

**Cephalon (UK) Limited**  
Registered number 03207745

**Annual report and financial statements  
for the year ended 31 December 2018**

SATURDAY



\*A8EYQ2EG\*

A24

28/09/2019

#158

COMPANIES HOUSE

# **Cephalon (UK) Limited**

## **Annual report and financial statements for the year ended 31 December 2018**

### **Contents**

Directors and advisers .....	1
Strategic report for the year ended 31 December 2018.....	2
Directors' report for the year ended 31 December 2018 .....	3
Independent auditors' report to the members of Cephalon (UK) Limited.....	5
Profit and loss account for the year ended 31 December 2018 .....	8
Balance sheet as at 31 December 2018. ....	9
Statement of changes in equity for the year ended 31 December 2018.....	10
Notes to the financial statements for the year ended 31 December 2018 .....	11

# **Cephalon (UK) Limited**

## **Directors and advisers**

### **Directors**

K Innes  
D Cooper

### **Independent auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Central Square  
29 Wellington Street  
Leeds  
LS1 4DL

### **Registered office**

Ridings Point  
Whistler Drive  
Castleford  
West Yorkshire  
WF10 5HX

### **Registered number**

03207745

# Cephalon (UK) Limited

## Strategic report for the year ended 31 December 2018

The directors present their strategic report on the company for the year ended 31 December 2018.

### Business review

On 1 January 2018 the beneficial interest in the business and assets of Cephalon (UK) Limited was transferred at net book value to Teva UK Limited, a fellow group company.

During the year the company effected a reduction in its share premium account, the capitalisation of its Other Reserves, and subsequent reduction of its share capital. The result of these transactions was the creation of an increased distributable reserve position for Cephalon (UK) Limited and consequently a dividend of £91,221,283 was paid in December 2018 (2017: Nil). Further details are provided in the Directors' report.

The company had net assets of £3 at 31 December 2018 (2017: £91,221,286) which the directors believe to represent a solvent position.

### Key performance indicators ("KPIs")

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

### Principal risks and uncertainties

The company did not trade during the year and the directors do not expect the company to trade in the foreseeable future. Going forward it is expected that the company will be dormant. The directors seek to limit the effects of future risks through the continuing support of group companies.

On behalf of the board:



**D Cooper**  
Director

31 July 2019

# **Cephalon (UK) Limited**

## **Directors' report for the year ended 31 December 2018**

The Directors present their annual report and the audited financial statements of the company for the year ended 31 December 2018.

### **Results and dividends**

The profit for the financial year is £nil (2017: £3,722,511). The directors paid a dividend of £91,221,283 for the year to 31 December 2018 (2017: £nil). The directors do not recommend the payment of a final dividend (2017: £nil).

### **Review of business**

On 1 January 2018 the beneficial interest in the business and assets of Cephalon (UK) Limited was transferred at net book value to Teva UK Limited, a fellow group company.

In November 2018, the company resolved to capitalise £15,446,235 credited to its Other Reserves by allotting to Teva UK Holdings Limited 15,446,235 ordinary shares of £1 each in the capital of the company credited as fully paid.

Immediately following this allotment, the existing (increased) share capital of the company was reduced by way of a capital reduction from £20,446,235 to £1 by cancelling all but one of the issued ordinary fully paid shares of £1 each in the company. Further, an amount of £19,950,000 credited to its Share Premium account was cancelled with the reserve thereby arising of £40,396,234 transferred to the profit and loss account to be treated as realised profits.

Finally the directors paid a dividend of £91,221,283.

### **Principal activities and future developments**

The company did not trade during the year and the directors do not expect the company to trade in the foreseeable future. The only transactions during the year were those described in the review of business above. Following these transactions the company was dormant. Going forward it is expected that the company will continue to be dormant.

### **Directors' indemnities**

The company maintains liability insurance for its directors and officers. In accordance with Group policy, the company has also provided an indemnity for its directors, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006. This indemnity was in force during the financial year and also at the date of approval of the financial statements.

### **Directors**

The Directors who held office during the year and up to the date of signing these financial statements are shown below:

R Williams	(resigned 27 June 2018)
K Innes	
D Cooper	(appointed 12 July 2018)

### **Financial risk management**

The directors seek to limit the effects of future risks through the continuing support of group companies.

# Cephalon (UK) Limited

## Directors' report for the year ended 31 December 2018 (continued)

### Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and 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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 102, 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.

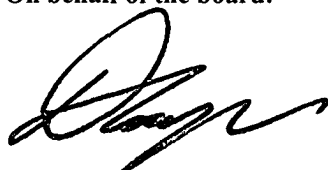
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies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

On behalf of the board:



D Cooper  
Director

31 July 2019

# Cephalon (UK) Limited

## Independent auditors' report to the members of Cephalon (UK) Limited

### Report on the audit of the financial statements

---

#### Opinion

In our opinion, Cephalon (UK) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2018; the profit and loss account 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.

# Cephalon (UK) Limited

## Independent auditors' report to the members of Cephalon (UK) Limited (continued)

With respect to the Strategic Report and 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.

### *Strategic Report and Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2018 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 Strategic Report and 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 4, 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](http://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.



# Cephalon (UK) Limited

## Independent auditors' report to the members of Cephalon (UK) Limited (continued)

---

### Other required reporting

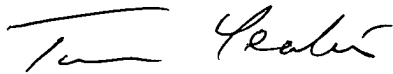
---

#### 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.



Tom Yeates (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Leeds

31 July 2019

## Cephalon (UK) Limited

### Profit and loss account for the year ended 31 December 2018

	Note	2018 £	2017 £
Turnover	3	-	18,103,668
Cost of sales		-	(11,325,126)
<b>Gross profit</b>		-	6,778,542
Distribution costs	4	-	(6,775,025)
Administrative expenses	4	-	(565,247)
Other operating income	5	-	4,515,515
<b>Profit before taxation</b>		-	3,953,785
Tax on profit	8	-	(231,274)
<b>Profit for the financial year</b>		-	3,722,511

All of the activities shown above relate to discontinued operations.

The company has no recognised gains and losses other than the profits presented above and therefore no separate statement of comprehensive income has been presented for the financial years stated above.

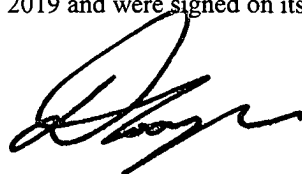
# Cephalon (UK) Limited

## Balance sheet as at 31 December 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Intangible assets	9	-	4,288,134
		-	4,288,134
<b>Current assets</b>			
Stocks	10	-	6,342,552
Debtors	11	3	85,732,921
		3	92,075,473
<b>Creditors: amounts falling due within one year</b>	12	-	(5,142,321)
<b>Net current assets</b>		3	86,933,152
<b>Total assets less current liabilities and net assets</b>		3	91,221,286
<b>Capital and reserves</b>			
Called-up share capital	13	1	5,000,000
Share premium account		-	19,950,000
Other reserves		1	15,446,236
Profit and loss account		1	50,825,050
<b>Total shareholders' funds</b>		3	91,221,286

The financial statements on pages 8 to 17 were approved by the board of directors on 2019 and were signed on its behalf by

31 July



**D Cooper**  
Director

Registered number: 03207745

# Cephalon (UK) Limited

## Statement of changes in equity for the year ended 31 December 2018

	Called-up share capital	Share premium account	Other reserves	Profit and loss account	Total shareholders' funds
	£	£	£	£	£
At 1 January 2017	5,000,000	19,950,000	15,446,236	47,102,539	87,498,775
Profit for the financial year	-	-	-	3,722,511	3,722,511
<b>At 31 December 2017</b>	<b>5,000,000</b>	<b>19,950,000</b>	<b>15,446,236</b>	<b>50,825,050</b>	<b>91,221,286</b>
Result for the financial year	-	-	-	-	-
Capitalisation and share cancellation	(4,999,999)	-	(15,446,235)	20,446,234	-
Cancel share premium	-	(19,950,000)	-	19,950,000	-
Dividend	-	-	-	(91,221,283)	(91,221,283)
<b>Total transactions with owners, recognised directly in equity</b>	<b>(4,999,999)</b>	<b>(19,950,000)</b>	<b>(15,446,235)</b>	<b>(50,825,049)</b>	<b>(91,221,283)</b>
<b>At 31 December 2018</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>3</b>

# Cephalon (UK) Limited

## Notes to the financial statements for the year ended 31 December 2018

### 1. Accounting policies

#### Basis of accounting and preparation

The financial statements are prepared on a going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom, including Financial Reporting Standard 102 (FRS 102), "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland".

Cephalon (UK) Limited is a private company limited by shares and incorporated in the United Kingdom under the Companies Act and is registered in England. The address of the company's registered office is shown on page 1.

The company's functional and presentational currency is the pound sterling.

The principal accounting policies are set out below and have been consistently applied throughout the current and preceding year.

#### Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- The company has taken advantage of the exemption, under FRS 102 paragraph 1.12 (b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, Teva Pharmaceutical Industries Limited, includes the company's cash flows in its own consolidated financial statements;
- The financial instruments disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, as the information is provided in the consolidated financial statement disclosures; and
- The requirements of Section 33 Related Party Disclosures paragraph 33.1.

#### Turnover

Turnover represents amounts receivable for goods and support provided in the normal course of business, net of trade discounts and value added tax. Turnover is recognised at the point of delivery of non-returnable goods to customers, or at the point of completion of the performance of services, when the significant risks and rewards of ownership have been transferred to the buyer and the amount of turnover can be measured reliably.

#### Other operating income

Other operating income includes income from licensing of intellectual property owned by the company. It is recognised when the relevant contractual agreements have been satisfied.

# **Cephalon (UK) Limited**

## **Notes to the financial statements for the year ended 31 December 2018 (continued)**

### **1. Accounting policies (continued)**

#### **Intangible assets – intellectual property**

Intellectual property represents patents and other licenses for products and is recognised as an intangible asset. Such items acquired for valuable consideration are capitalised at cost only where such expenditure is specifically identified with a marketable product. Amortisation is provided to write-off the cost of intangible assets over the useful economic lives of the related products, which is between 10 and 20 years. Where factors such as technological advancement, commercial factors or changes in market price, indicate that residual value or useful economic life have changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new circumstances. The carrying value of intangible assets is periodically reviewed for such events or changes in circumstances, which may indicate that the carrying value is not recoverable and provision for impairment made accordingly.

#### **Intangible assets – purchased goodwill**

Positive purchased goodwill representing the excess of the fair value of the purchase consideration over the fair value of the assets acquired is capitalised and expensed to the profit and loss account in equal installments over the estimated useful economic life (between 4 and 15 years) of the business acquired.

The company evaluates the carrying value of goodwill in each financial year to assess for indicators of impairment and whether there is objective evidence of impairment in value, which would result in the inability to recover the carrying amount. When it is determined that the carrying value exceeds the recoverable amount, the excess is written off to the profit and loss account.

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value. Stock cost is determined on a first-in-first-out (FIFO) basis and includes materials, direct labour, and an attributable proportion of manufacturing overheads based on normal levels of activity. Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

Provision is made for any obsolete, slow-moving or defective items where appropriate.

#### **Taxation**

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax arises from timing differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved losses and other deferred tax assets are recognised only if it can be regarded as more likely than not that there will be taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date and that are expected to apply to the reversal of the timing difference. Deferred tax assets and liabilities are not discounted.

#### **Foreign currencies**

Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into sterling at the rates of exchange ruling at that date. Any gain or loss arising from foreign currency translation is recognised in the profit and loss account within the relevant statutory headings.

# Cephalon (UK) Limited

## Notes to the financial statements for the year ended 31 December 2018 (continued)

### 1. Accounting policies (continued)

#### Financial assets and liabilities

Basic financial assets and liabilities, including trade receivables and payables, cash and bank loans and amounts due to or from fellow group companies are initially recognised at transaction price. If the arrangement constitutes a financing transaction, it is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets are derecognised when the contractual rights to the cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

### 2. Critical accounting judgements and estimation uncertainty

In the application of the company's accounting policies, which are described in note 1, estimates and judgements are continually evaluated and are based upon historical experience and other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

#### (a) Critical judgements in applying the entity's accounting policies

There are no critical judgements in applying the entity's accounting policies.

#### (b) Critical accounting estimates and assumptions

There are no critical accounting estimates and assumptions.

### 3. Turnover

The company's activities consist solely of the sales and marketing of pharmaceutical products.

The geographical segment analysis by destination is provided below:

	2018 £	2017 £
United Kingdom	-	18,103,668

### 4. Operating expenses

	2018 £	2017 £
Distribution costs	-	6,775,025
Administrative expenses	-	565,247
<b>Total operating expenses</b>	<b>-</b>	<b>7,340,272</b>

### 5. Other operating income

	2018 £	2017 £
Royalties receivable for licensing of intellectual property	-	4,515,515

# Cephalon (UK) Limited

## Notes to the financial statements for the year ended 31 December 2018 (continued)

### 6. Operating profit

	2018 £	2017 £
Operating profit is stated after charging / (crediting)		
Amortisation of intangible assets	-	1,034,793
Cost of stock recognised as an expense	-	9,831,052
Impairment of stock recognised as an expense	-	19,857
Reversal of impairment of stock	-	(238,940)
Foreign exchange (gains)	-	(342,382)
Distribution costs recharged by fellow group companies	-	6,122,641
Administrative expenses recharged by fellow group companies	-	492,524

The audit and non-audit fees for the company were borne by Teva UK Limited as a combined fee for the group.

Amortisation of intangible assets is included in cost of sales.

### 7. Staff costs

The company has no employees other than the directors in the current year (2017: none).

#### Directors' emoluments

During the year no directors (2017: none) were remunerated by the company.

The emoluments of K Innes, D Cooper and R Williams (2017: K Innes and R Williams) were paid by Teva UK Limited, a fellow group undertaking. Their total emoluments are included in the aggregate of directors' emoluments disclosed in the financial statements of Teva UK Limited. The aforementioned directors were directors of a number of group undertakings in the United Kingdom. A recharge of £Nil (2017: £72,000) is included within administrative expenses to reflect an apportionment of their emoluments for the year.

In 2017 the emoluments of D Vrhovec were paid by Teva Pharmaceuticals Europe B.V. The total emoluments of this director are included in the aggregate of the directors' emoluments disclosed in the financial statements of Teva Pharmaceuticals Europe B.V.

During the year the company did not make any contributions for any of the directors to pension schemes.

### 8. Tax on profit

	2018 £	2017 £
<b>Current tax on profit for the year</b>		
UK corporation tax at 19% (2017: 19.25%)	-	221,645
<b>Current tax</b>	-	221,645
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	9,629
<b>Total deferred tax</b>	-	9,629
<b>Tax charge for the year</b>	-	231,274

The tax assessed for the year is the same as (2017: differs from) the standard effective rate of corporation tax in the UK for the year ended 31 December 2018 of 19% (2017: 19.25%). The differences are explained below:



# Cephalon (UK) Limited

## Notes to the financial statements for the year ended 31 December 2018 (continued)

### 8. Tax on profit (continued)

	2018 £	2017 £
Profit before taxation	-	3,953,785
Profit before taxation at UK rate of 19% (2017: 19.25%)	-	761,104
Effect of:		
Expenses not deductible for tax purposes	-	(1,274)
Group relief	-	(528,556)
<b>Total tax charge</b>	-	231,274

Deferred tax asset:

	2018 £	2017 £
Fixed asset timing differences	-	43,305
<b>Deferred tax asset</b>	-	43,305
At the start of the year	43,305	52,934
Deferred tax charge in profit and loss account	-	(9,629)
Transferred to Teva UK Limited	(43,305)	-
<b>Deferred tax asset at the end of the year</b>	-	43,305

Deferred tax assets and liabilities are calculated using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date and that are expected to apply to the reversal of the timing difference.

The Finance (No. 2) Act 2015 received Royal Assent on 18 November 2015 and announced reductions in the main rate of corporation tax to 19% from 1 April 2017 and to 18% with effect from 1 April 2020. The Finance Act 2016 received Royal Assent on 15 September 2016 and announced that the main rate of corporation tax effective from April 2020 would in fact be 17%.

### 9. Intangible assets

	Goodwill £	Intellectual Property £	Total £
<b>Cost</b>			
At 1 January 2018	8,623,663	45,075,533	53,699,196
Disposals	(8,623,663)	(45,075,533)	(53,699,196)
<b>At 31 December 2018</b>	-	-	-
<b>Accumulated amortisation</b>			
At 1 January 2018	7,998,694	41,412,368	49,411,062
Disposals	(7,998,694)	(41,412,368)	(49,411,062)
<b>At 31 December 2018</b>	-	-	-
<b>Net book amount</b>			
<b>At 31 December 2018</b>	-	-	-
At 31 December 2017	624,969	3,663,165	4,288,134

# Cephalon (UK) Limited

## Notes to the financial statements for the year ended 31 December 2018 (continued)

### 10. Stocks

	2018	2017
	£	£
Finished goods and goods for resale	-	6,342,552

There is no material difference between the replacement cost and net book value of stock.

### 11. Debtors

	2018	2017
	£	£
Amounts owed by group undertakings	3	85,689,616
Deferred tax (recoverable after more than one year – note 8)	-	43,305
	3	85,732,921

All the amounts due from group undertakings are unsecured and repayable on demand.

### 12. Creditors: amounts falling due within one year

	2018	2017
	£	£
Amounts owed to group undertakings	-	3,940,626
Corporation tax	-	7,085
Accruals and deferred income	-	1,194,610
	-	5,142,321

The amounts owed to other group undertakings are unsecured, non-interest bearing, and repayable on demand.

### 13. Called up share capital

	2018	2017
	£	£
<b>Authorised</b>		
5,000,000 (2017: 5,000,000) Ordinary shares of £1.00 each	5,000,000	5,000,000
<b>Allotted and fully paid</b>		
1 (2017: 5,000,000) Ordinary shares of £1.00 each	1	5,000,000

# Cephalon (UK) Limited

## Notes to the financial statements for the year ended 31 December 2018 (continued)

### 14. Financial instruments

The company has the following financial instruments:

	Note	2018 £	2017 £
Financial assets measured at amortised cost:			
Amounts owed by group undertakings	11	3	85,689,616
		3	85,689,616
Financial liabilities measured at amortised cost:			
Amounts owed to group undertakings	12	-	3,940,626
Accruals and deferred income	12	-	1,194,610
		-	5,135,236

### 15. Related party disclosures

The company is a wholly owned subsidiary of Teva Pharmaceutical Industries Limited whose consolidated financial statements are publicly available for inspection from the address in note 16. Consequently, the company has taken advantage of the exemption available under the terms of FRS 102 not to disclose related party transactions with group companies.

### 16. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Teva UK Holdings Limited, a company registered in England and Wales.

The directors regard Teva Pharmaceutical Industries Limited, a company incorporated in Israel, as the ultimate parent company and ultimate controlling party.

Teva Pharmaceutical Industries Limited is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 31 December 2018. The consolidated financial statements of Teva Pharmaceutical Industries Limited can be obtained from 5 Basel St., Petach Tikva 49131, Israel.