

Teva Pharma Holdings Limited

Annual report and financial statements
Registered number 10119709
For the period ended 31 December 2016

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Directors

R Williams
D Vrhovec
K Innes

Registered office

Ridings Point, Whistler Drive, Castleford, West Yorkshire, United Kingdom, WF10 5HX

Company number

10119709

Independent auditors

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

Strategic report

The directors present the first report and financial statements following the company's incorporation on 12 April 2016.

Business review

During the period the company issued 1 fully paid ordinary share of £1 upon incorporation to Teva Pharmaceuticals Europe B.V.

Teva Pharma Holdings Limited acts as an investment company. On 31 May 2016 an intra-group share transfer ("Demerger") of the UK group of Teva companies was completed. Teva UK Holdings Limited and its subsidiaries were transferred from its previous parent company, Orvet UK, to the company.

The transfer of the shares in Teva UK Holdings Limited by Orvet UK took place by the cancellation and repayment of £311,984,000 of the share premium of Orvet UK, this repayment being made by way of Orvet UK transferring its 100% shareholding in Teva UK Holdings Limited to Teva Pharma Holdings Limited in consideration of the issue of 311,984,000 ordinary shares of £1 each in the capital of Teva Pharma Holdings Limited to Orvet UK's sole shareholder, Teva Pharmaceuticals Europe B.V.

Teva UK Holdings Limited is an intermediate holding company with operating subsidiaries engaged in the manufacturing, packaging and distribution of pharmaceutical products.

In June 2016 Teva Pharma Holdings Limited took an external bank loan for £510,000,000. This was repaid in January 2017. For further details see note 10.

On 2 August 2016, Teva Pharmaceutical Industries Limited, the company's ultimate parent company, acquired the worldwide generics business of Allergan Plc. As part of the process to complete the transaction in the UK, regulatory approval was required from the European Commission, which ruled that part of the acquired business must subsequently be divested. It was agreed that Teva Pharma Holdings Limited should purchase the entire share capital of Forest Laboratories UK Limited from Pharmax Holding Limited for £54,409,000; this was duly completed in August 2016. Forest Laboratories UK Limited has one subsidiary, Pharmax Limited, a dormant subsidiary.

Forest Laboratories UK Limited generates income from activities related to its intellectual property which represent trademarks and licences for goods now sold by other group entities. These trademarks and licences are for branded Pharmaceutical products sold in the UK, Europe and Australian markets.

Principal risks and uncertainties

The principal risk factor for the company is the recoverability of the investment in subsidiary undertakings which is dependent on the financial performance of the subsidiary undertakings. The directors have assessed the recoverability of the net investment at 31 December 2016 and are satisfied that its carrying value is reasonable.

Financial key performance indicators

Due to the non-complex nature of the company's activities, that of being a holding company, the directors believe that analysis using key performance indicators (KPIs) is not necessary or appropriate for an understanding of the development, performance or position of the company.

On behalf of the Board:



R Williams - Director

Date: 15 September 2017

Directors' report

The directors present the first report and financial statements for the eight month period ended 31 December 2016. The company was incorporated on 12 April 2016.

Results and dividends

The loss for the financial period was £1,079,000. The directors paid a dividend of £Nil in the period. The directors do not recommend the payment of a final dividend.

Principal activities and future developments

The company acts as an investment company with operating subsidiaries engaged in the manufacturing, packaging and distribution of pharmaceutical products. The directors expect that this activity will continue for the foreseeable future.

Financial risk management

The company's activities expose it to a number of financial risks including interest risk and liquidity risk. The company does not use derivative financial instruments and tries to limit those risks through the support of its parent company.

Liquidity risk

The company controls liquidity risk by monitoring and forecasting cash balances very closely and obtaining parent company support for any excess or shortfalls in cash balances.

Interest risk

The company has both interest-bearing assets and interest-bearing liabilities with external and intercompany counter parties which exposes the company to changes in interest rates.

Directors

The directors of the company who were in office during the period and up to the date of signing the financial statements were:

D Vrhovec	(appointed 1 May 2016)
R Williams	(appointed 12 April 2016)
K Innes	(appointed 27 September 2016)
R Daniell	(appointed 12 April 2016, resigned 27 September 2016)
M Schrewe	(appointed 12 April 2016, resigned 1 August 2016)

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 financial period and is currently in force. The Company also purchased and maintained throughout the financial period Directors' and Officers' liability insurance in respect of itself and its directors.

Statement of directors' responsibilities

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 8 month period. 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:

Directors' report (continued)

Statement of directors' responsibilities (continued)

- 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 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.

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 and other irregularities.

Disclosure of information to auditors

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.

The financial statements were approved by the Board of Directors on 15 September 2017 and signed on its behalf by:



R Williams
Director

Company number: 10119709

Independent auditors' report to the members of Teva Pharma Holdings Limited

Report on the financial statements

Our opinion

In our opinion, Teva Pharma Holdings Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss for the 8 month period (the "period") 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.

What we have audited

The financial statements, included within the Annual Report and financial statements (the "Annual Report"), comprise:

- the balance sheet as at 31 December 2016;
- the income statement for the period then ended;
- the statement of changes in equity for the period 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 the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic report and the Directors' report. We have nothing to report in this respect.

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.

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.

Independent auditors' report to the members of Teva Pharma Holdings Limited (continued)

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 pages 3 and 4, 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) ("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.

What an audit of financial statements involves

We conducted our audit in accordance with 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual report and financial statements 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. With respect to the Strategic report and Directors' report, we consider whether those reports include the disclosures required by applicable legal requirements



Randal Casson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds
15 September 2017

Income Statement
for the period ended 31 December 2016

	<i>Note</i>	2016 £000
Administrative expenses		(187)
Operating loss	5	(187)
Interest receivable and similar income	6	3,488
Interest payable and similar charges	6	(4,379)
Loss on ordinary activities before taxation		(1,078)
Tax on loss on ordinary activities	7	-
Loss for the financial period		(1,078)

All activities relate to continuing operations of the company.

There were no items of other comprehensive income in the current financial period and hence no separate Statement of Comprehensive Income has been presented.

For the period ended 31 December 2016

Balance Sheet

As at 31 December 2016

	<i>Note</i>	2016 £000
Fixed assets		
Investments	8	366,393
		<u>366,393</u>
Current assets		
Cash at bank and in hand		375
Debtors	9	512,242
		<u>512,617</u>
Creditors: amounts falling due within one year	10	(568,104)
Net current liabilities		<u>(55,487)</u>
Net assets		<u>310,906</u>
Capital and reserves		
Called up share capital	11	311,984
Profit and loss account		(1,078)
Total shareholders' funds		<u>310,906</u>

The financial statements on pages 7 to 18 were approved and authorised for issue by the Board of Directors on 15 September 2017 and were signed on its behalf by:



R Williams
Director

The notes on pages 10 to 18 form part of these financial statements.

Company number: 10119709

Statement of Changes in Equity
as at 31 December 2016

	Called up Share Capital £000	Profit and loss account £000	Total equity £000
Balance at incorporation 12 April 2016	-	-	-
Allotment of shares	311,984	-	311,984
Profit and total comprehensive income for the period	-	(1,078)	(1,078)
Balance as at 31 December 2016	311,984	(1,078)	310,906

Notes to the financial statements

1 General Information

Teva Pharma Holdings Limited acts as an investment company, holding a 100% share of the Teva UK Holdings Limited and Forest Laboratories UK Limited groups.

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

2 Statement of Compliance

The financial statements of Teva Pharma Holdings 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 the 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 applied consistently in dealing with items which are considered material in relation to the company's financial statements.

3.1 Basis of preparation

The financial statements have been prepared on the going concern basis under the historical cost convention. The preparation in conformity with FRS 102 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 areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.10.

3.2 Consolidated financial statements

These financial statements contain information about Teva Pharma Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent company, Teva Pharmaceutical Industries Limited, a company incorporated in Israel and whose financial statements are publicly available.

3.3 Going concern

The directors, having assessed the responses of the directors of the company's ultimate parent Teva Pharmaceutical Industries Limited to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the company to continue with the current banking arrangements.

On the basis of their assessment of the company's financial position and of the enquiries made of the directors of Teva Pharmaceutical Industries Limited, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Notes to the financial statements (continued)**3.4 Financial reporting standard 102 - reduced disclosure exemptions**

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

- The company has taken advantage of the exemption, under FRS 102 paragraph 1.12 (b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, Teva Pharmaceutical Industries Limited, includes the company's cash flows in its own consolidated financial statements;
- The financial instruments disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, as the information is provided in the consolidated financial statement disclosures; and
- The requirements of Section 33 Related Party Disclosures paragraph 33.7.

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 period or prior periods. 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 position taken in tax returns with respect to situations in which applicable tax regulations is 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 is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

3.6 Investments

Investments in subsidiary undertakings are stated at cost. Investments are considered annually for impairment and credited to the cost of the investment with the charge taken in the profit and loss account.

3.7 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Notes to the financial statements (continued)**3.8 Related party transactions**

The company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned.

3.9 Foreign exchange

Transactions denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated into Sterling at rates of exchange ruling at the balance sheet date. All profits and losses arising on foreign currency translation are included in the profit and loss account within the relevant category.

3.10 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

(i) Impairment of fixed asset investments

The company makes an estimate of the recoverable value of fixed asset investments. When assessing impairment of fixed asset investments, management considers factors including the net assets of the subsidiary in which the investment is held. If the net assets held are lower than the investment balance then a value in use calculation is performed. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. If the value in use calculation is lower than the value of the investment held an impairment is recognised. See note 8 for the net carrying amount and the associated impairment provision that has been recognised.

(b) Critical accounting estimates and assumptions

There are no critical accounting estimates and assumptions.

4 Directors and employees and auditors remuneration

	2016
	£000
Net aggregate emoluments	39
Company pension contributions to money purchase schemes	1

The emoluments of R Daniell, R Williams and K Innes were paid by a subsidiary undertaking, Teva UK Limited. The emoluments of Mr M Schrewe were paid by Ratiopharm GmbH. Their total emoluments are included in the aggregate of directors' emoluments disclosed in the financial statements of Teva UK Limited. During the period £730,000 was recharged from Teva UK Limited for the services of R Daniell, R Williams, K Innes and M Schrewe. The company also recharged some of its subsidiaries a total of £690,000 for their share of the services of R Daniell, R Williams, K Innes and M Schrewe.

Notes to the financial statements (continued)**4 Directors and employees and auditors remuneration (continued)**

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

The company has no employees. The audit and non-audit fees for the company in 2016 have been provided through Teva UK Limited as a combined fee for the group. No recharge is made to Teva Pharma Holdings Limited for this.

5 Operating loss**Operating loss is stated after charging:**

Foreign exchange losses

2016

£000

3

6 Net interest payable

Interest receivable and similar income

2016

£000

Receivable from group undertakings

3,488

Interest payable and similar charges

£000

On bank loans and overdrafts

3,136

Payable to group undertakings

1,243

Total interest payable and similar charges

4,379

Net interest payable

£000

Interest receivable and similar income

3,488

Interest payable and similar charges

(4,379)

Net interest payable

(891)

Notes to the financial statements *(continued)*

7 Tax on loss on ordinary activities

Tax credit included in profit and loss	2016 £000
Current tax credit	-
Total current tax	-
Total deferred tax	-
Tax on loss on ordinary activities	-

Factors affecting the tax charge for the current period

The tax assessed for the period is different from the standard rate of corporation tax in the UK of 20%. The differences are explained below:

	2016 £000
Loss on ordinary activities before taxation	(1,078)
Loss on ordinary activities multiplied by the rate derived from the standard rate in the UK of 20%	(216)
<i>Effects of:</i>	
Expenses not deductible for tax purposes	27
Group relief not paid for	189
Total tax credit on loss on ordinary activities before taxation	-

A number of changes to the UK corporation tax system were announced in the Summer Budget 2015, including reducing the main rate of corporation tax to 19% from 1 April 2017 and to 18% from 1 April 2020. This was substantively enacted in Section 7 of the Finance Act 2015. The Finance Bill 2016 replaced the 18% rate with 17% and was substantially enacted on 6 September 2016.

Notes to the financial statements (continued)**8 Investments**

	Shares in group undertakings £000
<i>Cost</i>	
At 12 April 2016	-
Additions	366,393
	<hr/>
At 31 December 2016	366,393
	<hr/>
<i>Impairment</i>	
At 12 April 2016	-
	<hr/>
At 31 December 2016	-
	<hr/>
<i>Net book value</i>	
At 31 December 2016	366,393
	<hr/>

The companies in which the Company's interest at the period end is more than 20% are as follows:

Subsidiary undertaking	Country of incorporation	Principal activity	Percentage of ordinary shares held
Teva UK Holdings Limited	UK	Holding company	100%
Forest Laboratories UK Limited	UK	Marketing & sales of pharmaceutical products	100%
Teva UK Limited *	UK	Marketing, packaging and distribution of pharmaceutical products	100%
Ivax UK Limited *	UK	Non-trading	100%
Teva Pharmaceuticals Limited *	UK	Non-trading	100%
Norton Healthcare Limited *	UK	Research, development and manufacture of pharmaceutical products	100%
Pliva Pharma Limited *	UK	Non-trading	100%
APS/Berk Limited *	UK	Non-trading	100%
Cephalon (UK) Limited *	UK	Sales and marketing of pharmaceutical products	100%
Ratiopharm (UK) Limited *	UK	Non-trading	100%
Norton Healthcare (1998) Limited *	UK	Non-trading	100%

Notes to the financial statements (continued)**8 Investments (continued)**

Subsidiary undertaking	Country of incorporation	Principal activity	Percentage of ordinary shares held
Cephalon Holdings Limited *	UK	Non-trading	100%
Cephalon Limited *	UK	Holding company	100%
Teva Pharmaceutical Finance B.V. *	UK	Non-trading	100%
Pharmax Limited*	UK	Non-trading	100%

***Indirect investment**

The directors believe that the carrying value of the investments is supported by their underlying net assets.

The registered address of Teva Pharmaceutical Finance B.V. is Schottegatweg Oost 29D, Curacao, Netherlands Antilles.

The registered address of Forest Laboratories UK Limited is Whiddon Valley, Barnstaple, Devon, United Kingdom, EX32 8NS.

The registered address of all other subsidiary undertakings is Ridings Point, Whistler Drive, Castleford, West Yorkshire, United Kingdom WF10 5HX.

During the period the company purchased the following companies, the cost of which is included within additions above:

- Teva UK Holdings Limited and its subsidiaries were transferred from its previous parent company, Orvet UK, to the company. This took place by the cancellation and repayment of £311,984,000 of the share premium of Orvet UK, this repayment being made by way of Orvet UK transferring its 100% shareholding in Teva UK Holdings Limited to Teva Pharma Holdings Limited in consideration of the issue of 311,984,000 ordinary shares of £1 each in the capital of Teva Pharma Holdings Limited to Orvet UK's sole shareholder, Teva Pharmaceuticals Europe B.V.
- The company purchased the entire share capital of Forest Laboratories UK Limited from Pharmax Holding Limited and this was duly completed in August 2016 for a cost of £54,409,000.

Notes to the financial statements (continued)**9 Debtors**

	2016
	£000
Amounts owed by group undertakings	512,242
	<hr/>
	512,242
	<hr/>

Amounts owed by group undertakings relates to capital and interest receivable on unsecured loans, repayable on demand. Interest on these loans is charged at the Inter-Bank Offered Rate plus 1%. Other amounts owed by group undertakings are interest free.

10 Creditors: amounts falling due within one year

	2016
	£000
Amounts owed to group undertakings	58,091
Bank loans and overdrafts	510,013
	<hr/>
	568,104
	<hr/>

Interest is charged on bank loans and overdrafts at the London Inter-Bank Offered Rate plus 0.7%.

Amounts owed by group undertakings include an unsecured loan on which interest is charged at variable rates of interest. Other amounts owed to group undertakings are interest free. All are repayable on demand.

11 Called up share capital

	2016
	£000
<i>Allotted, called up and fully paid</i>	
311,984,000 Ordinary shares of £1 each	311,984
Shares classified in shareholders' funds	311,984
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During the period 1 fully paid ordinary share was issued on incorporation and a further 311,984,000 fully paid ordinary shares were issued with a nominal value of £1 (see note 8 for further details).

Notes to the financial statements *(continued)*

12 Controlling Parties

The immediate parent company is Teva Pharmaceuticals Europe B.V., a company incorporated in the Netherlands.

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

The smallest and largest group in which the results of the company are consolidated is that of the ultimate parent company. Copies of the ultimate parent's consolidated financial statements may be obtained from 5 Basel St., Petach Tikva 49131, Israel.

13 Related party transactions

The company has no 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.