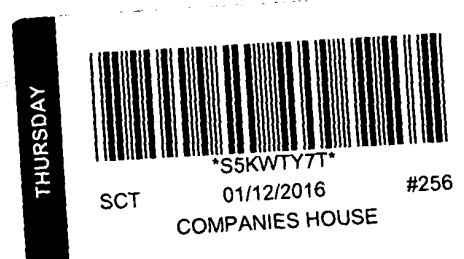
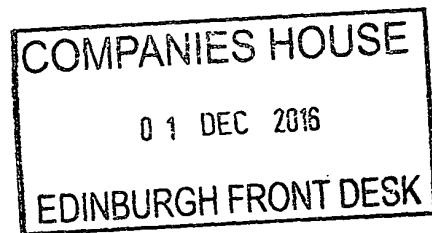


Company Registration No. SC211185

Abingworth Bioventures III GP Limited

Annual Report and Financial Statements

For the year ended 30 June 2016



Abingworth Bioventures III GP Limited

Annual Report and financial statements for the year ended 30 June 2016

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Abingworth Bioventures III GP Limited

Annual Report and financial statements for the year ended 30 June 2016

Officers and professional advisers

Directors

S W Bunting
J F Abell
D F J Leathers

Company Secretary

J G Heard

Registered office

50 Lothian Road
Edinburgh
EH3 9BY

Banker

Barclays Bank PLC
Pall Mall Corporate Group
London
SW1A 1QB

Auditor

Deloitte LLP
London

Tax Consultant

BDO Stoy Hayward LLP
Chartered Accountants
London & New York

Abingworth Bioventures III GP Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 June 2016. This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Activities

Abingworth Bioventures III GP Limited (the "Company") is the Managing Member of Abingworth General Partner III LLP ("the LLP"). The LLP acts as the general partner of a Scottish limited partnership, Abingworth Bioventures III GP LP, which in turn acts as the general partner of four limited partnerships that comprise a venture capital investment fund, Abingworth Bioventures III (the "Fund").

Business review

The Company made a profit after taxation of £1,901 (2015: loss of £852,709). In 2015 the Company paid a one off fee of £500,000 to its associated company, Abingworth Management Ltd. for investment management services provided during the run-off of the Fund. The directors consider the results in line with expectations.

Going Concern

The directors expect that both the Fund and the Company will cease to operate in the next financial year. As required by FRS 102 Accounting Policies, the directors have prepared the financial statements on a basis other than that of a going concern. This did not result in any material adjustments within the financial statements.

Financial risk management

The Company does not use any derivative financial instruments or debt finance and as the Company has sufficient cash resources to fund its operating costs for the foreseeable future.

Dividends

The directors paid an interim dividend of £280,000 during the year (2015: £nil). There was no final dividend payment (2015: £nil).

Indemnity

The directors have been covered by liability insurance throughout the year and the policy of insurance remains in force.

Future prospects

The Company owns 90% of Abingworth General Partner III LLP and will continue to act as the Managing Member of Abingworth General Partner III LLP

Directors

The directors of Abingworth Bioventures III GP Limited who served throughout the year and to the date of this report are:

S W Bunting
J F Abell
D F J Leathers

Abingworth Bioventures III GP Limited

Directors' report (continued)

Disclosure of information to auditor

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

1. so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
2. the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

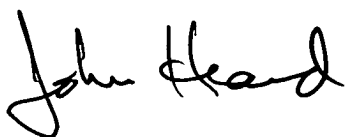
Auditor

A resolution to re-appoint Deloitte LLP as the Company's auditor will be proposed at the forthcoming Annual General Meeting.

Small companies exemption

The directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption. This is in accordance with Part 15 of the Companies Act 2006. The Company has taken advantage of the exemption from the requirement to disclose an enhanced business review and prepare a strategic report on the grounds that it is a small company.

Approved by the Board of Directors
and signed on behalf of the Board



J G Heard
Company Secretary

14 October 2016

Abingworth Bioventures III GP Limited

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 judgments 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. 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 auditor's report to the members of Abingworth Bioventures III GP Limited

We have audited the financial statements of Abingworth Bioventures III GP Limited for the year ended 30 June 2016 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 13. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, 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.

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 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 financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2016 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.

Emphasis of matter – Financial statements prepared other than on a going concern basis

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

Independent auditor's report to the members of Abingworth Bioventures III GP Limited (continued)

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from preparing a Strategic Report or in preparing the Directors' Report.



Garrath Marshall (Senior statutory auditor)

for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditor

London, United Kingdom

14 October 2016

Abingworth Bioventures III GP Limited

Statement of comprehensive income For the year ended 30 June 2016

	Notes	2016 £	2015 £
Administrative expenses		1,875	(916,264)
Operating profit/(loss)		1,875	(916,264)
Interest income		26	338
Profit/(loss) on ordinary activities before taxation	2	1,901	(915,926)
Tax credit on loss on ordinary activities	3	-	63,217
Profit/(loss) on ordinary activities after taxation		1,901	(852,709)

All results relate to continuing operations. There have been no recognised gains or losses, other than as stated in the statement of comprehensive income.

The notes 1 to 13 form an integral part of the financial statements.

Abingworth Bioventures III GP Limited

Balance sheet As at 30 June 2016

	Notes	2016 £	2015 £
Fixed assets			
Investments	4	90	90
Current assets			
Debtors falling due within one year	5	160	69,075
Debtors falling due after one year	6	-	191,074
Cash at bank and in hand		36,314	65,674
		<u>36,474</u>	<u>325,823</u>
Creditors: amounts falling due within one year			
Other creditors	7	(8,750)	(20,000)
Net current assets		<u>27,724</u>	<u>305,823</u>
Total assets less current liabilities		27,814	305,913
Creditors: amounts falling due after one year	8	(90)	(90)
Net assets		<u>27,724</u>	<u>305,823</u>
Capital and reserves			
Called up share capital		1	1
Profit and loss account		27,723	305,822
Total equity shareholders' funds		<u>27,724</u>	<u>305,823</u>

The notes 1 to 13 form an integral part of the financial statements..

These financial statements (company registration number SC211185) were approved by the Board of Directors and authorised for issue on 14 October 2016.

Signed on behalf of the Board of Directors


J F Abell

Direct

Abingworth Bioventures III GP Limited

Statement of changes in equity For the year ended 30 June 2016

	Called-up share capital £	Profit and loss account £	Total £
At 1 July 2014	1	1,158,531	1,158,532
Comprehensive loss for the financial year	-	(852,709)	(852,709)
At 30 June 2015	1	305,822	305,823
Comprehensive income for the financial year	-	1,901	1,901
Dividends paid on equity shares	-	(280,000)	(280,000)
At 30 June 2016	1	27,723	27,724

Called up share capital consists of 1 ordinary share of £1

Abingworth Bioventures III GP Limited

Notes to the accounts

For the year ended 30 June 2016

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

General information and basis of accounting

Abingworth Bioventures III GP Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the directors' report on pages 2 and 3.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The prior year financial statements were restated for material adjustments on adoption of FRS 102 in the current year. For more information see note 13.

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to the presentation of a cash flow statement.

Going concern

The Company's business, together with the factors likely to affect the future development, performance and position are set out on page 2 of the Directors' Report. As stated in the Directors' report, the directors expect that both the Fund and the Company will cease to operate in the next financial year. As a result the financial statements have been prepared on a basis other than that of a going concern.

Fixed assets investment

The Company membership's interest in Abingworth GP III LLP is valued at cost.

Turnover

Turnover comprises the Company's share of profits made by Abingworth Bioventures III GP LP.

The Company is the managing member of Abingworth General Partner III LLP which is the general partner of four partnerships comprising the investment fund Abingworth Bioventures III (the "Fund"). Under the Fund's limited partnership agreements, Abingworth Bioventures III GP LP is entitled to receive a "General Partner's Share" which is passed on to the Company and is used to meet the payment of the Fund's investment management fee to Abingworth Management Limited. The General Partner's Share comprised the first charge on net income and capital gains of the Fund, an annual profit share equivalent to 2.0% of the Fund's committed capital until the tenth anniversary of the commencement date, after which it was reduced by agreement with the fund's limited partners to a profit share based on the lower of cost and value of unrealised investments. With effect from 1 October 2013 the company waived its entitlement to receive further General Partner's Share. The balance of General Partner's Share, held as an interest free loan, is recoverable only against future allocations of net income and capital gains.

Financial instruments

Financial assets and liabilities comprises: trade debtors, other debtors, overseas tax, trade creditors, taxation and social security, and other creditors, as presented in Notes 6 and 7, which are measured at undiscounted amount receivable or payable in accordance with paragraph 11.14(a) of FRS 102. Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the entity intends to either settle on a net basis, or to realise the asset or liability simultaneously.

Abingworth Bioventures III GP Limited

Notes to the accounts (continued) For the year ended 30 June 2016

1. Accounting policies (continued)

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in profit or loss in the period in which they arise except for exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income.

Interest

Interest income is recognised on the accruals basis and relates to bank interest received and receivable.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at 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. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, 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 the underlying timing differences can be deducted.

Critical accounting judgements and key sources of estimation uncertainty

There are no critical accounting judgements or sources of estimation certainty relevant to these financial statements.

2. Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after crediting:

	2016 £	2015 £
Auditor's remuneration - audit fee (including reversal of accruals)	(2,361)	13,159
Foreign currency exchange (gains)/loss	(4,049)	5,283

The directors did not receive any remuneration for services to the Company during the year (2015: none). The Company did not employ any staff during the year (2015: none).

Abingworth Bioventures III GP Limited

Notes to the accounts (continued) For the year ended 30 June 2016

3. Tax credit on loss on ordinary activities

	2016 £	2015 £
Current tax charge comprises:		
UK corporation tax – group relief	-	65,534
	-	65,534
Deferred taxation:		
Timing differences, origination and reversal	-	(2,317)
	-	63,217

The standard rate of tax applied to reported profit on ordinary activities is 20% (2015: 20.75%). There is no expiry date on timing differences, unused tax losses or tax credits.

The differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2016 £	2015 £
Profit/(loss) on ordinary activities before tax	1,900	(915,926)
Tax charge/credit at 20.00% (2015: 20.75%) thereon:	(380)	190,061
Effects of:		
Group relief claimed	-	65,534
Group relief payment	-	(65,534)
Deferred tax not recognised	380	(126,844)
	-	63,217

£110,299 (2015: £122,934) in deferred tax assets related to the company's losses was not recognised in the balance sheet at the year end on the basis that the losses are not expected to be utilised in the foreseeable future.

4. Investments

	2016 £	2015 £
Membership interest in Abingworth General Partner III LLP at cost representing 90% of the capital	90	90
	90	90

Abingworth Bioventures III GP Limited

Notes to the accounts (continued) For the year ended 30 June 2016

5. Debtors falling due within 1 year

	2016 £	2015 £
Amount owed by group undertakings	160	69,075
	<u>160</u>	<u>69,075</u>

6. Debtors falling due after 1 year

	2016 £	2015 £
Amount owed by group undertakings	-	191,074
	<u>-</u>	<u>191,074</u>

7. Creditors falling due within one year

	2016 £	2015 £
Accruals	8,750	20,000
	<u>8,750</u>	<u>20,000</u>

8. Creditors falling due after one year

	2016 £	2015 £
Amount due to group companies	90	90
	<u>90</u>	<u>90</u>

9. Dividend

The directors paid an interim dividend of £280,000 during the year (2015: £nil). There was no final dividend payment (2015: £nil).

Abingworth Bioventures III GP Limited

Notes to the accounts (continued)

For the year ended 30 June 2016

10. Ultimate parent company

All of the share capital is owned by Abingworth Management Holdings Limited, a company incorporated in the United Kingdom and registered in England and Wales. Abingworth Management Holdings Limited represents the immediate and ultimate parent company, and ultimate controlling party of Abingworth Bioventures III GP Limited. The smallest and largest group that prepares group financial statements in which the results of the Company are included is that of Abingworth Management Holdings Limited.

Copies of the group financial statements are available from the parent company's registered office at 38 Jermyn Street, London SW1Y 6DN.

11. Related party disclosures

Abingworth Bioventures III GP Limited is the managing member of Abingworth General Partner III LLP which acts as general partner to Abingworth Bioventures III GP LP ("GPLP"). During the year 2016 no income (2015: £nil) was credited on account of the GPLP's entitlement to receive a share of net income and capital gains from Abingworth Bioventures III A LP and Abingworth Bioventures III B LP, Abingworth Bioventures III C LP and Abingworth Bioventures III Executives LP.

Dr Bunting, Mr Abell and Mr Leathers, directors of the Company, have made investments in, and are entitled to participate in the carried interest from the GPLP.

The Company is the Managing Member of Abingworth General Partner III LLP ("the LLP"). During the year the LLP was formed but remained dormant.

The Company has taken advantage of the exemption granted by paragraph 331A of FRS 102 not to disclose related party transactions with group entities which are also 100% owned. At year end £160 is due from Abingworth LLP (2015: £506) for recharged expenses.

12. Subsequent events

There were no subsequent events occurring after the date of the Balance Sheet.

13. Explanation of transition to FRS 102

This is the first year that the Company has presented its financial statements under FRS 102. As a consequence of adoption of FRS 102, no changes to the existing Company's accounting policies have been required. There have been presentational changes to the Statement of Comprehensive Income and additional disclosure requirements, primarily Note 2 – critical accounting judgements and key sources of estimation uncertainty. Accordingly, on transition to FRS 102, there have been no adjustments required to equity or the prior year profit and loss as determined under the previous financial reporting framework.