

GlaxoSmithKline Consumer Trading Services Limited

(Registered number: 8114550)

Directors' report and financial statements

for the year ended 31 December 2013

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GlaxoSmithKline Consumer Trading Services Limited

Directors' report and financial statements

for the year ended 31 December 2013

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GlaxoSmithKline Consumer Trading Services Limited
(Registered number: 8114550)

Strategic report for the year ended 31 December 2013

The Directors submit their strategic report for the year ended 31 December 2013.

Principal activities and future developments

GlaxoSmithKline Consumer Trading Services Limited (the "Company") is a member of the GlaxoSmithKline Group (the "Group"). The Company is responsible for exports from the UK to subsidiary undertakings. It is also responsible for certain imports from overseas subsidiary undertakings. In support of these sales and in addition to its own costs, the Company bears appropriate related expenses recharged by the Group, including a fee relating to distribution rights. The Directors do not envisage any change to the nature of the business in the foreseeable future.

Review of business

The Company made a profit for the financial Year of £306,000 (2012: £nil). The Directors are of the opinion that the current level of activity and the Year end financial position is sustainable and will remain so in the foreseeable future.

The profit for the year of £306,000 will be transferred to reserves (2012: £nil).

Principal risks and uncertainties

The Directors of GlaxoSmithKline plc manage the risks of the "Group" at a group level, rather than at an individual business unit level. For this reason, the Company's Directors believe that a discussion of the Group's risks would not be appropriate for an understanding of the development, performance or position of the Company's business. The principal risks and uncertainties of the Group, which include those of the Company, are discussed in the Group's 2013 Annual Report which does not form part of this report.

Key performance indicators (KPIs)

The Directors of the Group manage the Group's operations on a business sector basis. For this reason, the Company's Directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the Company's business. The development, performance and position of the Group are discussed in the Group's 2013 Annual Report which does not form part of this report.

By order of the Board



A Burns
Director
29 September 2014

GlaxoSmithKline Consumer Trading Services Limited
(Registered number: 8114550)

Directors' report for the year ended 31 December 2013

The Directors submit their report and the audited financial statements of the Company for the Year ended 31 December 2013.

Principal risks and uncertainties

The Directors of GlaxoSmithKline plc manage the risks of the Group at a group level, rather than at an individual business unit level. For this reason, the Company's Directors believe that a discussion of the Group's risks would not be appropriate for an understanding of the development, performance or position of the Company's business. The principal risks and uncertainties of the Group, which include those of the Company, are discussed in the Group's 2013 Annual Report which does not form part of this report.

Key performance indicators (KPIs)

The Directors of the Group manage the Group's operations on a business sector basis. For this reason, the Company's Directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the Company's business. The development, performance and position of the Group are discussed in the Group's 2013 Annual Report which does not form part of this report.

Results and dividends

The Company's results for the financial Year are shown in the profit and loss account on page 6.
No dividend is proposed to the holders of Ordinary Shares in respect of the year ended 31 December 2013.

Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were as follows:

Alan Burns	
S Williamson	(Resigned on 29 April 2014)
Glaxo Group Limited	
Edinburgh Pharmaceutical Industries Limited	
Neil O'Hara	(Appointed on 02 April 2013)

No Director had, during the year or at the end of the year, any material interest in any contract of significance to the Company's business with the exception of the Corporate Directors, where such an interest may arise in the ordinary course of business.

Directors' indemnity

Each of the Directors benefit from an indemnity given by the Company under its articles of association. This indemnity is in respect of liabilities incurred by the Directors in the execution and discharge of their duties. In addition, each of the Directors who is an individual benefits from an indemnity given by another Group undertaking, GlaxoSmithKline Services Unlimited. This indemnity is in respect of liabilities arising out of third party proceedings to which the Director is a party by reason of his or her engagement in the business of the Company.

GlaxoSmithKline Consumer Trading Services Limited
(Registered number: 8114550)
Directors' report for the year ended 31 December 2013

Creditor payment policy

The Company operates procedures to ensure that suppliers are paid on time. In particular, the Company seeks:

- to settle terms of payment with suppliers when agreeing the terms of the transaction;
- to ensure that suppliers are made aware of the agreed terms of payment; and
- to abide by the terms of payment.

The procedures include arrangements for accelerated payment of small suppliers.

Payment performance

Trade creditors at 31 December 2013 represented 63 days of annual purchases for the Company (2012: nil).

Statement of Directors' responsibilities

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

Disclosure of information to auditors

As far as each of the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and the Directors have taken all the steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

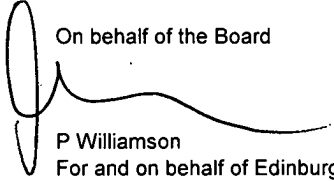
Going concern

The Directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company GlaxoSmithKline Finance plc. The Directors have received confirmation that GlaxoSmithKline Finance plc intends to support the Company for at least one year after these financial statements are signed. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Independent auditors

PricewaterhouseCoopers LLP have been appointed to act as the Company's auditors in accordance with a resolution of the Board of Directors. A resolution dealing with their re-appointment and remuneration will be proposed at a General Meeting of the Company.

On behalf of the Board



P Williamson
For and on behalf of Edinburgh Pharmaceutical Industries Limited
29 September 2014

GlaxoSmithKline Consumer Trading Services Limited

Independent auditors' report to the members of GlaxoSmithKline Consumer Trading Services Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the Company's affairs at 31 December 2013 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.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by GlaxoSmithKline Consumer Trading Services Limited, comprise

- the Balance sheet 31 December 2013;
- the Profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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).

In applying the financial reporting framework, the Directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 Directors' report and strategic report for the year ended 31 December 2013 to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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, 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.

We have no exceptions to report arising from this responsibility.

GlaxoSmithKline Consumer Trading Services Limited

Independent auditors' report to the members of GlaxoSmithKline Consumer Trading Services Limited

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of Directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the Directors

As explained more fully in the Statement of Directors' responsibilities set out on page 2, 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 ISAs (UK & 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.

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



PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
29 September 2014

GlaxoSmithKline Consumer Trading Services Limited

**Profit and loss account
for the year ended 31 December 2013**

		2013	Seven months to 31 December 2012
	Notes	£000	£000
Turnover	2	532,354	-
Cost of sales		(530,821)	-
Gross profit		1,533	-
Selling and distribution costs		(5,655)	-
Administrative expenses		(310)	-
Net other operating income	3	4,766	-
Operating profit	4	334	-
Profit/result before interest and taxation		334	-
Interest receivable and similar income	5	65	-
Interest payable and similar charges	6	(19)	-
Profit/result on ordinary activities before taxation		380	-
Tax on profit/result on ordinary activities	7	(74)	-
Profit/result for the financial year/period		306	-

The results disclosed above for both the current year and prior period relate entirely to continuing operations.

There is no difference in either the current year or prior period between the profit on ordinary activities before taxation and the profit for the financial periods stated above and their historical cost equivalents.

The Company has no recognised gains or losses during either the current year or the prior period other than those included in the results above and therefore no separate statement of recognised gains and losses has been presented.

GlaxoSmithKline Consumer Trading Services Limited

Balance sheet as at 31 December 2013

	Notes	2013 £000	2012 £000
Fixed assets			
Tangible assets	8	5,142	-
Current assets			
Stocks	9	57,085	-
Debtors: amounts due within one year	10	155,106	-
Cash at bank and in hand		4,272	-
		216,464	-
Creditors: amounts falling due within one year	11	(221,152)	-
Net current liabilities		(4,689)	-
Total assets less current liabilities		453	-
Creditors: amounts falling due after more than one year		(147)	-
Net assets		306	-
Capital and reserves			
Called up share capital	14	-	-
Profit and loss account	15	306	-
Total shareholders' funds	15	306	-

The financial statements on pages 6 to 13 were approved by the Board of Directors on 29 September 2014 and were signed on its behalf by:



A Burns
Director

Notes to the financial statements for the year ended 31 December 2013

1 Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below.

(a) Basis of accounting

These financial statements have been prepared on the going concern basis under the historical cost convention, the accounting policies set out below, which have been applied consistently, throughout the year, and in accordance with the Companies Act 2006 and applicable UK Accounting Standards.

(b) Foreign currency transactions

Foreign currency transactions are booked in local currency at the exchange rate ruling on the date of the transaction, or at the forward rate if hedged by a forward foreign exchange contract. Foreign currency monetary assets and liabilities are translated into local currency at rates of exchange ruling at the balance sheet date, or at the forward rate. Exchange differences are included in operating profit.

(c) Turnover

Revenue is recognised in the profit and loss account when goods or services are supplied to, or made available for collection by, external customers or other Group subsidiaries against orders received. Turnover represents the net invoice value after the deduction of discounts given at the point of sale, and accruals for estimated future rebates and returns. The methodology and assumptions used to estimate rebates and returns are monitored regularly in the light of historical information and past experience. Where the Company co-promotes a product and the third party records the sale, the Company records its share of revenue as co-promotion income within turnover. The nature of co-promotion activities is such that the Company records no cost of sales. Value added tax and other sales taxes are excluded from turnover.

(d) Other operating income

Royalty income is recognised in other operating income on an accruals basis. Other revenues are recorded as earned (or as the services are performed).

(e) Expenditure

Expenditure is recognised in respect of goods and services received when supplied in accordance with contractual terms. A provision is made when an obligation exists for a future liability in respect of a past event and where the amount of the obligation can be reliably estimated. Advertising expenditure is charged to the profit and loss account as incurred. Shipment costs on inter-company transfers are charged to cost of sales. Restructuring costs are recognised in respect of the direct expenditures of a business reorganisation where the plans are sufficiently detailed and well advanced, and where appropriate communication to those affected has been undertaken at the balance sheet date.

(f) Dividends paid and received

Interim dividends paid and received are included in the profit and loss account in the year in which the related dividend is actually paid or received. Final dividends are recorded in the profit and loss account upon shareholder approval.

(g) Tangible fixed assets

Tangible fixed assets are stated at historic purchase cost less provisions for depreciation or impairment. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation is calculated to write off the cost of tangible fixed assets, in equal annual instalments over their expected useful lives. The normal expected useful lives of the major categories of tangible fixed assets are:

Plant and machinery	10 to 20 years
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Depreciation on assets in construction does not commence until the asset has been completed and is available for use.

On disposal of a tangible fixed asset, the cost and related accumulated depreciation and impairments are removed from the financial statements and the net amount, less any proceeds, is taken to the profit and loss account.

GlaxoSmithKline Consumer Trading Services Limited

Notes to the financial statements for the year ended 31 December 2013

1 Accounting policies (Continued)

(h) Stocks

Stocks are included in the financial statements at the lower of cost (including manufacturing overheads, where appropriate) or net realisable value.

(l) Taxation

Current tax is provided at the amounts expected to be paid applying tax rates that have been enacted or substantively enacted at the balance sheet date.

The Company accounts for taxation which is deferred or accelerated by reason of timing differences which have originated but not reversed by the balance sheet date. Deferred tax assets are recognised as recoverable and therefore only recognised when on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of underlying timing differences can be deducted. Deferred tax on the retained earnings of overseas subsidiaries is only provided when dividends have been accrued as receivable or there is a binding commitment to distribute past earnings in future periods.

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 that have been enacted or substantively enacted at the balance sheet date. Deferred tax liabilities and assets are not discounted.

(j) Interest

Interest payable and similar charges are recognised on an accruals basis.

2 Turnover

Analysis of turnover by business sector:

	2013 £'000	Seven months to 31 December 2012 £'000
Consumer Healthcare	532,354	-
	532,354	-

The Company operates only in one geographical segment, Europe.

3 Other operating Income

	2013 £'000	Seven months to 31 December 2012 £'000
Third party royalties and other income	4,766	-
	4,766	-

Other operating income includes royalty income and fair value adjustments.

4 Operating profit/result

	2013 £'000	Seven months to 31 December 2012 £'000
The following items have been charged/(credited) in operating profit:		
Depreciation of tangible fixed assets:		
Owned assets	235	-
Exchange gains on foreign currency transactions	4,530	-
Audit fees	40	-

The audit fee is borne by GlaxoSmithKline Services Unlimited.

GlaxoSmithKline Consumer Trading Services Limited

Notes to the financial statements for the year ended 31 December 2013

5 Interest receivable and similar income

	2013 £'000	Seven months to 31 December 2012 £'000
On loans with Group undertakings	65	-
	65	-

6 Interest payable and similar charges

	2013 £'000	Seven months to 31 December 2012 £'000
On loans with Group undertakings	(19)	-
	(19)	-

7 Tax on profit/result on ordinary activities

	2013 £'000	Seven months to 31 December 2012 £'000
Tax (credit)/charge based on profits for the financial year		
Current tax:		
UK corporation tax at 23.25% (2012: 24.5%)	(73)	-
Total current tax	(73)	-
Deferred tax:		
Origination and reversal of timing differences	147	-
Total deferred tax	147	-
Tax on profit on ordinary activities	74	-

The tax assessed for the year is lower (2012: nil) than the standard rate of corporation tax in the UK for the year ended 31 December 2013 of 23.25% (2012: 24.5%). The differences are explained below:

Reconciliation of current tax charge

Profit on ordinary activities at the UK statutory rate 23.25% (2012 : 24.5%)	98	-
Capital allowances in excess of depreciation	(171)	-
Current tax credit for the year	(73)	-

Factors that may effect future tax charges:

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly. The deferred tax liability at 31 December 2013 has been calculated based on the rate of 20% (2013) which has been substantively enacted at the balance sheet date.

GlaxoSmithKline Consumer Trading Services Limited

Notes to the financial statements for the year ended 31 December 2013

8 Tangible assets

	Plant, equipment and vehicles £'000
Cost	
At 1 January 2013	-
Additions	5,377
At 31 December 2013	5,377
Accumulated depreciation	
At 1 January 2013	-
Provision for the year	(235)
At 31 December 2013	(235)
Net book value at 1 January 2013	-
Net book value at 31 December 2013	5,142

9 Stocks

	2013 £'000	Seven months to 31 December 2012 £'000
Raw materials and consumables	22,897	-
Finished goods	34,188	-
	57,085	-

The replacement cost of stock is not materially different from original cost.

10 Debtors

	2013 £'000	Seven months to 31 December 2012 £'000
Amounts due within one year		
Other debtors	4,110	-
Amounts owed by Group undertakings	150,923	-
Corporation tax	73	-
	155,106	-

The amounts owed by group undertakings include call account balance with GlaxoSmithKline Finance plc which is unsecured with interest charged at 0.023% per annum and repayable on demand.

11 Creditors

	2013 £'000	Seven months to 31 December 2012 £'000
Amounts falling due within one year		
Trade creditors	(27,349)	-
Amounts owed to Group undertakings	(193,793)	-
	(221,142)	-

The amounts owed to group undertakings include call account balance with GlaxoSmithKline IHC Ltd. which is unsecured with interest charged at 0.46% per annum and repayable on demand.

GlaxoSmithKline Consumer Trading Services Limited

Notes to the financial statements for the year ended 31 December 2013

12 Provisions for liabilities

	Deferred taxation £000
At 1 January 2013	-
Charge for the year	147
At 31 December 2013	147

13 Deferred tax liability

	2013 £'000	2012 £'000
Accelerated capital allowances	147	-
Deferred tax liability		Total £'000
At 1 January 2013		-
Charge for the year		147
At 31 December 2013		147

14 Called up share capital

	2013 Number of shares	2012 Number of shares	2013 £'000	2012 £'000
Authorised				
Ordinary Shares of 100P each (2012: 100P each)	1	1	-	-
Issued and fully paid				
Ordinary Shares of 100P each (2012: 100P each)	1	1	-	-

15 Reconciliation of movements in shareholders' funds

	2013 £'000	Seven months to 31 December 2012 £'000
Profit/result for the financial year	306	-
Net addition to shareholders' funds	306	-
Opening shareholders' funds	-	-
Closing shareholders' funds	306	-

GlaxoSmithKline Consumer Trading Services Limited

Notes to the financial statements for the year ended 31 December 2013

16 Employees

The Company has no employees. All personnel are remunerated by GlaxoSmithKline Services Unlimited and receive no remuneration from the Company. A management fee has not been charged by GlaxoSmithKline Services Unlimited for services provided to the Company.

17 Directors' remuneration

During the year the Directors of the Company, with the exception of the Corporate Directors, were remunerated as executives of the Group and received no remuneration in respect of their services to the Company (2012: £nil). Corporate Directors received no remuneration during the year, either as executives of the Group or in respect of their services to the Company (2012: £nil).

18 Cash flow statement

A cash flow statement has been included in the consolidated financial statements of GlaxoSmithKline plc, the ultimate parent undertaking, which are publicly available. As a wholly owned subsidiary of the ultimate parent undertaking, advantage has been taken of the exemption afforded by FRS 1 'Cash flow statements' (revised 1996) not to prepare a cash flow statement.

19 Ultimate parent undertaking

GlaxoSmithKline plc, a company registered in England and Wales, is the Company's ultimate parent undertaking and controlling party. The largest and smallest Group of undertakings for which group financial statements are prepared and which include the results of the Company, are the consolidated financial statements of GlaxoSmithKline plc. Copies of the consolidated financial statements can be obtained from the Company Secretary, GlaxoSmithKline plc, 980 Great West Road, Brentford, Middlesex TW8 9GS. The immediate parent undertaking is Setfirst Limited.

20 Related party transactions

As a wholly owned subsidiary of the ultimate parent company, GlaxoSmithKline plc, advantage has been taken of the exemption afforded by FRS 8 'Related party disclosures' not to disclose any related party transactions within the Group. There are no other related party transactions.