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Ulixes Limited

Report and Financial Statements

31 December 2011

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COMPANIES HOUSE

Directors

W T Hill
S Duyfjes
A Weaver Fisher

Secretary

Pinsent Masons Secretarial Limited
1 Park Row
Leeds
LS1 5AB

Auditors

Ernst & Young LLP
1 Bridgewater Place
Water Lane
Leeds
LS11 5QR

Registered Office

Aquarius House
6 Mid Point Business Park
Thornbury
Bradford
BD3 7AY

Registered No 06371237

Directors' report

The directors present their report and financial statements for the year ended 31 December 2011

Results and dividends

The loss for the year after taxation amounted to £12,390,000 (2010 – loss of £3,570,000) The directors do not recommend a final dividend (2010 – £nil)

Principal activity and review of the business

The company has acted, and continues to act, since incorporation as a holding company Details of subsidiary undertakings are included in note 6

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

	2011 £000	2010 £000
Shareholders' funds	45,923	58,313

Excluding loans owed to its parent undertaking the company has net assets of £228,064,000 (2010 – £170,406,000)

Future developments

The directors intend the company to continue to act as a holding company

Principal risks and uncertainties

The company holds significant investments in group companies and there is a risk that these investments will not be recovered, although as the group continues to produce positive cash flows the directors are confident of their recoverability

The company has three unsecured interest bearing intercompany loans with its ultimate parent, Univar Inc, all of which are denominated in US Dollars The interest and exchange risk is mitigated by the fact that the loans are from a fellow group company

Going concern

The company participates in the group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook After making enquiries, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future Univar Inc has also agreed to continue to support the company until at least 1 October 2013

Directors

The directors who served the company during the year and subsequently were as follows

W T Hill

C Jeusse (resigned with effect from 11 May 2012)

A Weaver Fisher

S Duyfjes (appointed with effect from 11 May 2012)

Directors' report (continued)

Directors' liabilities

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provisions remain in force as at the date of approving the directors' report.

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

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



S Duyfjes - Director

8 August 2012

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

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

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

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

Independent auditors' report

to the members of Ulixes Limited

We have audited the financial statements of Ulixes Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 13. 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).

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 4, 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 (APB'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. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the 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 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

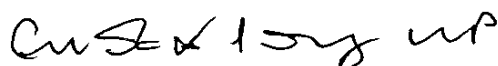
Independent auditors' report (continued)

to the members of Ulixes 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



Alastair John Richard Nuttall (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP (Statutory Auditor)

Leeds
13 August 2012

Profit and loss account

for the year ended 31 December 2011

	Notes	2011 £000	2010 £000
Turnover			
Administrative expenses		-	-
Exchange loss		(3,651)	(4,633)
Operating loss	2	(3,651)	(4,633)
Interest payable and similar charges	4	(10,023)	(6,738)
Loss on ordinary activities before taxation		(13,674)	(11,371)
Tax	5	1,284	7,801
Loss for the financial year	11	(12,390)	(3,570)

All amounts relate to continuing activities

Statement of total recognised gains and losses

for the year ended 31 December 2011

There are no recognised gains or losses other than the loss attributable to the shareholders of the company of £12,390,000 in the year ended 31 December 2011 (2010 – loss of £3,570,000)

Balance sheet

at 31 December 2011

	Notes	2011 £000	2010 £000
Fixed assets			
Investments	6	243,718	243,718
Current assets			
Debtors amounts falling due within one year	7	9,976	11,356
Creditors: amounts falling due within one year	8	(207,771)	(196,761)
Net current liabilities		(197,796)	(185,405)
Total assets less current liabilities		45,923	58,313
Net assets		45,923	58,313
Capital and reserves			
Called up share capital	9	-	-
Capital reserve	10	104,356	104,356
Profit and loss account	10	(58,433)	(46,043)
Shareholders' funds	11	45,923	58,313

The financial statements of Ulixes Limited (registered number 06371237) were approved by the board of directors and authorised for issue on August 2012. They were signed on its behalf by



S Duyfjes
Director

8 August 2012

Notes to the financial statements

at 31 December 2011

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards

Going concern

The company participates in the group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries. As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook. After making enquiries, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Univar Inc has also agreed to continue to support the company until at least 1 October 2013. Accordingly, the management continue to adopt the going concern basis in preparing the annual report and financial statements.

Group financial statements

The company has not prepared group financial statements as it is a wholly owned subsidiary undertaking of a company which itself prepares group financial statements and so is exempt by virtue of section 400 of the Companies Act 2006. These financial statements present information about the company as an individual undertaking and not about its group.

Statement of cash flows

Under FRS 1 (Revised 1996) the company is exempt from the requirement to prepare a statement of cash flows on the grounds that it is a wholly owned subsidiary undertaking and group financial statements in which the company is included are publicly available.

Investments

Investments in subsidiaries are stated in the balance sheet at cost less any provisions for impairment. The carrying value of investments is reviewed on an annual basis for any signs of impairment. When a provision for impairment is deemed necessary the resulting expense is charged to the profit and loss account.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with following exceptions:

- Provision is made for deferred taxation that would arise on remittance of the retained earnings of subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable.
- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Notes to the financial statements

at 31 December 2011

1. Accounting policies (continued)

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 retranslated at the rate of exchange ruling at the balance sheet date.

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

Interest-bearing loans and borrowings

All interest-bearing loans and borrowings are initially recognised at net proceeds. After initial recognition debt is increased by the finance cost in respect of the reporting period and reduced by repayments made in the period.

Finance costs of debt are allocated over the term of the debt at a constant rate on the carrying amount.

2. Operating loss

This is stated after charging/(crediting)

	2011 £000	2010 £000
Exchange loss	3,651	4,633
Auditors' remuneration – audit fees	-	-

Auditors' remuneration of £1,000 in the current year was borne by a fellow group company (2010 £1,000).

3. Directors' remuneration and staff costs

No remunerations were paid to the directors in the current year or preceding year for their services to the company. The company had no employees during the year apart from the directors.

The directors of the company are also directors of the holding company and/or fellow subsidiaries. The directors received remuneration for the year of £3,000 (2010 – £3,000) in relation to qualifying services as directors of this company, all of which was paid by Univar Inc and Univar Benelux SA.

4. Interest payable and similar charges

	2011 £000	2010 £000
Bank loans	416	2,033
Group interest	8,536	4,413
Finance expenses	1,071	292
	<u>10,023</u>	<u>6,738</u>

Notes to the financial statements

at 31 December 2011

5. Tax

(a) Tax on loss on ordinary activities

The tax credit is made up as follows

	2011 £000	2010 £000
Current tax:		
UK corporation tax on the loss for the year	(4,038)	(3,184)
Adjustments in respect of prior year	(119)	(1,744)
Total current tax (note 5(b))	<u>(4,157)</u>	<u>(4,928)</u>
Deferred tax:		
Adjustments in respect of prior year	2,820	(2,979)
Tax rate adjustment	53	106
Total deferred tax	<u>2,873</u>	<u>(2,873)</u>
Tax on loss on ordinary activities	<u>(1,284)</u>	<u>(7,801)</u>

(b) Factors affecting tax credit for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 26.5% (2010 – 28%). The differences are explained below

	2011 £000	2010 £000
Loss on ordinary activities before tax	<u>(13,674)</u>	<u>(11,371)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 26.5% (2010 – 28%)	(3,624)	(3,184)
Effects of		
Non-deductible finance costs	2,405	–
Reversal of timing differences	(2,819)	–
Prior year adjustments	(119)	(1,744)
Current tax for the year (note 5(a))	<u>(4,157)</u>	<u>(4,928)</u>

A deferred tax asset totalling £3,209,000 (2010 – £3,466,000) in respect of non-trade deficits has not been recognised due to uncertainty over the future utilisation

Notes to the financial statements

at 31 December 2011

5. Tax (continued)

(c) Deferred tax

The elements of deferred taxation are as follows

	2011 £000	2010 £000
Timing differences	–	2,873
Deferred tax asset (note 11)	–	2,873

The movements in deferred taxation during the current year are as follows

	£000
At 1 January 2011	2,873
Deferred tax charge in profit and loss account (note 5(a))	(2,873)
At 31 December 2011	–

(d) Factors that may affect future tax

The Finance Act 2011 received Royal Assent on 19 July 2011 and enacted a reduction in the main rate of corporation tax to 25% with effect from 1 April 2012. Deferred tax has therefore been provided at 25%.

On 21 March 2012, it was announced in the 2012 Budget that the main rate of corporation tax effective from 1 April 2012 will be 24%. It is also currently expected that further reductions of 1% per annum will result in a decrease in the main rate of corporation tax to 22% from 1 April 2014.

If these above changes had been substantially enacted at the balance sheet date, the deferred tax asset would have been unchanged.

The aggregate impact of the proposed reductions from 25% to 22% would reduce the unprovided deferred tax asset by approximately £385,000.

6. Investments

	Subsidiary undertakings £000
Cost	
At 1 January 2011 and 31 December 2011	243,718

The company has taken advantage of section 405(2) of the Companies Act 2006 and disclosed only those investments whose results or financial position materially affected the figures shown in the company's annual financial statements.

Notes to the financial statements

at 31 December 2011

6. Investments (continued)

The material investments in which the company holds at least 20% of the nominal value of any class of share capital, all of which are unlisted, are as follows

<i>Name of company</i>	<i>Holding</i>	<i>Proportion of voting rights and shares held</i>	<i>Nature of business</i>
Univar UK Limited	Ordinary/Preference shares	100%	Holding company
Univar UK Holdings Limited*	Ordinary shares	100%	Holding company
Ellis & Everard (UK Holdings) Limited*	Ordinary shares	100%	Holding company
Distrupol Limited *	Ordinary shares	100%	Chemical distribution
Univar Limited *	Ordinary shares	100%	Chemical distribution
Univar Specialty Consumables Limited*	Ordinary shares	100%	Consumables

*Investment held by subsidiary undertaking

7. Debtors

	<i>2011 £000</i>	<i>2010 £000</i>
Amounts due within one year		
Amounts owed by subsidiary undertakings	8,476	8,483
Corporation tax	1,500	–
Deferred tax (note 5(c))	–	2,873
	<u>9,976</u>	<u>11,356</u>

8. Creditors: amounts falling due within one year

	<i>2011 £000</i>	<i>2010 £000</i>
Amounts owed to subsidiary undertakings	25,630	27,484
Amounts owed to parent undertaking – loan	182,068	111,313
– other	73	780
Bank loans	–	56,854
Accrued expenses	–	5
Corporation tax	–	325
	<u>207,771</u>	<u>196,761</u>

The intercompany borrowings are unsecured and have no set date for repayment. Interest is charged on the loan of £182,068,000, from Ulixes Ltd's parent undertaking, at a rate of 4.2594% for £106,652,000 and 7.5% for £75,416,000. This loan and associated interest is denominated in US Dollars. No interest is charged on any other group borrowings.

Notes to the financial statements

at 31 December 2011

9. Issued share capital

	No	2011 £000	No	2010 £000
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	100	<u>—</u>	100	<u>—</u>

10. Movement reserves

	<i>Profit and loss account</i> £000	<i>Capital reserve</i> £000
At 1 January 2011	(46,043)	104,356
Loss for the year	(12,390)	—
At 31 December 2011	<u>(58,433)</u>	<u>104,356</u>

11. Reconciliation of shareholders' funds and movements on reserves

	2011 £000	2010 £000
Opening shareholders' funds	58,313	61,883
Loss for the year	(12,390)	(3,570)
Closing shareholders' funds	<u>45,923</u>	<u>58,313</u>

12. Related party transactions

The directors have taken advantage of the exemption in FRS 8, paragraph 3(c), and have not disclosed related party transactions with parent and fellow subsidiary undertakings

13. Ultimate parent undertaking and controlling party

Univar Inc is the immediate parent, ultimate parent undertaking, and controlling party

Group financial statements, incorporating Ulixes Limited, for year ending 31 December 2011 were drawn up by Univar Inc, a company incorporated in the USA. Financial statements are publicly available from 17425 NE Union Hill Road, Redmond, WA 98052, USA