

Company Registration No. SC211185

Abingworth Bioventures III GP Limited

Annual Report and Financial Statements

For the year ended 30 June 2017



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Abingworth Bioventures III GP Limited

Annual Report and financial statements for the year ended 30 June 2017

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Abingworth Bioventures III GP Limited

Annual Report and financial statements for the year ended 30 June 2017

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
Midlothian
EH3 9BY

Banker

Barclays Bank PLC
Pall Mall Corporate Group
London
SW1A 1QB

Auditor

Deloitte LLP
Statutory Auditor
London
EC4A 3TR

Tax Consultant

BDO Stoy Hayward LLP
Chartered Accountants
London & New York

Abingworth Bioventures III GP Limited

Directors' report

The directors present their annual report on the affairs of the company, together with the financial statements and auditor's report for the year ended 30 June 2017. This 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.

Activities

Abingworth Bioventures III GP Limited, a private company (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 principal activities of the company are being the managing member of investment funds focused on biotechnology, life science and related areas. The Company made a loss before taxation of £14,753 (2016: profit of £1,901). 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 did not pay any dividend during the year (2016: £280,000). There was no final dividend payment (2016: £nil).

Indemnity

The directors have been covered by qualifying third party indemnity insurance throughout the year and the policy of insurance remains in force.

Future prospects

The directors expect that both the Fund and the Company will cease to operate in the next financial year.

Events after the balance sheet date

Details of significant events since the balance sheet date are contained in note 11 to the financial statement.

Abingworth Bioventures III GP Limited

Directors' report (continued)

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

Disclosure of information to auditor

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

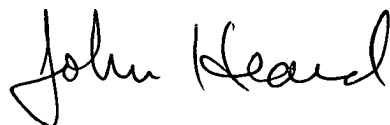
1. so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
2. the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's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

Deloitte have expressed their willingness to continue in office as auditor and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

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



J G Heard
Company Secretary

19 October 2017

Abingworth Bioventures III GP Limited

Directors' responsibilities statement

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 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 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

Report on the audit of the financial statements

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Abingworth Bioventures III GP Limited (the 'company') which comprise:

- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity;
- the accounting policies; and
- the related notes 1 to 11.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

We draw attention to the directors report and note 1 in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

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

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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.

Report on other legal and regulatory requirements

Opinions on other matters 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

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

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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 in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.



Garrath Marshall (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

19 October 2017

Abingworth Bioventures III GP Limited

Statement of comprehensive income For the year ended 30 June 2017

	Notes	2017 £	2016 £
Administrative (expenses)/income		(14,766)	1,875
Operating (loss)/profit		(14,766)	1,875
Other interest receivable and similar income		13	26
(Loss)/profit on ordinary activities before taxation	2	(14,753)	1,901
Tax credit on loss on ordinary activities	3	-	-
(Loss)/profit on ordinary activities after taxation		(14,753)	1,901

There have been no recognised gains or losses, other than as stated in the statement of comprehensive income.

The notes 1 to 11 form an integral part of the financial statements.

Abingworth Bioventures III GP Limited

Balance sheet As at 30 June 2017

	Notes	2017 £	2016 £
Fixed assets			
Investments	4	90	90
Current assets			
Debtors falling due within one year	5	90	160
Cash at bank and in hand		23,059	36,314
		<u>23,149</u>	<u>36,474</u>
Creditors: amounts falling due within one year			
Other creditors	6	(10,268)	(8,750)
Net current assets		<u>12,881</u>	<u>27,724</u>
Total assets less current liabilities		<u>12,971</u>	<u>27,814</u>
Creditors: amounts falling due after one year	7	-	(90)
Net assets		<u><u>12,971</u></u>	<u><u>27,724</u></u>
Equity			
Called up share capital		1	1
Profit and loss account		12,970	27,723
Total shareholders' equity		<u><u>12,971</u></u>	<u><u>27,724</u></u>

The notes 1 to 11 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 19 October 2017.

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 2017

	Note	Called-up share capital £	Profit and loss account £	Total £
At 1 July 2015		1	305,822	305,823
Total comprehensive income for the financial year		-	1,901	1,901
Dividend paid	8		(280,000)	(280,000)
At 30 June 2016		1	27,723	27,724
Total comprehensive loss for the financial year		-	(14,753)	(14,753)
At 30 June 2017		1	12,970	12,971

Called up share capital consists of 1 ordinary share of £1 (par value) fully paid.

The notes 1 to 11 form an integral part of the financial statements.

Abingworth Bioventures III GP Limited

Notes to the financial statements For the year ended 30 June 2017

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 limited by shares incorporated in England and Wales 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 and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of Abingworth Bioventures III GP Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Partnership operates. The financial statements are also presented in pounds sterling. Foreign operations are included in accordance with the policies set out below.

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, financial instrument, key personnel and related party transactions

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.

Investment in subsidiaries

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

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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.

Financial assets are derecognised when and only when (a) the contractual rights to the cash flows from the financial asset expire or are settled, (b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or (c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Abingworth Bioventures III GP Limited

Notes to the financial statements (continued) For the year ended 30 June 2017

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.

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 key 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:

	2017 £	2016 £
Auditor's remuneration - audit fee relating to auditing of the financial statements (including reversal of accruals)	5,223	13,159
Foreign currency exchange (gains)/loss	(267)	5,283

The directors did not receive any remuneration for services to the Company during the year (2016: none). The Company did not employ any staff during the year (2016: none). There were no non audit services provided by the auditor to the Company in the year or in the previous year.

Abingworth Bioventures III GP Limited

Notes to the financial statements (continued) For the year ended 30 June 2017

3. Tax credit on loss on ordinary activities

	2017 £	2016 £
Current tax charge comprises:		
UK corporation tax – group relief	-	-
	-	-
Deferred taxation:		
Timing differences, origination and reversal	-	-
	-	-
	-	-

The standard rate of tax applied to reported profit on ordinary activities is 19.75% (2016: 20.00%). 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:

	2017 £	2016 £
(Loss)/profit on ordinary activities before tax	(14,753)	1,901
Tax (credit)/charge at 19.75% (2016: 20.00%) thereon:	2,914	(380)
Effects of:		
Deferred tax not recognised	(2,914)	380
	-	-

£113,213 (2016: £110,299) 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 in subsidiary

	2017 £	2016 £
Membership interest in Abingworth General Partner III LLP at cost representing 90% of the capital	90	90
	90	90

Membership interest in Abingworth General Partner III LLP representing 100% of the capital of a general partner of a Scottish limited partnership, Abingworth Bioventures III GP LP (Registered address: 50 Lothian Road, Edinburgh EH3 9BY), which in turn acts as the general partner of the English limited partnerships Abingworth Bioventures III LP, which are investment funds specialising in life sciences and healthcare investments.

Abingworth Bioventures III GP Limited

Notes to the financial statements (continued) For the year ended 30 June 2017

5. Debtors falling due within 1 year

	2017 £	2016 £
Amount owed by group undertakings	90	160
	<u>90</u>	<u>160</u>

6. Creditors falling due within one year

	2017 £	2016 £
Other creditors	1,173	-
Accruals	9,095	8,750
	<u>10,268</u>	<u>8,750</u>

7. Creditors falling due after one year

	2017 £	2016 £
Amount due to group companies	-	90
	<u>-</u>	<u>90</u>

8. Dividend

The directors did not pay any dividend during the year (2016: £280,000). There was no final dividend payment (2016: £nil).

9. 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.

Abingworth Bioventures III GP Limited

Notes to the financial statements (continued)

For the year ended 30 June 2017

10. Related party disclosures

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 £90 is due from Abingworth LLP (2016: £160) for recharged expenses.

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 2017 no income (2016: £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"). The LLP remained dormant during the current year.

11. Subsequent events

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