

Glaxo Laboratories Limited
(Registered Number 239893)

Directors' Report and Financial Statements

For the Year Ended 31st December 2003



Registered office address:
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Glaxo Laboratories Limited

Directors' Report and Financial Statements

For the Year Ended 31st December 2003

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Glaxo Laboratories Limited

Directors' Report for the Year Ended 31st December 2003

The Directors submit their report and the financial statements for the year ended 31st December 2003.

Principal activities and business review

The Company did not trade during the period. The Directors do not envisage any change to the nature of the business in the foreseeable future.

Results and dividends

The Directors do not recommend payment of a dividend (2002: £nil). There was no transfer to reserves (2002: £nil).

Directors and their interests

The Directors of the Company who served during the year are as follows:

Edinburgh Pharmaceutical Industries Limited
Glaxo Group Limited

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

Save as disclosed, no arrangements to which the Company was a party existed at the end of the year, or at any time during the year, which would enable the Directors to acquire benefits through the acquisition of shares, or debentures of the Company, or any body corporate within the Group.

At 31st December 2003, none of the Directors have beneficial interests in the shares of any other Group company, except where such an interest may arise in the ordinary course of business.

Glaxo Laboratories Limited

Directors' Report for the Year Ended 31st December 2003

Statement of directors' responsibilities

Company law requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Company and of the profit or loss for that year.

In preparing the financial statements the Directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

Auditors

The Company, having not traded during the year, satisfied the conditions for exemption from audit as specified in Section 249AA of the Companies Act 1985 for the year ended 31st December 2003.

By order of the Board



L.A. Nuttall

For and on behalf of Edinburgh Pharmaceutical Industries Limited

Director

14 January 2004

Glaxo Laboratories Limited

Balance Sheet as at 31st December 2003

	Note	2003 £	2002 £
Current assets			
Debtors	2	66,555	66,555
Net assets		66,555	66,555
Capital and reserves			
Called up share capital	3	39,000	39,000
Profit and loss account	4	27,555	27,555
Shareholders' funds – equity interests	5	66,555	66,555

During the financial year and the preceding financial year the Company undertook no significant accounting transactions. Consequently the Company made neither a profit, a loss nor any other recognised gains and losses during the year and therefore has not prepared a profit and loss account or a separate statement of total recognised gains and losses.

For the year ended 31st December 2003 the Company was entitled to exemption under section 249AA(1) of the Companies Act 1985. Members have not required the Company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985.

The Directors acknowledge their responsibility for:

- Ensuring that the Company keeps accounting records which comply with section 221; and
- Preparing accounts which give a true and fair view of the state of the affairs of the Company as at the end of the financial year, and of its profit and loss for the year, in accordance with the requirements of section 226; and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the Company.

The accounts on pages 3 to 5 were approved by the Board of Directors on 14 January 2004 and were signed on its behalf by:



L.A. Nuttall

For an on behalf of Edinburgh Pharmaceutical Industries Limited – Director
14 January 2004

Glaxo Laboratories Limited

Notes to the Financial Statements – 31st December 2003

1 Accounting policies

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

Basis of accounting

These financial statements have been prepared using the historical cost convention, and have been drawn up in accordance with UK generally accepted accounting principles and with UK accounting presentation.

Debtors

Debtors represent intercompany balances with other Group undertakings and accordingly are valued in line with the corresponding agreements.

2 Debtors

	2003 £	2002 £
Falling due within one year		
Amounts owed by group undertaking	66,555	66,555

3 Called up share capital

	2003 £	2002 £
Authorised		
Equity shares		
Ordinary shares of £1 each	90,000	90,000
Allotted, issued and fully paid		
Equity shares		
Ordinary shares of £1 each	39,000	39,000

4 Reserves

	Profit and loss account £
As at 1st January 2003 and 31st December 2003	27,555

5 Reconciliation of movement in shareholders' funds

	2003 £	2002 £
Opening and closing shareholders' funds – equity interests	66,555	66,555

Glaxo Laboratories Limited

Notes to the Financial Statements – 31st December 2003

6 Directors' remuneration

The Corporate Directors received no remuneration during the year, either as executives of the GlaxoSmithKline group or in respect of their services to the Company (2002 - £nil).

7 Employee information

In 2003, no employees were directly employed by the Company (2002: nil). There were no wages and salaries, social securities, or other pension costs incurred (2002: £nil).

8 Cash flow statement

A cash flow statement has been included in the consolidated financial statements of GlaxoSmithKline plc, the ultimate parent undertaking. As a wholly owned subsidiary of the ultimate parent undertaking, advantage has been taken of the exemption afforded by Financial Reporting Standard 1 (Revised 1996) not to prepare a cash flow statement.

9 Ultimate parent undertaking

GlaxoSmithKline plc, registered in England and Wales, is the Company's ultimate parent undertaking. The largest and smallest group of undertakings for which group accounts are prepared and which include the results of the Company, are the consolidated accounts of GlaxoSmithKline plc. Copies of the consolidated accounts can be obtained from The Secretary, GlaxoSmithKline plc, 980 Great Western Road, Brentford, Middlesex, TW8 9GS. The immediate parent undertaking is Glaxo Wellcome UK Limited.

10 Related party transactions

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