

Novartis UK Pension Trustees Limited

Directors' Report and Accounts
for the year ended 31 December 2010

Company number 03417278



Directors' report

Financial statements

The directors present their report and financial statements for the year ended 31 December 2010. These accounts have been prepared in accordance with the provisions applicable to the small companies regime.

Principal activity and review of the business

The principal activity of the company is to act as Trustee of The Novartis UK Pension Scheme.

The company did not trade during the year.

Directors

The directors who served during the year and to the date of signing (except as otherwise noted) were as follows:

Mr R Cory

Mr P A Lowndes

Miss S K Hothi

Dr A A Roberts

Mr G J Dumbleton

Mr J Clarkson (Resigned 1 January 2011)

Mrs I Matthews

Ms S Webb

Mrs H Roberts (Appointed 1 July 2010)

Directors' Responsibilities Statement

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 judgements and accounting estimates that are reasonable and prudent, and
- prepare the financial statements on a 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.

Directors' report (continued)

Auditor

Each of the persons who is a director at the date of approval of this report confirms that,

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

This confirmation is given in accordance with the provisions of s418 of the Companies Act 2006

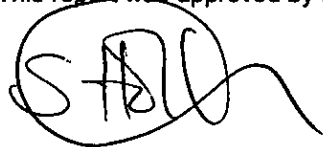
Deloitte LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting

Principal activity and review of the business

The principal activity of the company is to act as Trustee of The Novartis UK Pension Scheme

The company did not trade during the year

This report was approved by the Board on 28 July 2011

A handwritten signature in black ink, appearing to read 'S Hothi', enclosed within a circular scribble.

S Hothi
Director

Frimley Business Park
Frimley
Camberley
Surrey
GU16 7SR

Independent auditor's report to the members of Novartis UK Pension Trustees Limited

We have audited the financial statements of Novartis UK Pension Trustees Limited for the year ended 31 December 2010 which comprise the Balance Sheet and the related notes 1 to 5. 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 within the Directors' Report, 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 annual report 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 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 2010 and of its result 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.

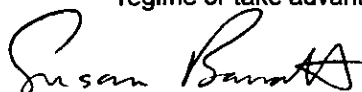
Opinion on other matter prescribed by the Companies Act 2006

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.

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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime or take advantage of the small companies exemption in preparing the directors' report.



Susan Barratt BA ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Reading, United Kingdom

28 July 2011

Notes to the financial statements

1 Accounting policies and basis of preparation

These financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards

2 Profit and loss account

The company did not trade during either the current or preceding financial year and made neither a profit nor a loss, nor any recognised gain or loss. Accordingly, no profit and loss account has been presented. There were no movements in equity shareholders' funds in either the current or preceding year. Audit fees of £500 in both the current and preceding year have been borne by the immediate parent company.

3 Parent undertaking

The directors regard Novartis AG, a company incorporated and registered in Switzerland, as the company's ultimate parent undertaking. Novartis AG is the parent undertaking of the largest group of which Novartis UK Pension Trustees is a member and for which group accounts are drawn up. The accounts are available from Novartis AG, Postfach, CH-4002, Basle, Switzerland, and on the internet.

Novartis UK Limited is the parent undertaking of the smallest group of which Novartis UK Pension Trustees Limited is a member and for which group accounts are drawn up. Copies of these group accounts will be delivered to, and are available from, the Registrar of Companies, Companies House Registration Office, Crown Way, Cardiff CF14 3UZ.

4 Information regarding directors and employees

The company had no employees during the year under review (2009: nil) other than the directors. The directors received no emoluments or waived emoluments during the year in respect of their services to the company (2009: £nil).

5 Related party transactions

The company has taken advantage of the exemption permitted by Financial Reporting Standard No 8, Related Party Disclosures, and not disclosed transactions with group companies.

Balance sheet

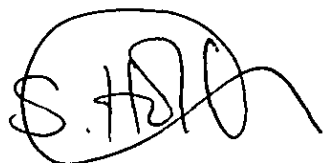
As at 31 December 2010

	2010 £	2009 £
Current assets		
Amount due from parent undertaking	<u>2</u>	<u>2</u>
Share capital		
<i>Called up allotted and fully paid</i>		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>
Shareholders' funds	<u>2</u>	<u>2</u>

The accounts have been prepared in accordance with the special provision applicable to companies subject to the small companies regime

The accompanying notes are an integral part of this balance sheet

The financial statements were approved by the Board on 28 July 2011



S Hothi
Director