

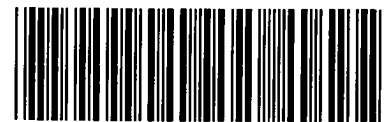
Registered number: 03943686

BREATH LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2019

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COMPANIES HOUSE

COMPANY INFORMATION

DIRECTORS

D Cooper
S Charlesworth

COMPANY NUMBER

03943686

REGISTERED OFFICE

Ridings Point
Whistler Drive
Castleford
West Yorkshire
England
WF10 5HX

INDEPENDENT AUDITORS

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

BREATH LIMITED
Annual report and financial statements
For the year ended 31 December 2019

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DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 December 2019.

Principal activities and future developments

The strategy of Breath Limited is and will continue to be the collection of royalty income for products for which it holds licences.

Results and dividends

The profit for the financial year amounted to £11,274,613 (2018: £33,541,014). The directors do not recommend the payment of a dividend (2018: £nil).

During 2018, the company received a final allocation of damages from a fellow group undertaking, following a legal settlement.

Political and charitable donations

The company made no political or charitable donations, or incurred any political expenditure during the year (2018: £nil).

Financial risk management

The company's activities expose it to a number of financial risks including liquidity risk, interest rate risk and foreign currency risk. The company tries to limit those risks through the support of its parent company.

Liquidity risk

The company manages its liquidity risk by ensuring sufficient facilities are available for at least the next 12 months and enjoys the support of shareholders and group banking arrangements.

Foreign currency risk

The company is exposed to movements in foreign exchange rates as a result of undertaking transactions in foreign currencies. The company does not hedge against currency risks associated with such transactions.

Directors

The directors who served during the year and until the date of signing the financial statements were:

S Charlesworth (appointed 29 April 2020)

K Innes (resigned 29 April 2020)

D Cooper

Directors' indemnities

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

Going concern

The directors believe that preparing the financial statements on a going concern basis is appropriate due to the continued financial support of Teva Pharmaceuticals Europe B.V., a fellow group company. The directors have received confirmation from Teva Pharmaceuticals Europe B.V. that it has pledged its continuing support for a minimum of 12 months from the date of signing these financial statements.

Events after the end of the reporting period

Dividend

On 18 June 2020 a debtor owed by a fellow group undertaking of £96,282,670 was assigned and novated to the company's immediate parent, Arrow Group ApS. On the same date, the company declared a dividend payable to Arrow Group ApS of £96,282,670, and the dividend payable was set off against the aforementioned assignment amount.

COVID-19

In March 2020, the World Health Organization declared the outbreak of a new Coronavirus, now known as COVID-19. The outbreak of the virus has caused material disruptions to the global economy. The company considers the emergence and spread of COVID-19 to be a non-adjusting post balance sheet event as of 31 December 2019. Given the nature of the company's activities, it is unlikely to have a material impact on the company's operations, however management continues to closely monitor the situation.

DIRECTORS' REPORT (continued)

Strategic report

The company has taken advantage of the exemption available in s414B of the Companies Act 2006 from preparing a strategic report as the company is entitled to prepare financial statements for the year in accordance with the small companies' regime.

Statement of directors' responsibilities in respect of the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 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.

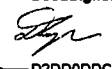
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies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

This report was approved by the board and signed on its behalf by:

DocuSigned by:

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D Cooper

Director

20-Aug-2020

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BREATH LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Breath Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit 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 2019; 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

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- 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.

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.

Reporting on other information

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

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BREATH LIMITED (continued)*Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit*Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements set out on page 2, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Use of this report

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

Other required reporting**Companies Act 2006 exception reporting**

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

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

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



Tom Yeates (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds
14 August 2020

BREATH LIMITED
Annual report and financial statements
For the year ended 31 December 2019

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2019

		2019	2018
	Note	£	£
TURNOVER	4	782,969	476,767
GROSS PROFIT		782,969	476,767
Administrative income/(expenses)		1,470,679	(15,525)
OPERATING PROFIT BEFORE EXCEPTIONAL ITEMS	5	2,253,648	461,242
Exceptional items	6	-	39,894,364
OPERATING PROFIT AFTER EXCEPTIONAL ITEMS		2,253,648	40,355,606
Interest receivable and similar income	8	1,262,782	476,934
PROFIT BEFORE TAXATION		3,516,430	40,832,540
Tax on profit	9	7,758,183	(7,291,526)
PROFIT FOR THE FINANCIAL YEAR		11,274,613	33,541,014

All amounts relate to continuing operations. There were no items of Other Comprehensive Income in either the current or preceding financial year and hence a Statement of Comprehensive Income has not been presented.

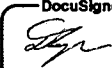
The notes on pages 8 to 14 form part of these financial statements.

BREATH LIMITED
Annual report and financial statements
For the year ended 31 December 2019

BALANCE SHEET
as at 31 December 2019

		2019		2018	
	Note	£	£	£	£
CURRENT ASSETS					
Debtors	10	96,650,740		93,133,389	
Cash at bank and in hand		2,218		3,139	
		<u>96,652,958</u>		<u>93,136,528</u>	
CREDITORS: amounts falling due within one year	11	-		(7,758,183)	
NET CURRENT ASSETS AND NET ASSETS		<u>96,652,958</u>		<u>85,378,345</u>	
CAPITAL AND RESERVES					
Called up share capital	13		100		100
Profit and loss account			96,652,858		85,378,245
TOTAL SHAREHOLDERS' FUNDS			<u>96,652,958</u>		<u>85,378,345</u>

The financial statements on pages 5 to 14 were approved by the Board of Directors and signed on its behalf by:

DocuSigned by:

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D Cooper
Director

20-Aug-2020

The notes on pages 8 to 14 form part of these financial statements.

BREATH LIMITED
Annual report and financial statements
For the year ended 31 December 2019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up Share Capital £	Profit and loss account £	Total shareholders' funds £
Balance as at 1 January 2018	100	51,837,231	51,837,331
Profit and total comprehensive income for the financial year	-	33,541,014	33,541,014
Balance as at 31 December 2018	100	85,378,245	85,378,345
Profit and total comprehensive income for the financial year	-	11,274,613	11,274,613
Balance as at 31 December 2019	100	96,652,858	96,652,958

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The company is a private company limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and registered and domiciled in England, United Kingdom. The address of its registered office is Ridings Point, Whistler Drive, Castleford, West Yorkshire, England, WF10 5HX.

2. STATEMENT OF COMPLIANCE

The financial statements of Breath Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared on a going concern basis under the historical cost convention. The preparation is in conformity with FRS 102 and requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

3.2 CASH FLOW

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.

3.3 GOING CONCERN

The directors believe that preparing the financial statements on a going concern basis is appropriate due to the continued financial support of Teva Pharmaceuticals Europe B.V., a fellow group company. The directors have received confirmation from Teva Pharmaceuticals Europe B.V. that it has pledged its continuing support for a minimum of 12 months from the date of signing these financial statements.

3.4 FINANCIAL INSTRUMENTS

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments. The company does not have any financial instruments other than debtors and creditors. Due to the short-term nature of these balances, the company considers the fair value of these items to be equal to their carrying values.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 TAXATION

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

3.5.1 Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates the position taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

3.5.2 Deferred tax

Deferred taxes arise from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other taxable profits. Deferred tax assets and liabilities are not discounted.

3.6 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the profit and loss account.

3.7 CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

3.8 TURNOVER

Turnover comprises royalties receivable for intellectual property owned by the company. It is recognised when the relevant contractual agreements have been satisfied.

3.9 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.9 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

The estimates and critical judgments which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below:

3.9.1 Critical estimates

The following estimates have had the most significant effect on amounts recognised in the financial statements.

Impairment of debtors

The company makes an estimate of the recoverable value of debtors. When assessing impairment of debtors, management consider factors including the ageing profile of debtors and historical experience.

3.9.2 Critical judgements

There are no critical accounting judgements that have had significant effect on amounts recognised in the financial statements.

4. TURNOVER

All of the company's turnover is attributable to the collection of royalty income for products for which it holds licences.

A geographical analysis of turnover is as follows:

	2019 £	2018 £
European Union	<u>782,969</u>	<u>476,767</u>

5. OPERATING PROFIT BEFORE EXCEPTIONAL ITEMS

Operating profit before exceptional items is stated after crediting/(charging):

	2019 £	2018 £
Foreign exchange gains/(losses)	<u>1,471,589</u>	<u>(3,024)</u>

The audit and non-audit fees for the company in 2019 and 2018 were borne by Teva UK Limited as a combined fee for the group. No (2018: £nil) recharge was made to Breath Limited.

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. EXCEPTIONAL ITEMS

	2019	2018
	£	£
Final settlement for amounts owed from a fellow group undertaking	-	39,894,364

During 2018, the company received a final allocation of damages from a fellow group undertaking, following a legal settlement.

7. STAFF COSTS AND DIRECTORS' REMUNERATION

During both the current and previous year the company did not have any employees. The directors did not receive any emoluments in respect of their services to the company (2018: £nil). There were no (2018: £nil) other transactions with directors. The emoluments of the directors are paid by other group companies which make no recharges (2018: £nil) to the company. The directors are directors of a number of other group companies and it is not possible to make an accurate apportionment of their emoluments in respect of each of the companies.

During the year, no directors had retirement benefits accruing in respect of pension schemes of the company (2018: none).

8. INTEREST RECEIVABLE AND SIMILAR INCOME

	2019	2018
	£	£
On loans to group undertakings	1,262,782	473,092
Other interest receivable	-	3,842
	<u>1,262,782</u>	<u>476,934</u>

9. TAX ON PROFIT

(a) Tax on profit

The tax (credit)/charge is made up as follows:

	2019	2018
	£	£
Analysis of tax (credit)/charge in the year		
UK corporation tax charge on profit for the year	-	7,758,183
Adjustments in respect of prior years	(7,758,183)	(466,657)
Total current tax (credit)/charge	<u>(7,758,183)</u>	<u>7,291,526</u>
Deferred tax charge (note 9c)	-	-
Tax (credit)/charge on profit	<u>(7,758,183)</u>	<u>7,291,526</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. TAX ON PROFIT (continued)

(b) Factors affecting tax (credit)/charge

The tax assessed on profit before taxation for the year differs (2018: differs) from the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are reconciled below:

	2019 £	2018 £
Profit before taxation	3,516,430	40,832,540
Profit before taxation multiplied by the standard rate of corporation tax in the UK of 19% (2018: 19%)	668,121	7,758,183
Effect of:		
Adjustments in respect of prior years	(7,758,183)	(466,657)
Group relief not paid for	(668,121)	-
Total tax (credit)/charge for the year (note 9a)	(7,758,183)	7,291,526

(c) Deferred taxation

There are no unrecognised deferred tax (assets)/liabilities for the current year (2018: £nil).

(d) Tax rate change

The standard rate of UK corporation tax is 19% and this took effect from 1 April 2017. The 2016 Finance Act introduced a UK corporation tax rate of 17% from 1 April 2020. Accordingly, these rates are applicable in the measurement of deferred tax assets and liabilities at 31 December 2019.

However, the Budget which took place on 11 March 2020 confirmed the rate of corporation tax will remain at 19% from 1 April 2020, cancelling the enacted rate reduction to 17%. The rate reduction reversal was substantively enacted on 17 March 2020 by way of a special resolution.

10. DEBTORS

	2019 £	2018 £
Amounts owed by group undertakings	96,650,740	93,133,389

Amounts owed by group undertakings relates to capital and interest receivable on unsecured loans, repayable on demand. Interest on these loans was charged at the 1 month London Inter-Bank Offer Rate (LIBOR) plus 0% until 30 June 2018, at the 1 month LIBOR plus 0.66% from 1 July 2018 to 30 June 2019 and at the 1 month LIBOR plus 1.43% from 1 July 2019.

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Corporation tax	-	(7,758,183)

12. CONTINGENT LIABILITIES

There was a composite accounting scheme in place in relation to the current bank accounts of the following companies:

- Arrow Generics Limited
- Arrow No 7 Limited
- Breath Limited
- Bowmed Limited

The composite scheme was a cross guarantee held by Barclays Bank plc whereby the composite bank balances could be offset to a maximum of the overdraft limit of £2,000,000 which was secured against trade debtors.

Breath Limited guaranteed the bank borrowings of fellow subsidiaries (as listed above) and at 31 December 2018 the net liability amounted to £nil.

The composite accounting scheme security was released during 2018.

13. CALLED UP SHARE CAPITAL

	2019	2018
	£	£
Allotted, called up and fully paid		
100 (2018: 100) ordinary shares of £1 each	100	100

14. RELATED PARTY TRANSACTIONS

The company has no (2018: £nil) other transactions with related parties other than those with fellow group companies also wholly owned by group. In accordance with paragraph 33.1A of FRS 102 these transactions with group members are exempt from disclosure.

15. ULTIMATE CONTROLLING PARTY

The immediate parent company is Arrow Group ApS, a company incorporated in Denmark.

The ultimate parent company and controlling party of Breath Limited is considered by the directors to be Teva Pharmaceutical Industries Limited.

As of 31 December 2019, the largest and smallest group into which the results of the company are consolidated is that headed by Teva Pharmaceutical Industries Limited, a company incorporated in Israel. Copies of Teva Pharmaceutical Industries Limited's financial statements can be obtained from 5 Basel St., Petach Tikva 49131, Israel.

NOTES TO THE FINANCIAL STATEMENTS (continued)

16. EVENTS AFTER THE END OF THE REPORTING PERIOD

Dividend

On 18 June 2020 a debtor owed by a fellow group undertaking of £96,282,670 was assigned and novated to the company's immediate parent, Arrow Group ApS. On the same date, the company declared a dividend payable to Arrow Group ApS of £96,282,670, and the dividend payable was set off against the aforementioned assignment amount.

COVID-19

In March 2020, the World Health Organization declared the outbreak of a new Coronavirus, now known as COVID-19. The outbreak of the virus has caused material disruptions to the global economy. The Company considers the emergence and spread of COVID-19 to be a non-adjusting post balance sheet event as of 31 December 2019. Given the nature of the Company's activities, it is unlikely to have a material impact on the Company's operations, however management continues to closely monitor the situation.