

The notes on pages 14 to 21 are an integral part of these financial statements.

All amounts relate to continuing activities.

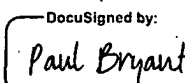
Balance sheet

at 31 December 2022

	Notes	2022 £000	2021 £000
Fixed assets			
Investments	6	119,114	119,114
Current assets			
Debtors	7	84	80
Cash at bank		-	4
		84	84
Current liabilities			
Creditors: amounts falling due within one year	8	(69)	(69)
Net current assets / (liabilities)		15	15
Total assets less current liabilities		119,129	119,129
Net assets		119,129	119,129
Capital and reserves			
Called up share capital	9	-	-
Share premium		-	-
Capital contribution		31,487	31,487
Profit and loss account		87,642	87,642
Shareholders' funds		119,129	119,129

The notes on pages 14 to 21 are integral part of these financial statements.

The financial statements of Univar UK Limited (registered number 04066871) were approved by the board of directors and authorised for issue on 28 September 2023. They were signed on its behalf by:

DocuSigned by:

 P Bryant
 Director
 28 September 2023

Statement of changes in equity

at 31 December 2022

	<i>Called-up share capital</i>	<i>Share premium</i>	<i>Capital contribution</i>	<i>Profit and loss account</i>	<i>Total</i>
	£000	£000	£000	£000	£000
Balance as at 1 January 2021	250,000	92,774	31,487	(181,839)	192,422
Profit for the year	–	–	–	89,057	89,057
Other comprehensive income for the year	–	–	–	–	–
Total comprehensive income for the year	–	–	–	89,057	89,057
Capital reduction	(250,000)	(92,774)	–	342,774	–
Dividends declared	–	–	–	(162,350)	(162,350)
Balance as at 31 December 2021	<u>–</u>	<u>–</u>	<u>31,487</u>	<u>87,642</u>	<u>119,129</u>
Balance as at 1 January 2022	–	–	31,487	87,462	119,129
Profit for the year	–	–	–	20,000	20,000
Other comprehensive income for the year	–	–	–	–	–
Total comprehensive income for the year	–	–	–	20,000	20,000
Dividend declared	–	–	–	(20,000)	(20,000)
Balance as at 31 December 2022	<u>–</u>	<u>–</u>	<u>31,487</u>	<u>87,462</u>	<u>119,129</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.

Notes to the financial statements

at 31 December 2022

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 2022 were authorised for issue by the board of directors on 28 September 2023 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 2022.

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 11.

Going concern

The Company participates in the group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries. The formal centralised treasury arrangements entitle the company to access funds contributed to the arrangement on demand as well as access additional facilities if required. A letter of support has been obtained from the ultimate parent reinforcing the rights to funding from the group treasury arrangements. In assessing the ability of the ultimate parent to support the company if needed the directors 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. 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 and the group have adequate resources to continue in operational existence for the period to 30 September 2024. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Notes to the financial statements

at 31 December 2022

1. Accounting policies (*continued*)

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.

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.

Dividend Income

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

Dividends Declared

Dividends on equity shares are recognised as a deduction of equity when a liability to pay the dividend arises.

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 Instruments

Financial assets and liabilities are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Notes to the financial statements

at 31 December 2022

1. Accounting policies (*continued*)

Financial Assets

Financial assets within the scope of IFRS 9 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 trade and other receivables.

Financial assets are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

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.

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Financial Liabilities

Financial liabilities within the scope of IFRS 9 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.

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

Loans and borrowings

Loans and borrowings are subsequently measured at amortised cost using the EIR, with interest expense recognised on an effective yield basis. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recognised at the proceeds received, net of direct issue 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.

Notes to the financial statements

at 31 December 2022

2. Operating profit

This is stated after charging:

	2022 £000	2021 £000
Professional fees	-	799

Auditor's remuneration of £10,723 in the current year was borne by a fellow group company (2021: £9,000).

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 with costs borne by Univar Solutions Inc, Univar Solutions AG or Univar Europe Limited. The remuneration in relation to qualifying services as directors of this company is negligible and so no allocation has been calculated

4. Interest receivable and similar income

	2022 £000	2021 £000
Interest received on bank deposits	-	30

Notes to the financial statements

at 31 December 2022

5. Tax

(a) Tax on profit on ordinary activities

The tax credit is made up as follows:

	2022 £000	2021 £000
Current tax:		
UK Corporation tax at 19% (2021 – 19%)	-	69
Total current tax (note 5(b))	-	69
Deferred tax:		
Origination and reversal of timing differences	-	-
Total deferred tax	-	-
Tax on profit/loss on ordinary activities	-	69

(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% (2021 – 19%). The differences are explained below:

	2022 £000	2021 £000
Profit/(loss) on ordinary activities before tax	20,000	89,126
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 – 19%)	3,800	16,934
Effects of:		
Group loss relief surrendered for no consideration	-	(353)
Transfer pricing adjustments	-	2
Exempt UK dividends	(3,800)	(7,904)
Non-deductible expenses	-	153
Non-taxable gain on sale of business	-	(8,763)
Total tax for the year (note 5(a))	-	69

Notes to the financial statements

at 31 December 2022

6. Investments

	<i>Subsidiary undertakings £000</i>
Cost:	
At 1 January 2022	119,114
At 31 December 2022	119,114
Provisions:	
At 1 January 2022	-
Impairment during the year	-
At 31 December 2022	-
Net book value:	
At 31 December 2022	119,114
At 1 January 2022	119,114

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>
Univar Solutions UK Limited	Ordinary shares	100%	Chemical distribution
Univar Europe Limited*	Ordinary shares	100%	Management company
Univar Speciality Consumables Limited*	Ordinary shares	100%	Consumables distribution

*Investment held by subsidiary undertaking.

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

Notes to the financial statements

at 31 December 2022

7. Debtors

	2022 £000	2021 £000
Amounts due within one year:		
Amounts owed by group undertakings	84	80

Intercompany balances are interest free, unsecured, have no fixed repayment terms and are repayable on demand.

8. Creditors

	2022 £000	2021 £000
Amounts owed within one year:		
Corporation tax	-	69
Amounts owed to group undertakings	69	-
	69	69

Intercompany balances are interest free, unsecured, have no fixed repayment terms and are repayable on demand.

9. Issued share capital

	No.	2022 £000	No.	2021 £000
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	1	-	1	-

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.

10. 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.

Notes to the financial statements

at 31 December 2022

11. Ultimate parent undertaking and controlling party

The Company's immediate parent undertaking is Ulixes Limited. Ulixes is part of the group Univar Solutions Inc., which is incorporated in the United States of America. Univar Solutions Inc. is the largest and smallest group of undertakings for which group accounts are prepared. Copies of the Univar Solutions Inc. group financial statements can be obtained from 3075 Highland Parkway, Suite 200 Downers Grove, Illinois 60515.

12. Post balance sheet events

On 1 August 2023, Apollo Global Management Inc acquired the shares of Univar Solutions Inc, the ultimate parent undertaking of the company. Subsequent to this takeover, Univar Solutions Inc. was delisted from the NYSE.

On 25 July 2023, the directors recommended the payment of an interim dividend of £30,000,000 from the company to its immediate parent undertaking Ulixes Limited.