

Abbott Asia Holdings Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2016

FRIDAY



A6G0IM09

A11

29/09/2017

#550

COMPANIES HOUSE

Registration number: 04166305

Abbott Asia Holdings Limited

Directors' Report for the Year Ended 31 December 2016

The Directors present their report and the financial statements for the year ended 31 December 2016.

Directors of the Company

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

S Hudson

G Hall

B Yoor

Principal activity

The principal activity of the company is that of a holding company. There have not been any significant changes in the company's principal activities in the year under review.

Going concern

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 of accounting in preparing the annual report and accounts.

Disclosure of information to the auditors

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

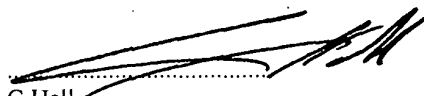
Reappointment of auditors

The auditors Ernst & Young LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006. Advantage has been taken of the exemption under section 414B of the Companies Act 2006 from the requirement to prepare a Strategic Report.

Approved by the Board on 27 September 2017 and signed on its behalf by:



G Hall
Director

Abbott Asia Holdings Limited

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABBOTT ASIA HOLDINGS LIMITED

We have audited the financial statements of Abbott Asia Holdings Limited for the year ended 31 December 2016, which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the 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.
- the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have identified no 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take the advantage of the small companies' exemptions in not preparing the Strategic Report.

Ernst & Young LLP

Dave Hales (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor

Reading
United Kingdom

29 Sept 2017

Abbott Asia Holdings Limited

Profit and Loss Account for the Year Ended 31 December 2016

	Note	2016 £ 000	2015 £ 000
Turnover		-	-
Administrative expenses		<u>(7)</u>	<u>(8)</u>
Operating loss		<u>(7)</u>	<u>(8)</u>
Other interest receivable and similar income	4	64,721	41,238
Other exceptional items	3	(584,343)	-
Interest payable and similar charges	5	<u>216</u>	<u>(691)</u>
		<u>(519,406)</u>	<u>40,547</u>
(Loss)/profit before tax		(519,413)	40,539
Taxation	8	<u>(8,011)</u>	<u>(9,378)</u>
(Loss)/profit for the financial year		<u><u>(527,424)</u></u>	<u><u>31,161</u></u>

The above results were derived from continuing operations.

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

Abbott Asia Holdings Limited

Statement of Comprehensive Income for the Year Ended 31 December 2016

	Note	2016 £ 000	2015 £ 000
(Loss)/profit for the year		(527,424)	31,161
Foreign currency translation gains		<u>103,445</u>	<u>9,066</u>
Total comprehensive (loss)/income for the year		<u>(423,979)</u>	<u>40,227</u>

The notes on pages 9 to 15 form an integral part of these financial statements.

Abbott Asia Holdings Limited

(Registration number: 04166305)
Balance Sheet as at 31 December 2016

	Note	2016 £ 000	2015 £ 000
Fixed assets			
Investments	9	518,395	1,102,738
Current assets			
Debtors	10	713,709	572,333
Cash at bank and in hand		<u>38</u>	<u>5,729</u>
		713,747	578,062
Creditors: Amounts falling due within one year	11	<u>(138,223)</u>	<u>(162,902)</u>
Net current assets		<u>575,524</u>	<u>415,160</u>
Net assets		<u>1,093,919</u>	<u>1,517,898</u>
Capital and reserves			
Share premium reserve		2,333,445	2,333,445
Other reserves		6,161	6,161
Profit and loss account		<u>(1,245,687)</u>	<u>(821,708)</u>
Total equity		<u>1,093,919</u>	<u>1,517,898</u>

Accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved and authorised by the Board on 27 September 2017 and signed on its behalf by:



G Hall
Director

Abbott Asia Holdings Limited

Statement of Changes in Equity for the Year Ended 31 December 2016

	Share premium £ 000	Other reserves £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2016	2,333,445	6,161	(821,708)	1,517,898
Loss for the year	-	-	(527,424)	(527,424)
Other comprehensive income	-	-	103,445	103,445
Total comprehensive income	-	-	(423,979)	(423,979)
At 31 December 2016	2,333,445	6,161	(1,245,687)	1,093,919
	Share premium £ 000	Other reserves £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2015	2,333,445	6,161	(861,935)	1,477,671
Profit for the year	-	-	31,161	31,161
Other comprehensive income	-	-	9,066	9,066
Total comprehensive income	-	-	40,227	40,227
At 31 December 2015	2,333,445	6,161	(821,708)	1,517,898

The notes on pages 9 to 15 form an integral part of these financial statements.

Abbott Asia Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

1 General information

The company is a private company limited by share capital incorporated in England & Wales.

The address of its registered office is:

Abbott House
Vanwall Business Park
Vanwall Road
Maidenhead
Berkshire
SL6 4XE

These financial statements were authorised for issue by the Board on 27 September 2017.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard Section 1A Small Entities applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014, and with the Companies Act 2006. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Summary of disclosure exemptions

The company has applied exemptions applicable to small companies under the Companies Act 2006.

The company has used exemptions from the following disclosure requirements of FRS102:

Statements of Cash Flows section 3.17(d)

Basic Financial Instruments sections 11.39 to 11.48A

Related Party Disclosures sections 33.1A and 33.7.

Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual report and accounts.

Exemption from preparing group accounts

The financial statements contain information about Abbott Asia Holdings Limited 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 parent, Abbott Laboratories, a company incorporated in USA.

Abbott Asia Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

2 Accounting policies (continued)

Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

That the underlying asset value of investments in subsidiary companies is equal to or exceeds the value of investments reported in the balance sheet.

That the debtors will be able to settle their debts as they fall due.

Key sources of estimation uncertainty

A loan to a subsidiary company is denominated in Indian Rupees and the movement of exchange rates may materially affect the sterling value of the loan. The carrying amount is £Nil (2015 - £5,729,000).

Finance income and costs policy

Interest income is due to the company from loans to affiliated companies, or cash deposits with affiliated companies or third party banks, is calculated daily and accrued monthly.

Foreign currency transactions and balances

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rate at the balance sheet date. All exchange differences are included in the profit and loss account.

Tax

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

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

Investments

Fixed asset investments are shown at cost less provision for impairment.

Equity investments are recognised initially at fair value which is normally the transaction price (but excludes any transaction costs, where the investment is subsequently measured at fair value through profit and loss). Subsequently, they are measured at fair value through profit or loss except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably which are recognised at cost less impairment until a reliable measure of fair value becomes available. If a reliable measure of fair value is no longer available, the equity instrument's fair value on the last date the instrument was reliably measurable is treated as the cost of the instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances.

Abbott Asia Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

2 Accounting policies (continued)

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs and Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

Dividends

Dividends from shares in group undertakings are recognised when the dividends are declared by the Board of the subsidiary.

Reserves

Share Premium

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Other reserves

Other reserves are Capital contribution reserve. The capital contribution reserve is from Abbott Equity Holdings Ltd.

3 Exceptional Items

The provision for impairment relates to the company's subsidiary Abbott Healthcare Pvt Limited. The directors have reviewed the carrying value of the company's investments in subsidiary undertaking at the balance sheet date and have determined a net asset basis to be the best estimate of current valuation. They have concluded that the investments in subsidiaries are impaired by £1,478,573,000. Accordingly, exceptional items for the period include a charge of £584,343,000. This amount is not deductible for tax purposes. Please also refer to note 9.

4 Other interest receivable and similar income

	2016 £ 000	2015 £ 000
Other finance income from Group undertakings	64,721	41,238

5 Interest payable and similar charges

	2016 £ 000	2015 £ 000
Foreign exchange (gains) / losses	(216)	691

6 Staff costs & Directors remuneration

During the current and prior year, all the directors were paid by other affiliates within the Abbott Laboratories group of companies. The directors services to the company do not occupy a significant amount of their time. As such the directors do not consider that they receive any remuneration for their incidental services to the company. The company has no other employees.

Abbott Asia Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

7 Auditors' remuneration

	2016 £ 000	2015 £ 000
Audit of the financial statements	<u>2</u>	<u>2</u>
Other fees to auditors		
All other non-audit services	<u>4</u>	<u>5</u>

8 Taxation

Tax charged in the income statement

	2016 £ 000	2015 £ 000
Current taxation		
UK corporation tax	12,986	13,153
UK corporation tax adjustment to prior periods	<u>(4,975)</u>	<u>(3,775)</u>
	<u>8,011</u>	<u>9,378</u>

The tax on loss before tax for the year is the same as the standard rate of corporation tax in the UK (2015 - the same as the standard rate of corporation tax in the UK) of 20% (2015 - 20.25%).

The differences are reconciled below:

	2016 £ 000	2015 £ 000
(Loss)/profit before tax	<u>(519,413)</u>	<u>40,539</u>
Corporation tax at standard rate	(103,883)	8,209
(Decrease) in UK and foreign current tax from adjustment for prior periods	(4,975)	(3,775)
Tax (decrease) arising from group relief	-	(13)
Double taxation relief	-	(1,259)
Tax increase arising from overseas tax suffered/expensed	-	6,216
Non taxable impairment provision	<u>116,869</u>	<u>-</u>
Total tax charge	<u>8,011</u>	<u>9,378</u>

Abbott Asia Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

9 Investments in subsidiaries, joint ventures and associates

	2016 £ 000	2015 £ 000
Investments in subsidiaries	<u>518,395</u>	<u>1,102,738</u>
Subsidiaries		£ 000
Cost or valuation		
At 1 January 2016		1,996,968
Provision		
At 1 January 2016		894,230
Provision for impairment in 2016		<u>584,343</u>
At 31 December 2016		<u>1,478,573</u>
Carrying amount		
At 31 December 2016		<u>518,395</u>
At 31 December 2015		<u>1,102,738</u>

The provision for impairment relates to the company's subsidiary Abbott Healthcare Pvt Limited. The directors have reviewed the carrying value of the company's investments in subsidiary undertaking at the balance sheet date and have determined a net asset basis to be the best estimate of current valuation. They have concluded that the investments in subsidiaries are impaired by £1,478,573,000. Accordingly, exceptional items for the period include a charge of £584,343,000. This amount is not deductible for tax purposes. Please also refer to Note 3.

Abbott Asia Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

9 Investments in subsidiaries, joint ventures and associates (continued)

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2016	2015

Subsidiary undertakings

Abbott Healthcare Pvt Limited	India	Ordinary	100%	100%
Abbott Truecare Pharma Pvt Limited	India	Ordinary	100%	100%

The principal activity of Abbott Healthcare Pvt Limited and Abbott Truecare Pharma Pvt Limited is healthcare.

Abbott Truecare Pharma Pvt Limited is fully impaired. The carrying value of Abbott Healthcare Pvt Limited is £518,395,000. The directors have determined that this is the best estimate of carrying value and is based on a net asset basis.

10 Debtors

	Note	2016 £ 000	2015 £ 000
Amounts owed by group undertaking		702,799	571,621
Corporation tax recoverable	8	10,910	712
		<u>713,709</u>	<u>572,333</u>

All debtors are current, due within 12 month of the reporting period end.

11 Creditors

	2016 £ 000	2015 £ 000
Due within one year		
Amounts due to group undertakings	138,209	162,890
Accrued expenses	14	12
	<u>138,223</u>	<u>162,902</u>

Abbott Asia Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

12 Share capital

Allotted, called up and fully paid shares

	2016		2015	
	No. 000	£ 000	No. 000	£ 000
6 Ordinary shares of £1 each	-	-	-	-

13 Related party transactions

The company is a wholly owned subsidiary of Abbot Laboratories. Accordingly, the company has taken advantage of the exemption under FRS 102 section 33 not to disclose transactions with other group companies which meet the criteria that all subsidiary undertakings which are party to transactions are wholly owned by the ultimate controlling parent. There were no other related party transactions during the year.

14 Parent and ultimate controlling party

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

15 Cross Company Guarantees

The company has entered into a cross company guarantee whereby bank borrowings incurred by other group entities are secured on its assets. Group entities which are party to this cross guarantee are as follows: Abbott Laboratories Limited, Abbott Diabetes Care Limited, Murex Biotech Limited, Abbott (UK) Holdings Limited, Abbott Healthcare Products Limited, Abbott Vascular Devices Limited, Abbott Vascular Devices (2) Limited, Knoll UK Investments Unlimited, Abbott Iberian Investments Limited, Abbott Iberian Investments (2) Limited, Abbott (UK) Finance Ltd, Abbott Australasia Holdings Limited, Abbott Asia Investments Limited, Abbott Capital India Limited and Abbott Equity Holdings Unlimited.

16 Events after the reporting period

There are no material events post the reporting period to be disclosed.