



## Confirmant Limited

Annual report and financial statements for the  
financial year ended 31 December 2011



# **Confirmant Limited**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2011**

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#### **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements of the Company for the year ended 31 December 2011

#### **PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS**

The principal activity of the Company (registered number 4177286) is that of a holding company

The Company made a profit after taxation of £5,000 (2010 £5,000 profit)

The performance of the Company during and at the end of the year was considered to be satisfactory by the directors

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

A global Risk Management policy, applicable for the whole UCB Group and its affiliates worldwide, describes UCB's commitment to provide an effective risk management system across the Group in order to minimise its exposure to risks that could threaten UCB's corporate objectives

The Group Board of Directors is responsible for approving the UCB Group's strategy, goals and objectives and overseeing the establishment, implementation and review of the Group's risk management system

Confirmant Limited is part of the UK group of companies and as such is included within the global Risk Management policy

#### **FINANCIAL RISK MANAGEMENT**

The company is exposed to various financial risks arising from its operations and Group corporate finance activities. The Group manages, on behalf of the subsidiaries, these financial risks. These financial risks are market risk (including currency risk, interest risk and price risk), credit risk and liquidity risk

##### **Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's profit and loss. The objective of market risk management is to manage and control market risk exposures. The Group enters into derivative financial instruments and also incurs financial liabilities in order to manage market risk

##### **Foreign exchange risk**

The Company as part of the UCB Group operates across the world and is exposed to movements in foreign currencies affecting its net income and financial position, as expressed in sterling. The Group actively monitors its currency exposures, and when appropriate enters into transactions with the aim of preserving the value of assets and anticipated transactions. The Group uses forward contracts, foreign exchange options and cross currency swaps to hedge certain committed and anticipated foreign exchange flows and financing transactions

##### **Interest rate risk**

Changes in interest rates may cause variations in interest income and expenses resulting from interest bearing assets and liabilities. The Group uses interest rate derivatives to manage its interest rate risk

##### **Credit risk**

Credit risk arises from the possibility that the counterparty to a transaction may be unable or unwilling to meet its obligations causing a financial loss to the Company. Trade receivables are subject to a policy of active risk management, which focuses on the assessment of country risk, credit availability, ongoing credit evaluation and account monitoring procedures

##### **Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's liquidity risk is managed by the Group. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due under normal circumstances without incurring unacceptable losses or risking damage to the Group reputation. The Group maintains sufficient reserves of cash and readily realisable marketable securities to meet its liquidity requirements at all times. In addition the Group has certain unutilised revolving committed facilities at its disposal

#### **KEY PERFORMANCE INDICATORS (KPI'S)**

Given the straightforward nature of the business and the fact that the Company is not engaged in any trading activities, the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development performance or position of the business

#### **FUTURE DEVELOPMENTS**

As part of a worldwide group simplification project, the Group is considering restructuring the UK entities in the forthcoming year. The valuation of assets and liabilities are not impacted by the proposed project. Until a worldwide decision has been made, the Company will continue to act as a holding company

**Confirmant Limited**  
**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

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**DIVIDEND**

No dividends were paid during the year (2010 £nil) The directors do not recommend the payment of a dividend for the year (2010 £nil)

**DIRECTORS**

The directors who held office during the year and up to the date of signing the financial statements are listed below

M G Hardy  
S C Jones

**DIRECTORS' INDEMNITIES**

Qualifying third party indemnity provisions (as defined in section 234 of the Companies Act 2006) are in force for the benefit of the directors and former directors who held office during 2011

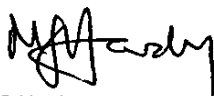
**STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

**INDEPENDENT AUDITORS**

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution that they be reappointed will be put forward to the members

On behalf of the board



M G Hardy  
Director

29/06/2012

## **Confirmant Limited**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

### **FOR THE YEAR ENDED 31 DECEMBER 2011**

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The directors are responsible for preparing the Directors' 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 prepared 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 CONFIRMANT LIMITED

We have audited the financial statements of Confirmant Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, Balance Sheet and the related notes. 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).

### Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, 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 Ethical Standards for Auditors.

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.

### 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 2011 and of its profit 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.

### Other matters

The Company has passed a resolution in accordance with Section 506 of the Companies Act 2006 that the senior statutory auditor's name should not be stated.

*PricewaterhouseCoopers LLP*

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Reading

2 July 2012.

**Confirmant Limited**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

	Notes	2011 £'000	2010 £'000
<b>Operating profit</b>	2	-	-
Interest receivable and similar income	3	7	7
<b>Profit on ordinary activities before taxation</b>		<u>7</u>	<u>7</u>
Taxation on profit on ordinary activities	4	(2)	(2)
<b>Profit for the financial year</b>	9	<u>5</u>	<u>5</u>

The notes on pages 7 to 9 form an integral part of these financial statements

All results derive from continuing operations

The Company has no recognised gains and losses other than those included in the results above and therefore no separate statement of total recognised gains and losses has been presented

There is no difference between the results disclosed in the profit and loss account and the results on an unmodified historical cost basis

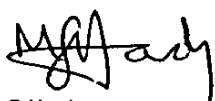
**Confirmant Limited**  
**BALANCE SHEET**  
**AS AT 31 DECEMBER 2011**

	Note	2011 £'000	2010 £'000
<b>Current assets</b>			
Debtors	6	10,792	10,809
<b>Creditors Amounts falling due within one year</b>	7	(1,269)	(1,291)
<b>Net current assets</b>		<b>9,523</b>	<b>9,518</b>
Total assets less current liabilities		9,523	9,518
<b>Net assets</b>		<b>9,523</b>	<b>9,518</b>
<b>Capital and reserves</b>			
Called up share capital	8	30,000	30,000
Profit and loss account	9	(20,477)	(20,482)
<b>Total shareholders' funds</b>	10	<b>9,523</b>	<b>9,518</b>

The notes on pages 7 to 9 form part of these financial statements

The financial statements were approved on behalf of the board on its behalf by

29<sup>th</sup> June 2012 and were signed on



M G Hardy  
**Director**



S C Jones  
**Director**

Company registered number 4177286

# **Confirmant Limited**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2011**

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#### **1 ACCOUNTING POLICIES**

The following accounting policies have been applied consistently in dealing with all items in relation to the financial statements

##### **ACCOUNTING CONVENTION**

The financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom

##### **GOING CONCERN**

The directors consider that the Company has adequate resources to continue in business in the foreseeable future and that it is therefore appropriate to adopt the going concern basis in preparing the financial statements

##### **CASH FLOW STATEMENT**

The Company is a wholly owned subsidiary company of a group headed by UCB S A , and is included in the consolidated financial statements of that company, which are publicly available. Consequently, the Company has taken advantage of the exemption within FRS 1 (revised 1996) 'Cash flow statements' from preparing a cash flow statement

##### **RELATED PARTY TRANSACTIONS**

The Company is exempt, under FRS 8, from the requirement to disclose related party transactions on the grounds that it is a wholly owned subsidiary undertaking. This exemption covers transactions with other Group undertakings. There were no other related party transactions in the year.

##### **INTEREST RECEIVABLE AND PAYABLE**

Interest receivable and payable are recognised on an accruals basis

##### **DIVIDENDS**

Dividends receivable are recognised at the date on which their payment becomes irrevocable. Dividend distributions to the Company shareholders are recognised in the period when they are paid or become an irrevocable committed obligation.

##### **FOREIGN CURRENCY TRANSLATION**

Transactions denominated in foreign currencies are translated at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling on the balance sheet date and the gains or losses arising on translation are dealt with through the profit and loss account.

##### **DEFERRED TAXATION**

Deferred taxation is provided on timing differences that have originated but not reversed by the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

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

##### **TRADE AND OTHER DEBTORS**

Trade and other debtors are carried at the lower of their original invoiced value and recoverable amount. Provision is made when there is objective evidence that the Company will not be able to recover balances in full, with the charge being recognised in the profit and loss account. Balances are written off when the probability of recovery is assessed as being remote.

##### **TRADE AND OTHER CREDITORS**

Trade and other creditors are stated at cost.

#### **2 OPERATING PROFIT**

In 2011 Auditors' remuneration of £2,768 has been borne by fellow subsidiary companies (2010 £2,479)

The Company has no employees (2010 nil) and no staff costs (2010 £nil)

None of the directors received nor were due remuneration from the Company during the year (2010 £nil)

The directors are paid by other group undertakings. It is not possible to make an accurate apportionment of their emoluments and accordingly the Profit and Loss Account includes no amounts for these individuals.

**Confirmant Limited**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

**3 INTEREST RECEIVABLE AND SIMILAR INCOME**

	2011 £'000	2010 £'000
Interest receivable from Group undertakings	7	7

**4 TAXATION ON PROFIT ON ORDINARY ACTIVITIES**

	2011 £'000	2010 £'000
<i>Current tax</i>		
UK corporation tax on profits of the year	2	2
Tax on profit on ordinary activities	2	2

The tax assessed for the year is the same as (2010 same) the standard effective rate of corporation tax in the United Kingdom (26.5%, 2010 28%). The differences are explained below,

	2011 £'000	2010 £'000
<b>Profit on ordinary activities before taxation</b>	7	7
Profit on ordinary activities multiplied by the standard rate in the United Kingdom at 26.5% (2010 28%)	2	2
Current tax for the year	2	2

The Finance Act 2011, which was substantively enacted on 5 July 2011, included legislation reducing the main UK corporation tax rate from 28% to 26%, effective from 1 April 2011. A further reduction to 25%, effective from 1 April 2012, was also substantively enacted on this date.

Further reductions to the UK corporation tax rate were announced in the March 2012 Budget. A resolution passed by Parliament on 26 March 2012 reduced the main rate of corporation tax to 24% from 1 April 2012. Legislation to reduce the main rate of corporation tax from 24% to 23% from 1 April 2013 is expected to be included in the Finance Act 2012. A further reduction to the main rate is also proposed to reduce the rate to 22% from 1 April 2014. None of these rate reductions had been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements.

**5 RELATED PARTY TRANSACTIONS**

The Company is exempt, under FRS 8, from the requirement to disclose related party transactions on the grounds that it is a wholly owned subsidiary undertaking. This exemption covers transactions with other group undertakings.

There were no other related party transactions in the year.

**6 DEBTORS**

	2011 £'000	2010 £'000
Amounts owed by Group undertakings	10,792	10,809

The amounts owed by Group undertakings are unsecured, £9,999,000 is interest free (2010 £10,000,000) has no fixed date of repayment and is repayable on demand. £793,000 (2010 £809,000) bears interest at 0.95% (2010 2.01%) and is repayable on demand.

**7 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2011 £'000	2010 £'000
Amounts owed to Group undertakings	1,269	1,291

The amounts owed to Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**Confirmant Limited**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

**8 CALLED UP SHARE CAPITAL**

	<b>2011 £'000</b>	<b>2010 £'000</b>
<b>Authorised</b>		
30,000,000 (2010 30,000,000) Ordinary shares of £1	<b>30,000</b>	30,000
<b>Allotted and fully paid</b>		
30,000,000 (2010 30,000,000) Ordinary shares of £1	<b>30,000</b>	30,000

**9 PROFIT AND LOSS ACCOUNT**

	<b>Profit and Loss Account £'000</b>	<b>Total £'000</b>
At 1 January 2011	(20,482)	(20,482)
Profit for the financial year	5	5
Dividend paid	-	-
<b>At 31 December 2011</b>	<b>(20,477)</b>	<b>(20,477)</b>

**10 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>2011 £'000</b>	<b>2010 £'000</b>
Profit for the financial year	5	5
Dividends	-	-
Net additions to shareholders' funds	5	5
Opening shareholders' funds	<b>9,518</b>	9,513
<b>Closing shareholders' funds</b>	<b>9,523</b>	9,518

**11 ULTIMATE PARENT COMPANY**

The immediate parent company is Oxford GlycoSciences (UK) Limited, a Company incorporated in England and Wales

The ultimate parent company and controlling party at 31 December 2011 and the smallest and largest group in which the Company's results are consolidated was UCB S A , a company incorporated in Belgium

Copies of the respective financial statements for each of these companies can be obtained from the Company secretary at the following address, Celltech Group Limited, 208 Bath Road, Slough, Berkshire, SL1 3WE