

3164101

PATHEON UK LIMITED

Report and Accounts

31 October 2002



Patheon UK Limited

Registered number: 3764421

DIRECTORS

R Tedford
A Braca
J Blaker

SECRETARY

R Morris

REGISTERED OFFICE

Kingfisher Drive
Covingham
Swindon
Wiltshire
SN3 5BZ

BANKERS

HSBC
The Forum
Marlborough Road
Swindon
SN3 1QN

SOLICITORS

Macfarlanes
10 Norwich Street
London
EC4A 1BD

AUDITORS

Ernst & Young LLP
Apex Plaza
Reading
Berkshire
RG1 1YE

Patheon UK Limited

DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31 October 2002.

PRINCIPAL ACTIVITY, REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The principal activity of the company is one of providing commercial manufacturing and development services for prescription and over-the-counter drugs to the international pharmaceutical industry.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £386,000 (2001: £629,000). A preference dividend of £120,000 was paid during the year. No ordinary dividends were recommended by the directors.

DISABLED EMPLOYEES

The Company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the Company's policy wherever practical to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

EMPLOYEE INVOLVEMENT

The Company has the policy of providing employees with information including a quarterly newsletter and all employee meetings conducted through monthly sessions. In addition, regular focus group sessions are conducted between management and employees to allow for a free flow of information and ideas. A bonus scheme for all employees is in operation that is linked to financial performance of the company.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year are shown on page 2. No director had any disclosable interest in the share capital of the company during the year.

AUDITORS

The shareholders approved the re-appointment of Ernst & Young LLP as auditors on March 18th 2002.

On behalf of the board



Robert C. Tedford
Director

Date:

28 August 2003

Patheon UK Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts for each financial period which 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 those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 1985. 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 AUDITORS' REPORT TO THE MEMBERS OF PATHEON (UK) LIMITED

We have audited the company's financial statements for the year ended 31 October 2002, which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet and the related notes 1 to 24. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' 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 auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 October 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP
Registered Auditor
Apex Plaza, Reading, Berkshire, RG1 1YE
Date 29/10/03

Ashley

Patheon UK Limited

PROFIT AND LOSS ACCOUNT for the year ended 31 October 2002

	Notes	2002 £'000	2001 £'000
TURNOVER	2	31,589	28,131
Change in work in progress		165	(510)
Raw materials and consumables		(9,720)	(9,743)
Staff costs	5	(15,770)	(12,621)
Depreciation and amortisation		(872)	(590)
Other operating charges		(5,471)	(4,150)
Interest payable and similar charges	6	(315)	(171)
Interest receivable and other income	7	592	410
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	198	756
Tax on profit on ordinary activities	8	188	(127)
PROFIT FOR THE FINANCIAL YEAR		386	629
Preference dividends payable on non-equity shares	9	(120)	(120)
PROFIT RETAINED FOR THE FINANCIAL YEAR		266	509

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES for the year ended 31 October 2002

There were no recognised gains and losses other than the profit attributable to shareholders of £386,000 in the year ended 31 October 2002 (2001: £629,000).

Patheon UK Limited

BALANCE SHEET
at 31 October 2002

	Notes	31 October 2002 £'000	31 October 2001 £'000
FIXED ASSETS			
Intangible asset	10	(16,609)	(17,446)
Tangible assets	11	32,940	31,417
		<u>16,331</u>	<u>13,971</u>
CURRENT ASSETS			
Stocks	12	4,130	4,230
Debtors	13	4,683	4,157
		<u>8,813</u>	<u>8,387</u>
CREDITORS: amounts falling due within one year	14	18,182	16,241
NET CURRENT (LIABILITIES)/ASSETS		<u>(9,369)</u>	<u>(7,854)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,962</u>	<u>6,117</u>
CREDITORS: amounts falling due after more than one year			
Loans	15	2,621	1,861
Obligations under finance leases and hire purchase contracts	16	18	26
		<u>2,639</u>	<u>1,887</u>
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	17	292	465
		<u>4,031</u>	<u>3,765</u>
CAPITAL AND RESERVES			
Called-up share capital	18	2,100	2,100
Profit and loss account	19	1,931	1,665
Shareholders' funds:			
Equity		<u>2,031</u>	<u>1,765</u>
Non equity		<u>2,000</u>	<u>2,000</u>
		<u>4,031</u>	<u>3,765</u>

The accounts were approved by the Board of Directors on

and signed on its behalf by

Robert C. Tedford, Director



Patheon UK Limited

NOTES TO THE ACCOUNTS at 31 October 2002

1. ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention. In preparing the financial statements for the current year, the company has adopted FRS 17 'Retirement Benefits', FRS 18 'Accounting Policies' and FRS 19 'Deferred Taxation'.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Buildings	40	Years
Computer Hardware	4	Years
Computer Software	3	Years
Plant and Equipment	15	Years
Laboratory Equipment	5	Years
Furniture and Fittings	10	Years
Change Parts	5	Years

Goodwill

Goodwill is the difference between the consideration paid for the acquired entity and the aggregated amount of the fair value of that entity's identifiable assets and liabilities. Negative goodwill up to the fair values of the non-monetary assets acquired is recognised in the profit and loss account in the period in which the non-monetary assets are recovered, whether through depreciation or sale.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Deferred taxation

Deferred taxation is provided using the liability method on all timing differences, including those relating to pensions and other post retirement benefits, to the extent they are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing differences will reverse.

Deferred tax assets are only recognised if recovery without replacement by equivalent debit balances is reasonably certain.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

All exchange differences are taken to the profit and loss account.

Operating and finance leases

Rentals payable under operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of the future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligations are charged to profit & loss account over the periods of the leases and represent a constant proportion of the balance of capital repayments outstanding.

Patheon UK Limited

NOTES TO THE ACCOUNTS at 31 October 2002

1 ACCOUNTING POLICIES (continued)

Cash flow statement

The company has adopted the provisions under FRS1 (Revised) and has not prepared a cash flow statement.

Pensions

The company operates a defined benefit pension scheme, which requires contributions to be made to a separately administered trust fund. Contributions to these funds are charged in the profit and loss account so as to spread the cost of pensions over the employees working lives with the company.

2. TURNOVER

Turnover, which is stated net of value added tax, represents the amount derived from the provision of services which fall within the Company's continuing ordinary activities. Turnover is attributable to one continuing activity, the provision of manufacturing and development services to the pharmaceutical industry.

The analysis by geographic market is as follows:

	2002 £'000	2001 £'000
United Kingdom	5,073	8,274
Other geographical regions	26,516	19,857
	<u>31,589</u>	<u>28,131</u>

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAX

This is stated after charging/(crediting):

	2002 £'000	2001 £'000
Depreciation of owned fixed assets	1,705	1,547
Depreciation of assets held under finance lease	<u>4</u>	<u>1</u>
	1,709	1,548
Amortisation of negative goodwill	<u>(837)</u>	<u>(958)</u>
Depreciation & Amortisation	<u>872</u>	<u>590</u>
Auditors' remuneration	24	19
Non -audit Services	13	10
Operating lease rentals – plant and machinery	175	133

4. DIRECTORS' REMUNERATION

The directors did not receive any remuneration for their services during the year to 31 October 2002. None of the directors were members of the pension scheme.

Patheon UK Limited

NOTES TO THE ACCOUNTS
at 31 October 2002

5. STAFF COSTS

	2002 £'000	2001 £'000
Wages and salaries	13,300	10,660
Social security costs	996	771
Other pension costs	1,474	1,190
	<u>15,770</u>	<u>12,621</u>

	2002 No.	2001 No.
<i>The average monthly number of employees during the year was as follows:</i>		
Production & service	306	254
Administration and other	226	245
	<u>532</u>	<u>499</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2002 £'000	2001 £'000
Interest payable to group undertakings	103	110
Finance charges payable under finance leases	26	2
Bank charges	186	59
	<u>315</u>	<u>171</u>

7. INTEREST RECEIVABLE AND OTHER INCOME

	2002 £'000	2001 £'000
Bank interest receivable	-	48
Gain on foreign exchange	592	362
	<u>592</u>	<u>410</u>

Patheon UK Limited

NOTES TO THE ACCOUNTS
at 31 October 2002

8. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2002 £'000	2001 £'000
UK corporation tax (credit) / charge		
Prior year adjustment	(15)	17
Deferred taxation	(173)	110
	<u>(188)</u>	<u>127</u>

Factors affecting current tax

The tax assessed on the profit on ordinary activities for the period is lower than the standard rate of corporation tax in the UK of 30% (2001: 30%). The differences are reconciled below:

	2002 £'000	2001 £'000
Profit on ordinary activities before tax	198	756
Profit on ordinary activities multiplied by standard rate of Corporation tax in UK of 30.00% (2001: 30.00%)	59	227
Effect of:		
Expenses not deductible for tax purposes	7	(16)
Depreciation in excess of capital allowances	63	(493)
Other timing differences	(139)	(108)
Adjustments in respect of prior periods	(15)	17
Unrelieved tax losses	10	390
Total current tax	<u>(15)</u>	<u>17</u>

Factors that may affect future tax charges

There is an unrecognised deferred tax asset of £21,870. The asset relates to a non-trading deficit on loan relationships, which is available to carry forward. This deficit will be recoverable against non-trading profits of the company for future accounting periods.

9. DIVIDENDS

	2002 £'000	2001 £'000
Non-equity dividend on preference shares:		
Interim dividend	60	60
Final dividend	60	60
	<u>120</u>	<u>120</u>

Patheon UK Limited

NOTES TO THE ACCOUNTS
at 31 October 2002

10. INTANGIBLE ASSET

	<i>Negative Goodwill £'000</i>
Cost:	
At 1 November 2001	(19,302)
At 31 October 2002	(19,302)
Amortisation:	
At 1 November 2001	1,856
Written back during the year	837
At 31 October 2002	2,693
Net book value:	
31 October 2002	(16,609)
1 November 2001	(17,446)

Negative goodwill arising on the acquisition of the trade and assets of Hoechst Marion Roussel (HMR) Swindon is being written back to profit and loss in line with the period in which the non-monetary assets are recovered, whether through depreciation or sale.

Patheon UK Limited

NOTES TO THE ACCOUNTS
at 31 October 2002

11. TANGIBLE FIXED ASSETS

	<i>Land and buildings £'000</i>	<i>Plant and machinery £'000</i>	<i>Fixtures and fittings £'000</i>	<i>Total £'000</i>
Cost:				
At 1 November 2001	15,355	18,900	126	34,381
Additions	330	2,733	169	3,232
At 31 October 2002	15,685	21,633	295	37,613
Depreciation:				
At 1 November 2001	707	2,230	27	2,964
Provided during the year	350	1,347	12	1,709
At 31 October 2002	1,057	3,577	39	4,673
Net book value:				
At 31 October 2002	14,628	18,056	256	32,940
At 1 November 2001	14,648	16,670	99	31,417

The net book value of plant and machinery above includes an amount of £48,000 (2001:£52,000) in respect of assets held under finance leases.

The land is held under a long-term lease and has a net Book Value at October 2002 of £1,485,000 (2001= £1,508,000).

12. STOCKS

	<i>2002 £'000</i>	<i>2001 £'000</i>
Raw material	2,493	2,753
Engineering stores	422	407
Work in process	1,215	1,070
	4,130	4,230

13. DEBTORS

	<i>2002 £'000</i>	<i>2001 £'000</i>
Trade debtors	4,148	3,611
Amounts due to parent undertaking	82	63
Corporation Tax	15	73
Prepayments	438	410
	4,683	4,157

Patheon UK Limited

NOTES TO THE ACCOUNTS
at 31 October 2002

14. CREDITORS: amounts falling due within one year

	2002 £'000	2001 £'000
Current instalment due on bank loan (note 15)	480	-
Obligations under finance leases and hire purchase contracts (note 16)	14	14
Overdraft	3,994	1,642
Trade creditors	1,692	1,759
Amounts due to parent undertaking	10,213	10,811
Corporation tax	-	-
Other taxes and social security costs	509	177
Accruals	1,280	1,838
	<u>18,182</u>	<u>16,241</u>

The bank overdraft is secured by mortgage on leasehold property and both fixed and floating charges over certain of the Company's other assets.

15. LOANS

	2002 £'000	2001 £'000
Wholly repayable within five years; £1,861,299 from Patheon Europe Rt. at Libor plus 2%, wholly repayable in July 2006	1,861	1,861
£1,240,000 from HSBC relating to Asset Finance at Libor plus 2%, wholly repayable by May 2005	<u>1,240</u>	<u>-</u>
	3,101	1,861
Less: Included in creditors; amounts falling due within one year	<u>(480)</u>	<u>-</u>
	<u>2,621</u>	<u>1,861</u>

Patheon UK Limited

NOTES TO THE ACCOUNTS
at 31 October 2002

16. OBLIGATIONS UNDER FINANCE LEASES AND HIRE PURCHASE CONTRACTS

The maturity of these amounts is as follows:

	2002 £'000	2001 £'000
Amounts payable:		
Within one year	14	14
In two to five years	22	31
	<u>36</u>	<u>45</u>
Less: finance charges allocated to future periods	7	7
	<u>29</u>	<u>38</u>
Finance leases are analysed as follows:		
Current obligations	11	12
Non-current obligations	18	26
	<u>29</u>	<u>38</u>

17. PROVISIONS FOR LIABILITIES AND CHARGES

Provision for deferred tax

	Deferred tax liability £'000
At 1 st November 2001	465
Released to Profit and loss account	(83)
Adjustments in respect of prior years	(90)
As at 31 October 2002	<u>292</u>

The deferred tax consists of:

	2002 £'000	2001 £'000
Accelerated capital allowances	864	855
Other timing difference	(572)	(390)
Total deferred tax liabilities	<u>292</u>	<u>465</u>
Undiscounted net deferred tax liability	292	465
Discount	-	-
Discounted net deferred tax liabilities	<u>292</u>	<u>465</u>

Patheon UK Limited

NOTES TO THE ACCOUNTS at 31 October 2002

18. SHARE CAPITAL

	<u>Authorised</u>		<u>Allotted, called-up and fully paid</u>	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
	<i>No</i>	<i>No</i>	<i>£'000</i>	<i>£'000</i>
Ordinary shares of £1 each	2,000,000	2,000,000	100	100
6% preference shares of £1 each	8,000,000	8,000,000	2,000	2,000
Total	10,000,000	10,000,000	2,100	2,100

The preference shares were issued at par. They carry a dividend right of 6% per annum payable half yearly in April and October. The dividend rights are cumulative. On a winding up of the company the preference shares have the right to receive, in preference to ordinary shareholders, £1 per share plus any accrued dividend. The preference shares carry voting rights at meetings of 1 vote per share whereas the ordinary shares carry 100 votes per share.

19. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	<u>Share capital</u>	<u>Profit and loss account</u>	<u>Total</u>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
At 31 October 2001	2,100	1,665	3,765
Profit for the year	-	266	266
At 31 October 2002	2,100	1,931	4,031

20. OTHER FINANCIAL COMMITMENTS

The company had annual commitments under non-cancellable operating leases as set out below:

	<u>2002</u>	<u>2001</u>
	<i>£'000</i>	<i>£'000</i>
Operating leases which expire		
Within one year	4	16
In two to five years	318	303
	322	319

Patheon UK Limited

NOTES TO THE ACCOUNTS at 31 October 2002

21. RELATED PARTY TRANSACTIONS

Patheon UK is a 100% owned subsidiary of Patheon Inc. and accordingly is not required to disclose related party transactions with companies within the same group.

22. CAPITAL COMMITMENTS

Amounts contracted for but not provided in the accounts amounted to £1.0 million as at 31st October 2002. (2001; £1.4 million)

23. PENSIONS

In line with the requirements of FRS17, published by the Accounting Standards board in November 2000, details in respect of the scheme are provided below in accordance with both SSAP24 and FRS17.

(a) SSAP24

Patheon UK operates a defined benefit scheme with contributions being paid into a separately administered trust fund. Pension costs are determined with the advice of an independent actuary.

The Patheon UK Pension Plan scheme was established by the company following the acquisition by Patheon UK Limited of the HMR Swindon facility. The determination of the amount of the bulk transfer of assets from the HMR scheme to the Patheon UK Scheme to cover pension liabilities associated with the past service of members transferring to the new scheme, as at the date of acquisition, is being finalised between the respective actuaries.

Total pension costs for the period under SSAP 24 are disclosed in note 5 to the accounts.

(b) FRS17 "Retirement Benefits" Disclosures

An actuarial valuation was undertaken as at 30 September 2001. This valuation was updated to 31 October 2002, by an independent qualified actuary, in accordance with the transitional arrangements of FRS17. As required by FRS17, the defined benefit liabilities have been measured using the projected unit method.

The major assumptions used by the actuary to calculate scheme liabilities at 31 October 2002 under FRS 17 were (in normal terms):

Rate of increase in salaries	4.40%
Rate of increase of pensions in payment	2.40%
Discount rate	5.60%
Inflation assumption	2.40%

Patheon UK Limited

NOTES TO THE ACCOUNTS
at 31 October 2002

23. PENSIONS (CONTINUED)

The assets in the scheme and the expected rate of return were:

	<i>Long-term rate of return expected a 31 October 2002 %</i>	<i>Value at 31 October 2002 £'000</i>	<i>Long-term rate of return expected a 31 October 2001 %</i>	<i>Value at 31 October 2001 £'000</i>
Equities	8.00%	17,230	7.50%	15,770
Bonds	4.50%	2,660	4.40%	2,560
Other	4.10%	250	4.40%	190
Total market value of assets		20,140		18,520
Actuarial present value of liabilities		(27,380)		(24,520)
Deficit in the scheme		(7,240)		(6,000)
Related deferred tax asset		2,170		1,800
Net pension liability		(5,070)		(4,200)

Note that the figures include assets and liabilities anticipated to be transferred from HMR Pension and Life Assurance Scheme under the terms of the sale and purchase agreement relating to the acquisition of Patheon UK Limited from HMR.

The reconciliation of net assets and reserves under FRS 17 is as follows:

	<i>2002 £'000</i>
Net assets	
Net assets as stated in balance sheet excluding pension liability	4,031
Pension liability	(5,070)
Net assets including pension liability	(1,039)
Reserves	
Profit and loss reserve excluding pension liability	1,931
Pension liability under FRS 17	(5,070)
Profit and loss reserve including amounts relating to defined benefit scheme deficit	(3,139)

Contributions are at the rate of 15% of pensionable salaries and have been agreed until receipt of the bulk transfer from the HMR Pension and Life Assurance scheme.

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NOTES TO THE ACCOUNTS
at 31 October 2002

Patheon UK Pension Plan

Patheon UK Limited

	£m	£m
Accounting period	2002/03	2001/02
	<i>Projected</i>	
Analysis of the amount charged to operating profit		
Employer's part of current service cost	1.60	1.30
Total operating charge/(credit)	<u>1.60</u>	<u>1.30</u>
Analysis of the amount credited / (charged) to other finance income		
Expected return on pension scheme assets	1.54	1.33
Interest on pension scheme liabilities	(1.56)	(1.39)
Net return - credit/(charge)	<u>(0.02)</u>	<u>(0.06)</u>
Analysis of amount recognised in Statement of Recognised Gains and Losses (STRGL)		
Actual return less expected return on pension scheme assets		(0.44)
Experience gains and (losses) arising on the scheme liabilities		(0.19)
Changes in assumptions underlying the present value of scheme liabilities		(0.60)
Actuarial gain / (loss) recognised in STRGL		<u>(1.23)</u>
Movement in scheme surplus during the year		
Surplus / (deficit) in scheme at beginning of the year		(6.00)
Movement in year:		

Patheon UK Limited

NOTES TO THE ACCOUNTS at 31 October 2002

Current service cost	(1.62)
Aggregate contributions	1.67
Other finance income / (expense)	(0.06)
Actuarial gain/(loss) recognised in STRGL	(1.23)
Surplus / (deficit) in scheme at end of the year	<u>(7.24)</u>

History of experience gain and losses

Difference between expected and actual return on scheme assets:

Amount - gain / (loss)	(0.44)
Percentage of scheme assets	(2%)

Experience gains and losses on scheme liabilities

Amount - gain / (loss)	(0.19)
Percentage of the present value of the scheme liabilities	(1%)

Total amount recognised in STRGL

Amount - gain / (loss)	(1.23)
Percentage of the present value of the scheme liabilities	(4%)

24. ULTIMATE PARENT UNDERTAKING

The company's ultimate parent company is Patheon Inc., a company incorporated in Canada. The smallest and largest group of which the company is a member and for which group accounts are prepared is Patheon Inc. A copy of the group accounts can be obtained from the headquarters at the following address: -

Patheon Inc.
7070 Mississauga Road, Suite 350
Mississauga
Ontario, L5N 7K8
Canada