

**Company Registration No. SC245910**

**Abingworth Bioventures IV GP Limited**

**Report and Financial Statements**

**30 June 2009**

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# **Abingworth Bioventures IV GP Limited**

## **Report and financial statements 2009**

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# **Abingworth Bioventures IV GP Limited**

## **Report and financial statements 2009**

### **Officers and professional advisers**

#### **Directors**

S W Bunting  
J F Abell  
D F J Leathers

#### **Secretary**

J G Heard

#### **Registered office**

50 Lothian Road  
Festival Square  
Edinburgh  
Midlothian  
EH3 9BY

#### **Bankers**

Barclays Bank PLC  
Pall Mall Corporate Group  
London  
SW1A 1QB

#### **Auditors**

Deloitte LLP  
London

#### **Tax advisors**

BDO Stoy Hayward  
London

# **Abingworth Bioventures IV GP Limited**

## **Directors' report**

The directors present their annual report and the audited financial statements for the year ended 30 June 2009. This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption under section 415a of the Companies Act 2006.

### **Principal activities**

Abingworth Bioventures IV GP Limited (the "company") acts as the general partner of a Scottish Limited Partnership, Abingworth Bioventures IV GP LP.

### **Business Review**

The company made a loss after taxation for the year of £82,870 (2008: loss £16,791).

### **Going Concern**

The directors of the company have acknowledged the latest guidance on going concern. While the current volatility in financial and world markets has created general uncertainty, the directors consider the company's financial position to be sound as the company is also part of the Abingworth Management Holding group, which has *considerable financial flexibility and access to additional sources of finance*. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern can be found in the Statement of accounting policies in the financial statements.

### **Financial risk management**

The company does not use any derivative financial instruments or debt finance and as the company continues to act as the general partner of Abingworth Bioventures IV GP L.P. and receives a profit share in advance to cover its expenses, there is minimal cash flow risk and liquidity risk.

### **Dividends**

The directors do not recommend a dividend payment (2008: dividend paid £196,000).

### **Indemnity**

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

### **Future prospects**

The company will continue to act as the general partner of Abingworth Bioventures IV GP LP.

### **Directors**

The directors of Abingworth Bioventures IV GP Limited who served during the year and to the date of this report were as follows:

J F Abell  
S W Bunting  
D F J Leathers

## **Abingworth Bioventures IV GP Limited**

### **Directors' report (continued)**

#### **Disclosure of information to auditors**

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

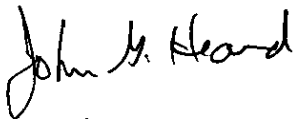
1. so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
2. the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that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

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

#### **Auditors**

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

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



**J Heard**  
Secretary

14 October 2009

## **Abingworth Bioventures IV 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). 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent auditors' report to the members of Abingworth Bioventures IV GP Limited**

We have audited the financial statements of Abingworth Bioventures IV GP Limited for the year ended 30 June 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 15. 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).

This report is made solely to the company's members, as a body, in accordance with sections 495 and 496 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 auditors' 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 auditors**

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 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 (APB'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.

### **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 2009 of its loss fit 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.

## **Independent auditors' report to the members of Abingworth Bioventures IV 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.



**Clive Bouch** (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditors  
London, United Kingdom

14 October 2009



# Abingworth Bioventures IV GP Limited

## Profit and loss account For the year ended 30 June 2009

	Notes	2009 £	2008 £
Turnover	2	4,660,506	4,214,607
Administrative expenses		<u>(4,590,594)</u>	<u>(4,154,932)</u>
<b>Operating profit</b>		<b>69,912</b>	<b>59,675</b>
Interest income	1	<u>690</u>	<u>4,753</u>
<b>Profit on ordinary activities before taxation</b>	3	<b>70,602</b>	<b>64,428</b>
Taxation	4	<u>(153,472)</u>	<u>(81,219)</u>
<b>Loss on ordinary activities after taxation</b>	11, 12	<b><u>(82,870)</u></b>	<b><u>(16,791)</u></b>

All results relate to continuing operations. There have been no recognised gains or losses other than as stated in the profit and loss account for the current or prior year. Accordingly, no statement of total gains or losses is given.

The notes 1 to 15 form an integral part of the accounts.

# Abingworth Bioventures IV GP Limited

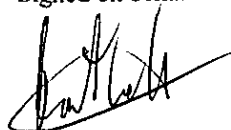
## Balance Sheet 30 June 2009

	Notes	2009 £	2008 £
<b>Current assets</b>			
Debtors	6	493,911	148,549
Cash at bank and in hand		127,959	59,900
		<u>621,870</u>	<u>208,449</u>
<b>Creditors: amounts falling due within one year</b>			
Other creditors	7	(5,000)	(7,543)
<b>Net current assets</b>		<u>616,870</u>	<u>200,906</u>
<b>Total assets less current liabilities</b>		<u>616,870</u>	<u>200,906</u>
<b>Provision for liabilities and charges</b>	8	(679,860)	(181,026)
<b>Net (liabilities)/assets</b>		<u>(62,990)</u>	<u>19,880</u>
<b>Capital and reserves</b>			
Called up share capital	10	1	1
Profit and loss account	11	(62,991)	19,879
<b>Total equity shareholder's (deficit)/funds</b>	12	<u>(62,990)</u>	<u>19,880</u>

The notes 1 to 15 form an integral part of the accounts.

These financial statements were approved by the Board of Directors and authorised for issue on 1/4<sup>th</sup> October 2009.

Signed on behalf of the Board of Directors



**J F Abell**  
Director

# **Abingworth Bioventures IV GP Limited**

## **Notes to the accounts Year ended 30 June 2009**

### **1. Accounting policies**

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted are described below and have been consistently adopted in the current and prior years.

#### **Accounting convention**

The financial statements are prepared under the historical cost convention.

#### **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. The company is also part of the Abingworth Management Holding group which has considerable financial flexibility and access to additional sources of finance. As a consequence, the company is well placed to manage its business activities despite the current uncertain economic outlook.

The company has net liabilities after provisions of £62,990. The directors of Abingworth Management Holdings Ltd. have confirmed that they will support the company, when necessary, to allow it to continue its business activities.

#### **Turnover**

Turnover comprises the company's share of profits made by Abingworth Bioventures IV GP LP.

Abingworth Bioventures IV GP Ltd is the General Partner of Abingworth Bioventures IV GP LP, which is in turn the General Partner of two partnerships comprising the investment fund Abingworth Bioventures IV (the "Fund"). Under the Fund's Limited Partnership Agreements, Abingworth Bioventures IV GP LP is entitled to receive a "General Partner's Share" which is passed on to Abingworth Bioventures IV GP Ltd and is used to meet the payment of the Fund's investment management fee to Abingworth Management Limited. The General Partner's Share comprises the first charge on net income and capital gains of the Fund, an annual profit share equivalent to 2.5% of the Fund's committed capital, for the first five years, then stepped down to 2.0% of committed capital on 17 November 2008. If net income and capital gains less capital losses in any accounting period are less than the General Partner's Share, the deficiency is paid as an interest free loan, which is recoverable only against future allocations of net income and capital gains. The company is entitled to this share quarterly in advance. As these advances are not repayable under the terms of the Limited Partnership Agreement, the advances are recognised as turnover as they are earned.

#### **Cash flow statement**

The company has taken advantage of the exemption granted within Financial Reporting Standard 1 (Revised) Cash Flow Statements not to prepare a cash flow statement as its ultimate parent company produces consolidated accounts, which include a cash flow statement, which are publicly available, and into which the company's results are fully consolidated.

#### **Foreign exchange**

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions or at a contracted rate, if appropriate.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. All translation differences are recognised in the profit and loss account for the period.

#### **Interest**

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

# Abingworth Bioventures IV GP Limited

## Notes to the accounts Year ended 30 June 2009

### 1. Accounting policies (continued)

#### Taxation

The charge for taxation is based on the profit for the period and takes into account deferred taxation that arises because of timing differences between the treatment of certain items for taxation and accounting purposes.

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

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

### 2. Turnover

In the opinion of the directors the company activities, as described in the Directors' Report can be regarded as a single business segment.

In addition, the company operated in the United Kingdom, which in the opinion of the directors can be regarded as a single geographical market.

### 3. Profit on ordinary activities before taxation

	2009 £	2008 £
Profit on ordinary activities is stated after charging:		
Auditors' remuneration - audit fee	5,000	4,500

The directors did not receive any remuneration for services to the company during the current or prior year. The company did not employ any staff in the current or prior year. The company meets the audit fee for Abingworth Bioventures IV GP LP for £4,408 for year ended 31 December 2008.

### 4. Tax charge on profit on ordinary activities

	2009 £	2008 £
The tax charge comprises		
Current tax:		
UK corporation tax at 28% (2008 29.5%)	-	-
UK corporation tax - group relief	345,362	148,549
Adjustment in respect of prior years	-	(48,742)
	345,362	99,807
Deferred taxation:		
Timing differences, origination and reversal	(491,468)	(181,026)
Adjustment in respect of prior years	(7,366)	-
	(153,472)	(81,219)

# Abingworth Bioventures IV GP Limited

## Notes to the accounts Year ended 30 June 2009

### 4. Tax charge on profit on ordinary activities (continued)

#### Factors affecting current tax charge

The tax assessed for the period is lower than that resulting from applying the standard rate of corporation tax in the UK of 28 % (2008: 29.5%). The differences are explained below:

	2009 £	2008 £
Profit on ordinary activities before tax	70,602	64,428
Tax at 28% thereon (2008 29.5%):	(19,769)	(19,006)
Excess management expenses carried forward	(929,584)	(428,570)
Losses surrendered as group relief	(345,362)	(148,549)
Movement in short term timing differences - advance on profit share	1,276,324	544,311
Expenses not deductible for income tax	(2,483)	-
Oversease income taxed net	20,874	-
Difference between accounting profit on disposal and chargeable gains	-	51,814
Adjustment in respect of prior years	-	(48,742)
Group relief payment receivable	345,362	148,549
	<u>345,362</u>	<u>99,807</u>

### 5. Dividend

	2009 £	2008 £
Dividend paid in the year	-	196,000

### 6. Debtors

	2009 £	2008 £
Group relief receivable	493,911	148,549
Other debtors	-	-
	<u>493,911</u>	<u>148,549</u>

# Abingworth Bioventures IV GP Limited

## Notes to the accounts Year ended 30 June 2009

### 7. Creditors

	2009 £	2008 £
Other creditors	5,000	7,543
	<u>5,000</u>	<u>7,543</u>

### 8. Provision for liabilities and charges

	Note	2009 £	2008 £
Deferred taxation	9	679,860	181,026
		<u>679,860</u>	<u>181,026</u>

### 9. Deferred taxation

	2009 £	2008 £
<b>Movement on deferred taxation balance in the year</b>		
Opening balance	181,026	-
Charge to profit and loss account	498,834	181,026
	<u>679,860</u>	<u>181,026</u>
<b>Analysis of Deferred Tax Balance</b>		
Deferred tax on future known profit share	679,860	181,026
	<u>679,860</u>	<u>181,026</u>

Deferred taxes are calculated on all timing differences using an effective rate of 28% (2008: 28%).

### 10. Called up share capital

	2009 £	2008 £
<b>Authorised:</b>		
1,000 ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
<b>Allotted, called up and fully paid:</b>		
1 ordinary share of £1	1	1
	<u>1</u>	<u>1</u>

# Abingworth Bioventures IV GP Limited

## Notes to the accounts Year ended 30 June 2009

### 11. Reserves

	Profit and loss account £
At 30 June 2008:	19,879
Transfer from profit and loss account for the year	(82,870)
Dividends	-
At 30 June 2009	<u>(62,991)</u>

### 12. Reconciliation of movement in equity shareholder's funds

	Note	2009 £	2008 £
Loss for the financial year		(82,870)	(16,791)
Dividends paid on equity shares	5	-	(196,000)
Net decrease in shareholders' funds		(82,870)	(212,791)
Opening equity shareholder's funds		<u>19,880</u>	<u>232,671</u>
Closing equity shareholder's (deficits)/funds		<u>(62,990)</u>	<u>19,880</u>

### 13. Contingent liability

In order to satisfy the requirements of the Limited Partnerships Act 1907, the company acts as partner with unlimited liability in respect of Abingworth Bioventures IV GP LP, which in turn acts as partner with unlimited liability in respect of Abingworth Bioventures IV LP and Abingworth Bioventures IV Executives LP.

### 14. Ultimate parent company

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

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

## **Abingworth Bioventures IV GP Limited**

### **Notes to the accounts**

**Year ended 30 June 2009**

#### **15. Related party disclosures**

Abingworth Bioventures IV GP Ltd acts as General Partner to Abingworth Bioventures IV GP LP (GPLP). During the year income of £4,660,506 (2008 - £4,214,607) was credited on account of the GPLP's entitlement to receive a share of net income and capital gains from Abingworth Bioventures IV LP and Abingworth Bioventures IV Executives LP.

Dr Bunting, Mr Abell and Mr Leathers have made investments in, and are entitled to participate in the carried interest from, GP LP.

The company has taken advantage of the exemption granted by paragraph 3(c) of Financial Reporting Standard 8, Related Party Disclosures, as a wholly-owned subsidiary of Abingworth Management Holdings Limited, not to disclose related party transactions with group entities that are also 100% owned. There are no other related party transactions requiring disclosure.