

**Company Registration No. 07007374**

**AB SCIEX UK LIMITED**

**Report and Financial Statements**

**31 December 2015**

TUESDAY



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# **AB SCIEX UK LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2015**

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# **AB SCIEX UK LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2015**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

F M Kirchner  
K P Smith  
K G Ward

#### **SECRETARY**

F M Kirchner

#### **REGISTERED OFFICE**

19 Jessops Riverside  
800 Brightside Lane  
Sheffield  
S9 2RX

#### **BANKERS**

Bank of America Merrill Lynch  
Financial Center  
2 King Edward St.  
London  
EC1A 1HQ

#### **AUDITORS**

Ernst & Young LLP  
400 Capability Green  
Luton  
LU1 3LU

## AB SCIEX UK LIMITED

### STRATEGIC REPORT

#### REVIEW OF BUSINESS

AB Sciex UK Limited is a leading provider of high-end mass spectrometers. Our broad portfolio of scientific analytical tools include innovative instrument systems, intuitive software, pre-packaged methods and chemistry reagents - all of which are part of workflows that reduce complexity and accelerate results. These tools apply mass spectrometry technologies to enable scientists to conduct quantitative and qualitative analysis across a wide range of applications.

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

	2015	2014	Change
	£000	£000	%
Turnover	13,704	12,094	13.3
Operating profit	398	356	11.80
Average number of employees	83	76	9.2

The company acts as a non-exclusive distributor to purchase and distribute the products within the territory of UK, pursuant to the terms and condition, provide related services as Authorized Service Provider.

During the current fiscal year the company showed growth compared to 2014. This growth is continuously driven by the academic business segment.

Operating profit was in line with expectations for direct and distributor sales, and increased overall from 2014 – mainly as a result of increased turnover and lower charges on service transactions with fellow group companies.

The company invested to improve customer support therefore the number of headcount has increased by 9.2%

#### FUTURE DEVELOPMENTS

The directors anticipate growth that will enable profits in the future.

#### PRINCIPAL RISKS AND UNCERTAINTIES


The company regularly assesses risks, which are deemed to be legislative, environmental and business fraud. This is done through the health and safety committee with the support of an external health and safety provider and through an internal audit team managed by the parent company. In all cases no significant risks were identified.

On behalf of the Board

F M Kirchner

Director

Date:

  
17 November 2016

## **AB SCIEX UK LIMITED**

### **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 December 2015.

#### **RESULTS AND DIVIDENDS**

The profit/loss for the year after taxation amounted to £398,000 (2014: £356,000).

The directors have not recommended a dividend.

#### **DIRECTORS**

The directors who served during the year were as follows:

F M Kirchner

K P Smith

K G Ward

#### **GOING CONCERN**

The company is part of AB Sciex group cash pool arrangements. Within this cash pool, each company has entered into unlimited cross guarantees in respect of bank borrowings with fellow participating companies. Each company is also subject to an indemnity offered by Danaher Corporation for all participating companies (for the period during which they remain wholly owned subsidiaries of Danaher Corporation), such that any liability falling on the company as a result of the borrowings from the bank or any other party to the cash pool arrangement will be borne by Danaher Corporation in the event of default.

The group cash pool arrangement is also available if the company requires immediate access to cash funds to meet its liabilities as they fall due.

Despite the company having net current liabilities, the cash position of the AB Sciex group as a whole is strong and therefore the company should have access to sufficient operating funds when necessary.

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.

#### **DISCLOSURE OF INFORMATION TO AUDITORS**

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 these directors confirms that:

- to the best of each director's knowledge and belief, there is no information relevant to the preparation of 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.

**AB SCIEX UK LIMITED**

**DIRECTORS' REPORT (CONTINUED)**

**AUDITOR**

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

On behalf of the Board

F M Kirchner

  
Director

Date: 17 November 2016

## **AB SCIEX UK LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with FRS 101 (Financial Reporting Standard 101) '*Reduced Disclosure Framework*'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 AB SCIEX UK LIMITED**

We have audited the financial statements of AB Sciex UK Limited for the year ended 31 December 2015 which comprise the Income Statement, the statement of comprehensive income, the Balance Sheet, the Statement of changes in Equity and the related notes 1 to 18. 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 101 'Reduced Disclosure Framework'.

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 5, 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 report and financial statements 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 2015 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 101 'Reduced Disclosure Framework'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

In our opinion 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.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**

### **AB SCIEX UK LIMITED**

#### **Matters on which we are required to report by exception**

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.

*Ernst & Young LLP*

**John Dervley (Senior statutory auditor)**  
**For and on behalf of Ernst & Young LLP, Statutory Auditor**  
**Luton**

*18 November 2016*

# **AB SCIEX UK LIMITED**

## **INCOME STATEMENT**

**For the year ended 31 December 2015**

	Note	2015 £000	2014 £000
<b>TURNOVER</b>	3	13,704	12,094
Cost of sales		<u>(7,236)</u>	<u>(7,322)</u>
<b>GROSS PROFIT</b>		6,468	4,772
Administrative expenses		<u>(6,138)</u>	<u>(4,373)</u>
<b>OPERATING PROFIT / (LOSS)</b>	4	330	399
Interest payable and similar charges	6	<u>(9)</u>	<u>(22)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		321	377
Tax credit / (charge) on profit on ordinary activities	7	<u>77</u>	<u>(21)</u>
<b>PROFIT / (LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION</b>		<u>398</u>	<u>356</u>

The accompanying notes are an integral part of this income statement.

All activities derive from continuing operations.

**AB SCIEX UK LIMITED**

**STATEMENT OF OTHER COMPREHENSIVE INCOME**  
**For the year ended 31 December 2015**

	<b>Note</b>	<b>2015 £000</b>	<b>2014 £000</b>
<b>Profit for the year</b>		398	356
<b>Other comprehensive income</b>			
<b>Items that cannot be reclassified to profit or loss:</b>		0	0
		<u>398</u>	<u>356</u>
<b>Total Comprehensive income / (loss) for the year</b>		<u>398</u>	<u>356</u>

# AB SCIEX UK LIMITED

Registered number 07007374

## BALANCE SHEET At 31 December 2015

	Note	2015 £000	2014 £000
<b>FIXED ASSETS</b>			
Intangible assets	8	1,181	1,181
Tangible assets	9	787	601
		<u>1,968</u>	<u>1,782</u>
<b>CURRENT ASSETS</b>			
Stock	10	632	799
Debtors			
- due within one year	11	4,778	4,776
Deferred tax		197	120
Cash at bank and in hand		0	0
		<u>5,607</u>	<u>5,695</u>
<b>CREDITORS: amounts falling due within one year</b>	12	<u>(4,936)</u>	<u>(6,314)</u>
<b>NET CURRENT ASSETS / (LIABILITIES)</b>		<u>671</u>	<u>(619)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,639</u>	<u>1,163</u>
<b>PROVISION FOR LIABILITIES AND CHARGES</b>	13	<u>(1,402)</u>	<u>(324)</u>
<b>NET ASSETS / (LIABILITIES)</b>		<u>1,237</u>	<u>839</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital		0	0
Profit and loss account		<u>1,237</u>	<u>839</u>
<b>TOTAL SHAREHOLDERS' FUNDS</b>		<u>1,237</u>	<u>839</u>

These financial statements were approved by the Board of Directors on 17 November 2016

Signed on behalf of the Board of Directors

F M Kirchner

Director



The accompanying notes are an integral part of this balance sheet.

**AB SCIEX UK LIMITED**

**STATEMENT OF CHANGES IN EQUITY**  
**For the year ended 31 December 2015**

	Note	Called-up share capital £000	Share Premium account £000	Profit and loss account £000	Total Shareholders funds £000
<b>At 1 January 2014</b>		0	0	483	483
Profit for the year		0	0	356	356
Other comprehensive income		0	0	0	0
<b>Total comprehensive income for the year</b>		<u>0</u>	<u>0</u>	<u>839</u>	<u>839</u>
<b>At 31 December 2014</b>		0	0	839	839
Profit for the year		0	0	398	398
Restated Opening balance FRS101		0	0	0	0
<b>Total comprehensive income for the year</b>		<u>0</u>	<u>0</u>	<u>1,237</u>	<u>1,237</u>
<b>At 31 December 2015</b>		<u>0</u>	<u>0</u>	<u>1,237</u>	<u>1,237</u>

The accompanying notes are an integral part of this statement of changes in equity.

## **AB SCIEX UK LIMITED**

### **NOTES TO THE ACCOUNTS** **Year ended 31 December 2015**

#### **1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH FRS101**

The financial statements of AB Sciex UK Limited (the "Company") for the year ended 31 December 2015 were authorised for issue by the board of directors on 17 /11/2016 and the balance sheet was signed on the board's behalf by Frank Kirchner. AB Sciex UK Limited is incorporated and domiciled in England and Wales.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards. The company has used a true and fair view override in respect of the non-amortisation of goodwill (see note 2.4).

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 results of AB Sciex UK Limited are included in the consolidated financial statements of Danaher Corporation which are available from 2200 Pennsylvania Avenue Suite 800 West, Washington DC 20037, USA.

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

#### **2. ACCOUNTING POLICIES**

##### **2.1 BASIS OF PREPARATION**

The Company transitioned from UK GAAP to FRS 101 for all periods presented, refer to note 2.5 below for details.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2015.

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

- (a) The requirements of IFRS 7 *Financial Instruments: Disclosures*;
- (b) The requirements of paragraphs 91-99 of IFRS 13 *Fair Value Measurement*;
- (c) 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;
  - (ii) Paragraph 73(e) of IAS 16 *Property, Plant and Equipment*;
  - (iii) Paragraph 118(e) of IAS 38 *Intangible Assets*;
- (d) the requirements of paragraphs 10(d), 10(f), 38A, 38B, 38C, 38D, 111, and 134-136 of IAS 1 *Presentation of Financial Statements*;
- (e) The requirements of IAS 7 *Statement of Cash Flows*;
- (f) The requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*;
- (g) The requirements of paragraph 17 of IAS 24 *Related Party Disclosures*;
- (h) the requirements in IAS 24 *Related Party Disclosures* to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- (i) The requirements of paragraphs 130(f)(ii)-130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 *Impairment of Assets*.

##### **2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES**

No new and amended standards and interpretations adopted by the Company.

There are no other changes to IFRS effective in 2015 which have a material impact on AB Sciex UK Limited.

## **AB SCIEX UK LIMITED**

### **NOTES TO THE ACCOUNTS** **Year ended 31 December 2015**

#### **2.3 JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

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

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

##### **Taxation**

Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are contained in note 7.

##### **Provisions**

The management confirms there is no judgement or estimation (apart from those involving estimates) has had significant effect on amounts recognised in the financial statements.

##### **Goodwill**

The management confirms there is no judgement or estimation (apart from those involving estimates) has had significant effect on amounts recognised in the financial statements.

## 2.4 SIGNIFICANT ACCOUNTING POLICIES

**Turnover**

The company acts as a non-exclusive distributor to purchase and distribute the products within the territory of UK, pursuant to the terms and condition, provide related services as Authorized Service Provider. The revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer.

The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on dispatch of the goods.

Rendering of services

Revenue from maintenance and service agreements is recognised over the period in which the maintenance services are rendered.

**Intangible assets – Goodwill**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. The choice of measurement of non-controlling interest, either at fair value or at the proportionate share of the acquiree's identifiable net assets, is determined on a transaction basis. Acquisition costs incurred are expensed and included in administrative expenses.

The UK Companies Act requires goodwill to be reduced by provisions for depreciation on a systematic basis over a period chosen by the directors, its useful economic life. However, under IFRS 3 Business combinations goodwill is not amortised. Consequently, the company does not amortise goodwill, but reviews it for impairment on an annual basis or whenever there are indicators of impairment. The company is therefore invoking a 'true and fair view override' to overcome the prohibition on the non-amortisation of goodwill in the Companies Act. The company is not able to reliably estimate the impact on the financial statements of the true and fair override on the basis that the useful life of goodwill cannot be predicted with a satisfactory level of reliability, nor can the pattern in which goodwill diminishes be known. Goodwill is initially measured at cost being the excess of the aggregate of the acquisition-date fair value of the consideration transferred and the amount recognised for the non-controlling interest over the net identifiable amounts of the assets acquired and the liabilities assumed in exchange for the business combination. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units (or groups of cash generating units) that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Each unit or group of units to which goodwill is allocated shall represent the lowest level within the entity at which the goodwill is monitored for internal management purposes and not be larger than an operating segment before aggregation.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.



## **AB SCIEX UK LIMITED**

### **NOTES TO THE ACCOUNTS** **Year ended 31 December 2015**

#### **2.4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **Tangible fixed assets**

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold improvements	over the life of the lease
Fixtures and fittings	3 to 10 years

The carrying values of property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable, and are written down immediately to their recoverable amount. Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the de-recognition of the asset is included in the income statement in the period of de-recognition.

##### **Impairment of assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount in order to determine the extent of the impairment loss. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses on continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

For assets where an impairment loss subsequently reverses, the carrying amount of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, not to exceed the carrying amount that would have been determined, net of depreciation, had no impairment losses been recognised for the asset or cash generating unit in prior years. A reversal of impairment loss is recognised immediately in the income statement, unless the asset is carried at a revalued amount when it is treated as a revaluation increase.

##### **Stocks**

Stocks are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition, as follows:

Raw materials and consumables - purchase cost on a first-in, first-out basis.

Work in progress and finished goods - cost of direct materials and labour plus attributable overheads based on a normal level of activity, excluding borrowing costs.

Cost of stock includes the transfer from equity of gains and losses on qualifying cash flow hedges in respect of the purchase of materials. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow-moving or defective items where appropriate.

## **AB SCIEX UK LIMITED**

### **NOTES TO THE ACCOUNTS** **Year ended 31 December 2015**

#### **2.4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **Foreign currency**

The company's financial statements are presented in sterling, which is also the company's functional currency. Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange prevailing at the balance sheet date. All exchange differences are included in the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

The company has no branch.

##### **Leases**

All leases are operating leases. Leasing transactions that transfer substantially all the risks and rewards incidental to ownership of the leased asset to the lessee are classified as finance leases. All other leasing agreements are classified as operating leases.

Rentals under operating leases are charged in the profit and loss account on a straight-line basis over the lease term. Where AB Sciex UK Limited is the lessor, operating lease income is recognised on a straight line basis. Assets acquired and held for use under operating leases are recorded as fixed assets and are depreciated on a straight line basis to their estimated residual values over their estimated useful lives. Property, plant and equipment leased under finance leases is capitalised and depreciated over its expected useful life. The finance charges are allocated over the primary period of the lease in proportion to the capital element outstanding.

##### **Pension costs**

The Group operates a defined contribution pension scheme. The amount charged to the Profit and Loss Account represents contributions payable to the pension scheme in respect of the financial period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the Balance Sheet.

##### **Provision for liabilities**

A provision is recognised when the company has a legal or contractual obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for the expected costs of maintenance under warranties are charged against profits when products have been invoiced. The effect of the time value of money is not material and therefore the provisions are not discounted. The Company periodically initiates restructuring activities to appropriately position the Company's cost base relative to prevailing economic conditions. Costs associated with restructuring actions can include one-time termination benefits, contract termination and other related activities. The Company records the cost of the restructuring activities when the associated liability is incurred.

**Taxation**

Corporation tax payable is provided on taxable profits at the current rate, as reduced by group relief claimed or surrendered at nil cost. Deferred tax is measured on a non-discounted basis, at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse. Both current and deferred tax are measured using the tax rates and laws that have been enacted or substantively 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 where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of underlying timing differences can be deducted.

**Financial instruments**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classified as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

**i) Financial assets****Initial recognition and measurement**

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.

All financial assets are recognised initially at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

The Company's financial assets include cash and short-term deposits, trade and other receivables, loan notes, quoted and unquoted financial instruments, and derivative financial instruments.

**Subsequent measurement**

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

***Financial assets at fair value through profit or loss***

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Company that are not designated as hedging

## **AB SCIEX UK LIMITED**

### **NOTES TO THE ACCOUNTS** **Year ended 31 December 2015**

instruments in hedge relationships as defined by IAS 39. The Company has not designated any financial assets upon initial recognition as at fair value through profit or loss.

Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Financial assets at fair value through profit and loss are carried in the balance sheet at fair value with changes in fair value recognised in finance revenue or finance expense in the income statement.

#### *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.

#### *Available-for-sale financial assets*

Available-for-sale financial investments include equity securities. Equity investments classified as available-for sale are those which are neither classified as held for trading nor designated at fair value through profit or loss.

After initial measurement, available-for-sale financial investments are subsequently measured at fair value with unrealised gains or losses recognised as other comprehensive income in the unrealised gains and losses reserve.

When the investment is derecognised, the cumulative gain or loss is recognised in other operating income, or determined to be impaired, at which time the cumulative loss is recognised in the income statement in other operating expenses and removed from the unrealised gains and losses reserve.

The Company evaluates its available-for-sale financial assets and whether the ability and intent to sell them in the near term is still appropriate. When the Company is unable to trade these financial assets due to inactive markets and management's intent significantly changes to do so in the foreseeable future, the Company may elect to reclassify these financial assets in rare circumstances. Reclassification to loans and receivables is permitted when the financial asset meets the definition of loans and receivables and when the Company has the intent and ability to hold these assets for the foreseeable future or until maturity.

#### ii) Financial liabilities

##### **Initial recognition and measurement**

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.

##### **Subsequent measurement**

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

#### *Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

## **AB SCIEX UK LIMITED**

### **NOTES TO THE ACCOUNTS** **Year ended 31 December 2015**

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

#### *Interest bearing loans and borrowings*

Obligations for loans and borrowings are recognised when the Company becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance revenue and finance cost.

#### *Derecognition of financial liabilities*

A liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

#### iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated balance sheet if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

#### iv) Fair values

The fair value of financial instruments that are traded in active markets at the reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

#### v) Derivative financial instruments and hedging

Derivative financial instruments have not been applied.

Hedge accounting has not been applied.

## **AB SCIEX UK LIMITED**

### **NOTES TO THE ACCOUNTS** **Year ended 31 December 2015**

#### **2.5 FIRST TIME ADOPTION OF FRS 101**

These financial statements, for the year ended 31 December 2015, are the first the Company has prepared in accordance with FRS 101. For periods up to and including the year ended 31 December 2014, the Company prepared its financial statements in accordance with UK generally accepted accounting practice (UK GAAP).

Accordingly, the Company has prepared financial statements which comply with FRS 101 applicable for periods ending on or after 31 December 2015 together with the comparative period data as at and for the year ended 31 December 2014, as described in the accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 January 2014, the Company's date of transition to FRS 101. This note explains the principal adjustments made by the Company in restating its UK GAAP balance sheet as at 1 January 2014 and its previously published UK GAAP financial statements as at and for the year ended 31 December 2014.

#### **Exemptions applied**

IFRS 1 allows first-time adopters certain exemptions from the general requirement to apply IFRS as effective for 31 December 2015 year ends retrospectively. The Company has taken the exemptions as set out in note 2.1

**AB SCIEX UK LIMITED**

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2015**

**Reconciliation of equity as at 1 January 2014 (date of transition to FRS 101)**

	Notes	UK GAAP £000	Reclass- ifications £000	Remeasure- ments £000	FRS 101 £000
<b>FIXED ASSETS</b>					
Intangible assets		1,181	0	0	1,181
Tangible assets	2	531	(66)	193	658
		<u>1,712</u>	<u>(66)</u>	<u>193</u>	<u>1,839</u>
<b>CURRENT ASSETS</b>					
Stocks		712	0	0	712
Debtors					
- due within one year	4	5,657	(102)	0	5,555
Deferred tax assets	4	0	102	39	141
Cash at bank and in hand		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>CREDITORS: amounts falling due within one year</b>		<u>(7,410)</u>	<u>66</u>	<u>0</u>	<u>(7,344)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(1,041)</u>	<u>66</u>	<u>0</u>	<u>(936)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		671	0	232	903
<b>PROVISION FOR LIABILITIES AND CHARGES</b>	2	(227)	0	(193)	(420)
<b>NET ASSETS</b>		<u>444</u>	<u>0</u>	<u>39</u>	<u>483</u>
<b>CAPITAL AND RESERVERS</b>					
Called up share capital		0	0	0	0
Profit and loss account		<u>444</u>	<u>0</u>	<u>39</u>	<u>483</u>
<b>TOTAL SHAREHOLDERS FUNDS</b>		<u>444</u>	<u>0</u>	<u>39</u>	<u>483</u>

**AB SCIEX UK LIMITED**

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2015**

**Reconciliation of equity as at 31 DECEMBER 2014**

	Notes	UK GAAP £000	Reclass- ifications £000	Remeasure- ments £000	FRS 101 £000
<b>FIXED ASSETS</b>					
Intangible assets	1	987	194	0	1,181
Tangible assets	2	408	0	193	601
		<u>1,395</u>	<u>194</u>	<u>193</u>	<u>1,782</u>
<b>CURRENT ASSETS</b>					
Stocks	3	884	(85)	0	799
Debtors		0	0	0	0
- due within one year	4	4,857	(81)	0	4,776
Deferred tax assets	4	0	81	39	120
Cash at bank and in hand		0	0	0	0
		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>CREDITORS: amounts falling due within one year</b>	3	<u>(6,399)</u>	<u>85</u>	<u>0</u>	<u>(6,314)</u>
<b>NET CURRENT ASSETS</b>		<u>(658)</u>	<u>0</u>	<u>232</u>	<u>(619)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		737	194	232	1,163
<b>PROVISION FOR LIABILITIES AND CHARGES</b>	2	(131)	0	(193)	(324)
<b>DEFINED BENEFIT PENSION SCHEME DEFICIT</b>		0	0	0	0
<b>NET ASSETS</b>		<u>606</u>	<u>194</u>	<u>39</u>	<u>839</u>
<b>CAPITAL AND RESERVERS</b>					
Called up share capital		0	0	0	0
Profit and loss account		606	194	39	839
<b>TOTAL SHAREHOLDERS FUNDS</b>		<u>606</u>	<u>0</u>	<u>39</u>	<u>839</u>



# AB SCIEX UK LIMITED

## NOTES TO THE ACCOUNTS Year ended 31 December 2015

### RECONCILIATION OF TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2014

	Notes	UK GAAP £000	Reclass- ifications £000	Remeasure- ments £000	FRS 101 £000
<b>TURNOVER</b>		12,094	0	0	12,094
Cost of sales		(7,322)	0	0	(7,322)
<b>GROSS PROFIT</b>		4,772			4,772
Administrative expenses					
- Goodwill impairment	1	(194)	194	0	(0)
- Other		(4,373)	0	0	(4,373)
<b>OPERATING PROFIT / (LOSS)</b>		205	0	0	399
Interest payable and similar charges		(22)	0	0	(22)
<b>PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		183	194	0	377
Tax (charge) / credit on profit / (loss) on ordinary activities		(21)	(0)	0	(21)
<b>PROFIT / (LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION</b>		162	194	0	356
<b>Other comprehensive income for the year, net of tax</b>		0	0	0	0
<b>Total comprehensive income for the year, net of tax</b>		162	194	0	356

Notes to the reconciliation of equity as at 1 January 2014 and 31 December 2014 and total comprehensive income for the year ended 31 December 2014

1 Goodwill - Per IFRS, goodwill amortization is not allowed, however NBV of goodwill at conversion will be considered as deemed cost, therefore to re-state the NBV value at 31 Dec 2013 (£194k)

2 Dilapidations provision - Full accrual required under IFRS, therefore accrual at 31 Dec 2013 in UK GAAP accounts (2013:£66k; 2014:£85k) will be reclassified as amortisation of the fixed asset, and the total accrual £193k will be amortised over life of lease (10 years)

3 Demo inventory 2014 - Reclassify £85k demo stocks from inventory to fixed assets

4 Excludes deferred tax effect of remeasurements purpose (2013:£123k; 2014:£81k)

## AB SCIEX UK LIMITED

### NOTES TO THE ACCOUNTS Year ended 31 December 2015

#### 3. TURNOVER

The detailed analysis of turnover by geographical area has been omitted, as the directors believe that this information would be seriously prejudicial to the interests of the company.

	2015 £000	2014 £000
Sales of goods	9,581	8,073
Rendering of services	4,123	4,021
	<u>13,704</u>	<u>12,094</u>

Turnover relates to sales and services within the United Kingdom.

#### 4. OPERATING PROFIT

Operating profit is stated after charging / (crediting):

	2015 £000	2014 £000
Depreciation of tangible fixed assets		
- on owned assets	345	147
Amortisation of intangible assets	0	0
Operating lease rentals		
- land and buildings	297	284
- other	393	373
Auditors' remuneration*	0	0
(Gain)/Loss on disposal of fixed assets	146	0
Exchange differences	<u>(41)</u>	<u>12</u>

\* Audit fees are borne by AB Sciex Finance B.V.

\*\* The company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the group accounts of its parent Danaher Corporation.

# AB SCIEX UK LIMITED

## NOTES TO THE ACCOUNTS Year ended 31 December 2015

### 5. STAFF COSTS

#### (a) Staff costs

	2015 £000	2014 £000
<b>Staff costs during the year</b>		
Wages and salaries	4,286	3,918
Social security costs	712	662
Other pension costs	294	267
	<u>5,292</u>	<u>4,847</u>
	2015 No.	2014 No.
<b>Average numbers of persons employed</b>		
Sales and distribution	58	56
Administration	25	20
Research and development	0	0
	<u>83</u>	<u>76</u>

Included in other pension costs relate the defined benefit scheme.

#### (b) Directors' emoluments

	2015 £000	2014 £000
The following disclosures are in respect of qualifying services provided by the directors of the company		
Aggregate emoluments in respect of qualifying services	<u>0</u>	<u>0</u>
Aggregate value of contributions paid by the company to money purchase pension schemes	<u>0</u>	<u>0</u>
	2015 No.	2014 No.
Number of directors who exercised share options	<u>0</u>	<u>0</u>
Number of directors accruing benefits under money purchase schemes	<u>0</u>	<u>0</u>

None of the directors received emoluments from the company during the period in respect of their services to the company. None of the directors' emoluments paid by other group companies was allocated to the company.

None of the directors were members of the pension scheme in the period and none received benefits under money purchase pension schemes.

No director received shares in respect of qualifying services or exercised share options in either the current or preceding period.

**AB SCIEX UK LIMITED**

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2015**

**6. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2015</b>	<b>2014</b>
	<b>£000</b>	<b>£000</b>
Bank interest payable	4	0
Other interest payable	5	22
Interest payable on finance leases	0	0
	<u>9</u>	<u>22</u>

**7. TAX ON PROFIT / (LOSS) ON ORDINARY ACTIVITIES**

(a) Tax charged in the income statement

	<b>2015</b>	<b>2014</b>
	<b>£000</b>	<b>£000</b>
<b><i>Current UK tax</i></b>		
Corporation tax at the standard rate of 20.25% / 21.5%	0	0
Adjustment in respect of prior periods	0	0
	<u>0</u>	<u>0</u>
<b><i>Deferred tax</i></b>		
- In respect of all other assets and liabilities	(64)	25
Adjustment in respect of prior periods	(13)	(4)
Adjustment in respect of change in tax rates	0	0
	<u>(77)</u>	<u>21</u>
Taxation charge / (credit) for the year	<u>(77)</u>	<u>21</u>

## AB SCIEX UK LIMITED

### NOTES TO THE ACCOUNTS Year ended 31 December 2015

#### (b) Reconciliation of the total tax charge

The differences between the total current tax shown above and the amount calculated by applying the rate of UK corporation tax to the profit before tax are as follows:

	2015 £000	2014 £000
<b>Profit before tax</b>	406	377
Tax on profit on ordinary activities at standard UK corporation tax rate of 20.25% (2014: 21.5%)	82	81
Effects of:		
Expenses/(income) not deductible/(taxable) for tax purposes	69	(27)
RDEC group relief surrendered for nil consideration	0	(27)
Prior year adjustment to deferred tax	11	(2)
Group relief surrendered for nil consideration	(13)	(4)
Adjustment in respect of prior periods	(226)	(0)
<b>Total tax expense reported in the income statement</b>	<u>(77)</u>	<u>21</u>

#### (c) Deferred Tax

Deferred tax asset/ (liability) is provided as follows:

	Other	
	2015 £000	2014 £000
Deferred tax asset as at 1 January	120	141
(Charge)/credit to profit and loss account	64	(21)
Adjustment in respect of prior years	<u>13</u>	<u>0</u>
Deferred tax asset as at 31 December	<u>197</u>	<u>120</u>

The deferred tax included in the company income statement is as follows:

	Recognised		Not recognised	
	2015 £000	2014 £000	2015 £000	2014 £000
Fixed assets	126	47	0	0
Trade losses	0	0	0	0
Short term timing differences	<u>72</u>	<u>73</u>	<u>0</u>	<u>0</u>
Deferred tax (asset)/liability as at 31 December	<u>197</u>	<u>120</u>	<u>0</u>	<u>0</u>

#### (d) Change in Corporation Tax rate

The tax rates to be used are those which have been enacted or substantively enacted by the balance sheet date. For UK tax rates, 'substantively enacted' means that the Act or other measure legislating that rate has passed through all stages of reading by the House of Commons (ie the act has had its third reading). Finance No.2 Bill 2015 became substantively enacted on 26 October 2015, and as such the tax

## **AB SCIEX UK LIMITED**

### **NOTES TO THE ACCOUNTS** **Year ended 31 December 2015**

rate was reduced from 20% to 19% effective 1 April 2017 and to 18% effective 1 April 2020. It was announced in the 2016 Budget that the tax rate will further reduce to 17% from 1 April 2020; when this is enacted it is not expected to have a material impact on the accounts.

Under FRS 101, deferred tax should be measured using the tax rates that are expected to apply to the reversal of the timing differences. As such, deferred tax has been calculated at 19%.

## AB SCIEX UK LIMITED

### NOTES TO THE ACCOUNTS Year ended 31 December 2015

#### 8. INTANGIBLE FIXED ASSETS

	Goodwill £000	Total £000
<b>Cost</b>		
At 1 January 2015	1,181	1,181
Additions	0	0
Disposals	(0)	(0)
Write off	(0)	(0)
At 31 December 2015	<u>1,181</u>	<u>1,181</u>
<b>Amortisation</b>		
At 1 January 2015	0	0
Charge for the year	0	0
Disposals	0	0
Impairment charge for the year	0	0
At 31 December 2015	<u>0</u>	<u>0</u>
<b>Net book value</b>		
At 31 December 2015	<u>1,181</u>	<u>1,181</u>
At 1 January 2015	<u>1,181</u>	<u>1,181</u>

Goodwill acquired through business combinations has been allocated to one cash-generating unit, in which AB Sciex UK as a whole is one CGU under IFRS, it is not possible to divide AB Sciex UK into multiple CGUs.

This represents the lowest level at which goodwill is monitored for internal management purposes.

The recoverable amount of the CGU has been determined based on a value in use calculation using cash flow projections based on financial budgets approved by the board covering a three-year period.

The carrying amount of Goodwill has no significant impairment in comparison to the fair market value less cost of disposal.

The useful lives of Goodwill are indefinite, since the management considers this type of intangible asset cannot exist independently of the business, nor can it be sold, purchased or transferred separately without carrying out the same transactions for the business as a whole.

**AB SCIEX UK LIMITED**

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2015**

**9. TANGIBLE FIXED ASSETS**

	<b>Dilapidations</b>	<b>Leasehold</b>	<b>Fixtures,</b>	
	<b>£000</b>	<b>improvements</b>	<b>fittings, plant</b>	<b>Total</b>
		<b>£000</b>	<b>&amp; machinery</b>	<b>£000</b>
			<b>£000</b>	
<b>Cost</b>				
At 1 January 2015	0	629	772	1,401
Additions	193	8	564	765
Disposals	(0)	(0)	(378)	(378)
At 31 December 2015	193	637	958	1,788
<b>Depreciation</b>				
At 1 January 2015		284	516	800
Charge for the year	89	63	282	434
Disposals	(0)	(0)	(233)	(233)
At 31 December 2015	89	347	565	1,001
<b>Net book value</b>				
At 31 December 2015	104	290	393	787
At 1 January 2015	0	346	255	601

Fixtures, fittings and machinery are neither held under operating lease nor in finance lease.

**10. STOCKS**

	<b>2015</b>	<b>2014</b>
	<b>£000</b>	<b>£000</b>
Finished goods and goods for resale	632	799
	<u>632</u>	<u>884</u>

The estimated replacement cost of stock does not differ significantly from the above.

**11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2015</b>	<b>2014</b>
	<b>£000</b>	<b>£000</b>
Trade debtors	2,891	4,099
Amounts owed by other group undertakings	1,728	465
Prepayments and accrued income	159	212
	<u>4,778</u>	<u>4,776</u>



# AB SCIEX UK LIMITED

## NOTES TO THE ACCOUNTS Year ended 31 December 2015

### 12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £000	2014 £000
Trade creditors	227	229
Amounts owed to other group undertakings	407	2,322
Other taxation and social security	657	772
Accruals and deferred income	3,645	2,991
	<u>4,936</u>	<u>6,314</u>

### 13. PROVISION FOR LIABILITIES AND CHARGES

	Warranty provision £000	Onerous lease and dilapidations provision £000	Restructuring provision £000	Total £000
At 1 January 2015				
- Current	131	0	0	131
-Non-current	0	0	0	0
	<u>131</u>	<u>0</u>	<u>0</u>	<u>131</u>
Utilised/paid during the year	0	0	0	0
Arising during the year	0	193	1,079	1,272
Reversal of unused amounts	(1)	0	0	(1)
Movement in discount rate	0	0	0	0
At 31 December 2015	<u>130</u>	<u>193</u>	<u>1,079</u>	<u>1,402</u>
- Current	130	0	1,079	1,209
-Non-current	0	193	0	193
	<u>130</u>	<u>193</u>	<u>1,079</u>	<u>1,402</u>

#### Warranty provision

The provision for product warranties relates to expected warranty claims on products sold in the period. It is expected that this expenditure will be incurred in the next financial year. Assumptions used to calculate the provision for warranties were based on current sales levels and current information available about returns based on the one year warranty period for all products sold.

#### Onerous lease and dilapidations provision

A provision is recognised for expected rental costs of empty properties net of potential rental income until the end of the lease.

A dilapidation provision is also recognised for the expected cost of returning the leasehold property to the state and condition required by the lease agreements at their termination.

#### Restructuring provision

During 2015, the company recorded office restructuring charges totalling £1,079 (2014: £ nil).

# AB SCIEX UK LIMITED

## NOTES TO THE ACCOUNTS Year ended 31 December 2015

### 14. CALLED UP SHARE CAPITAL

	2015 £	2014 £
<b>Called up, allotted and fully paid</b>		
1 ordinary shares of £1 each (2014: 1)	1	1
	<u>1</u>	<u>1</u>

### 15. GUARANTEES AND OBLIGATIONS UNDER LEASES

#### Guarantees

The company has not provided guarantees at 31 December 2015.

#### Operating lease agreements where the Company is lessee

The office rent has been renewed from August 2015, and will be expired in August 2020, contingent rent payable is determined.

There are no special clauses on restrictions imposed by the lease arrangement.

Future minimum rentals payable under non-cancellable operating leases are as follows:

	Land and buildings 2015 £000	Other 2015 £000	Land and buildings 2014 £000	Other 2014 £000
Not later than one year	0	26	163	43
After one year but more than five years	0	596	0	191
After five years	1,283	0	0	0
	<u>1,283</u>	<u>622</u>	<u>163</u>	<u>234</u>

#### Operating lease agreements where the Company is lessor

Total contingent rents recognises as income in the period is £19k.

Reagent rental are with local channel partners for instruments.

Future minimum rentals receivable under non-cancellable operating leases are as follows:

	2015 £000	2014 £000
Not later than one year	0	0
After one year but more than five years	211	0
After five years	7	0
	<u>218</u>	<u>0</u>

## **AB SCIEX UK LIMITED**

### **NOTES TO THE ACCOUNTS** **Year ended 31 December 2015**

#### **16. PENSION ARRANGEMENTS**

##### *Defined contribution schemes*

The group operates a defined contribution pension scheme and makes contributions to a number of money purchase personal pension schemes on behalf of its employees and directors. The pension cost charge represents contributions payable by the company and amounted to £293,942 (2014: £267,416). The unpaid pension contribution as at year end was £52,592 (2014: £39,874).

#### **17. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The company's immediate parent undertaking is Launchchange Operations Limited, a company incorporated in the United Kingdom.

The ultimate parent undertaking and controlling party is Danaher Corporation, a company incorporated in the USA.

The largest and smallest group in which the results of the company are consolidated is Danaher Corporation, a company incorporated in the USA. The consolidated financial statements of this group are available to the public and may be obtained from 2200 Pennsylvania Avenue, Suite 800 West, Washington DC 20037, USA.

#### **18. RELATED PARTY DISCLOSURES**

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries.