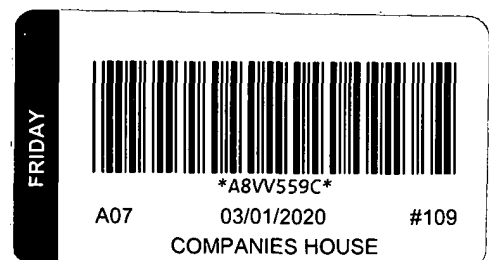


Broomco 4263 Limited

**Directors' Report and Financial
Statements**

Registered number 00339801
For the year ended 30 June 2019



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Directors' Report

The directors present their report and audited financial statements for the year ended 30 June 2019. The Company was entitled to exemption from preparing a strategic report under section 414B of the Companies Act 2006.

Results and dividends

The Company did not trade during the current or prior year. The directors anticipate that the Company will not resume trading in the coming years. The results for the year are set out on page 5. The directors do not recommend the payment of a final dividend (2018: £nil) for the year.

Directors

The Directors who were in office during the year and up to the date of signing the financial statements were:

ID Page

RJ Cotton (resigned 3 April 2019)

AG Griffin (appointed 4 April 2019)

Statement of directors' responsibilities in respect of the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Directors' Report *(continued)*

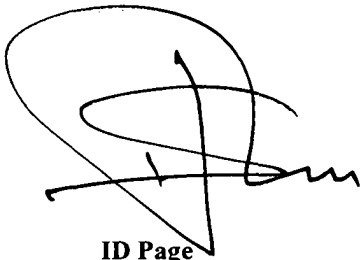
Directors' and officers' liability

The Company maintains an appropriate level of directors' and officers' insurance whereby directors are indemnified against liabilities to third parties to the extent permitted by the Companies Act 2006. The directors also benefitted from qualifying third party indemnity provisions in place during the financial year and at the date of the report. A copy of the indemnity provisions will be available for inspection upon request at the registered office.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment was approved by the shareholders.

On behalf of the board



ID Page
Director

24 Cheshire Avenue
Cheshire Business Park
Lostock Gralam
Northwich
CW9 7UA

18 December 2019

Independent auditors' report to the members of Broomco 4263 Limited

Report on the audit of the financial statements

Opinion

In our opinion, Broomco 4263 Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2019 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Directors' Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 30 June 2019; the income statement and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

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. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Independent auditors' report to the members of Broomco 4263 Limited (continued)

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 30 June 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements set out on page 1, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

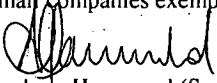
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Andrew Hammond (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham

18 December 2019

Income statement

for the year ended 30 June 2019

During the financial year under review and the previous financial year the Company did not trade and received no income and incurred no expenses. Consequently, during the year the Company made neither a profit nor a loss and has no other comprehensive income.

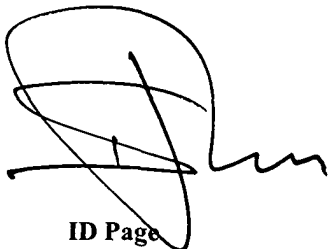
Statement of financial position

as at 30 June 2019

	<i>Note</i>	2019 £000	£000	2018 £000	£000
Current assets					
Trade and other receivables	3	1,665		1,665	
Net current assets			<u>1,665</u>		<u>1,665</u>
Net assets			<u>1,665</u>		<u>1,665</u>
Equity					
Issued share capital	4	1,665		1,665	
Retained earnings		-		-	
Total shareholders' funds			<u>1,665</u>		<u>1,665</u>

The notes on pages 7 to 9 form part of these financial statements.

The financial statements on pages 5 to 9 were approved by the Board of Directors on 18 December 2019 and were signed on its behalf by:



ID Page
 Director

Company number: 00339801

Statement of changes in equity
for the year ended 30 June 2019

	Issued share capital £000	Retained earnings £000	Total shareholders' funds £000
For the year ended 30 June 2018			
Balances at 1 July 2017	1,665	-	1,665
Result for the financial year	-	-	-
Balances at 30 June 2018	1,665	-	1,665
For the year ended 30 June 2019			
Balances at 1 July 2018	1,665	-	1,665
Result for the financial year	-	-	-
Balances at 30 June 2019	1,665	-	1,665

Notes to the financial statements

1. Principal accounting policies

General information

Broomco 4263 Limited is a non-trading company. The Company is incorporated and domiciled in the UK. The address of the registered office is 24 Cheshire Avenue, Cheshire Business Park, Lostock Gralam, Northwich, CW9 7UA.

Basis of preparation

The financial statements of Broomco 4263 Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. There are no areas involving a high degree of judgement.

The following exemptions have been taken in preparing the financial statements;

- a) The requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 'Share-based Payment', exempting the Company from preparing share based payment disclosures.
- b) The requirements of IFRS 7 'Financial Instruments: Disclosures'
- c) The following requirements of IAS 1:
 - Paragraphs 10(d) and 111, exempting the Company from providing a cash flow statement and information;
 - Paragraph 16, exempting the Company from providing a statement of compliance with all IFRSs;
 - Paragraph 38A, exempting the Company from the requirement for a minimum of two of each primary statement and the related notes;
 - Paragraph 38B to D, exempting the Company from the requirement to present additional comparative information; and
 - Paragraphs 134 to 136, exempting the Company from presenting Capital Management disclosures.
- d) The requirements of IAS 7 'Statement of Cash Flows', exempting the Company from preparing a cash flow statement
- e) The requirements of paragraph 17 of IAS 24 'Related Party Disclosures', exempting the Company from disclosing details of all key management compensation.
- f) The requirements in IAS 24 'Related Party Disclosures' to disclose related party transactions with wholly-owned members of the Group.
- g) The requirements of paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' exempting the company from disclosing the impact of new accounting standards that have been issued but are not yet effective.

The directors intend that the Company will take advantage of the above disclosure exemptions for the year ended 30 June 2020.

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.

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

Notes to the financial statements *(continued)*

1. Principal accounting policies *(continued)*

Adoption of new and revised standards

The following relevant standards, amendments to standards or interpretations have been adopted for the first time from 1 July 2018.

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The adoption of IFRS 9 'Financial Instruments' from 1 July 2018 resulted in changes in accounting policies but did not have a material impact on the financial statements for the year 30 June 2019, or retained earnings at 1 July 2018. In accordance with the transitional provisions in IFRS 9, comparative figures have not been restated.

Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the country where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Amounts owed by Subsidiary Undertakings

Amounts owed by subsidiary undertakings are initially recognised at fair value and subsequently measured at this value less loss allowances, calculated using the three stage IFRS 9 model. On transition to IFRS9, an assessment has been performed of the Company's loss allowance provision and noted that there is no material difference in the carrying amount of the amounts owed to subsidiary undertakings. On this basis no transitional adjustment has been recognised.

Share capital

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

Financial guarantee contracts

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other group companies, the Company considers these to be insurance arrangements, and accounts for them as such. In this respect, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

2. Result on ordinary activities before taxation

No directors received any emoluments in respect of services as a director of the Company during the current or preceding financial year. There were no employees other than directors in either year.

Auditors' remuneration has been borne by the ultimate parent undertaking in both years.

3. Trade and other receivables

	2019	2018
	£000	£000
Amounts owed by group undertakings	1,665	1,665
	<u> </u>	<u> </u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed dates of repayments and are repayable on demand.

Notes to the financial statements (continued)

4. Issued share capital

	2019 £000	2018 £000
<i>Allotted and fully paid:</i>		
1,515,000 (2018: 1,515,000) ordinary shares of £1 each	1,515	1,515
150,000 (2018: 150,000) fixed rate preference shares of £1 each	150	150
	<hr/>	<hr/>
	1,665	1,665
	<hr/>	<hr/>

In the event of a dividend being declared, the fixed rate preference shares are entitled to a non-cumulative dividend of 5% of the paid up amount. The fixed rate preference shares carry all of the voting rights at general meetings of the Company. On a winding up, the preference shareholders are entitled to the amounts credited as paid up.

5. Controlling parties

The immediate parent undertaking is Veneto Limited. The ultimate parent undertaking and the smallest and largest group to consolidate these financial statements is Dechra Pharmaceuticals PLC.

Copies of the group financial statements of Dechra Pharmaceuticals PLC may be obtained from the Company Secretary at 24 Cheshire Avenue, Cheshire Business Park, Lostock Gralam, Northwich, CW9 7UA.