

**SmithKline Beecham (Mauritius) Limited**  
**(Registered Number 295756)**

**Annual Report and Financial Statements**

**For the year ended 31st December 2006**

**Registered office address:**

980 Great West Road  
Brentford  
Middlesex  
TW8 9GS

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**SmithKline Beecham (Mauritius) Limited**  
**Annual Report and Financial Statements**  
**For the year ended 31st December 2006**

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## **SmithKline Beecham (Mauritius) Limited**

### **Directors' Report for the year ended 31st December 2006**

The Directors submit their report and the audited financial statements for the year ended 31st December 2006

#### **Principal activities**

The company did not carry out any trading activities during the period. The Directors do not envisage any change to the nature of the business for the foreseeable future.

#### **Review of business**

The Company made a loss on ordinary activities after taxation of £235,000 (2005 - loss of £9,000). The Directors are of the opinion that the current level of activity will continue in the foreseeable future.

The loss for the financial year of £235,000 will be transferred from reserves (2005 - loss for the financial year of £9,000 transferred from reserves).

#### **Results and dividends**

The Company's results for the financial year are shown in the profit and loss account on page 4.

No dividend is proposed to the holders of Ordinary Shares in respect of the year ended 31st December 2006 (2005 - £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 GlaxoSmithKline Group (the Group).

At 31st December 2006 none of the Directors had beneficial interests in the shares of any other Group company, except where such a beneficial interest may arise in the ordinary course of business.

#### **Directors' Indemnity**

Each of the Directors benefits from an indemnity given by the Company under its articles of association. This indemnity is in respect of liabilities incurred by the Director in the execution and discharge of its duties.

#### **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

## **SmithKline Beecham (Mauritius) Limited**

### **Directors' Report for the year ended 31st December 2006**

#### **Statement of Directors' responsibilities (continued)**

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

As far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and the Directors have taken all the steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information

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**

Elective resolutions to dispense with holding Annual General Meetings, the laying of accounts before the Company in general meetings and the appointment of Auditors annually are currently in force. The Auditors, PricewaterhouseCoopers LLP, will therefore be deemed to have been reappointed at the end of the period of 28 days beginning with the day on which copies of this Report and Accounts are sent to members unless a resolution is passed under Section 393 of the Companies Act to the effect that their reappointment be brought to an end

By order of the Board



**R Williamson**

**For and on behalf of Edinburgh Pharmaceutical Industries Limited - Secretary**  
2nd March 2007

## **SmithKline Beecham (Mauritius) Limited**

### **Independent Auditors' Report to the members of SmithKline Beecham (Mauritius) Limited**

We have audited the financial statements of SmithKline Beecham (Mauritius) Limited for the year ended 31st December 2006 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out therein.

#### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, 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.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

#### **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs at 31st December 2006 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.

*PricewaterhouseCoopers LLP*

PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
London  
2nd March 2007

**SmithKline Beecham (Mauritius) Limited**

**Profit and Loss Account**

**For the year ended 31st December 2006**

	<i>Notes</i>	<b>2006 £000</b>	<b>2005 £000</b>
Turnover		-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses		<b>(328)</b>	<b>(6)</b>
Operating loss	<b>2</b>	<b>(328)</b>	<b>(6)</b>
Net interest (payable)/receivable	<b>3</b>	<b>(8)</b>	<b>3</b>
Loss on ordinary activities before taxation		<b>(336)</b>	<b>(3)</b>
Taxation	<b>4</b>	<b>101</b>	<b>(6)</b>
Loss for the financial year	<b>8</b>	<b>(235)</b>	<b>(9)</b>

The results disclosed above relate entirely to discontinued operations

There is no difference between the loss on ordinary activities before taxation and the loss for the financial year stated above and their historical cost equivalents

The notes on pages 7 to 9 form part of these financial statements

**SmithKline Beecham (Mauritius) Limited**

**Statement of Total Recognised Gains and Losses  
For the year ended 31st December 2006**

	<b>2006</b>	<b>2005</b>
	<b>£000</b>	<b>£000</b>
<b>Loss for the financial year</b>	<b>(235)</b>	<b>(9)</b>
<b>Exchange movement on overseas net assets</b>	<b>-</b>	<b>(59)</b>
<b>Total gains and losses recognised</b>	<b>(235)</b>	<b>(68)</b>

The notes on pages 7 to 9 form part of these financial statements

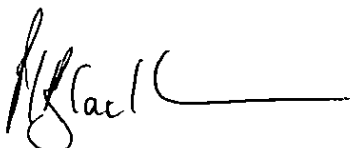
**SmithKline Beecham (Mauritius) Limited**

**Balance Sheet**

**As at 31st December 2006**

	<i>Notes</i>	<b>2006 £000</b>	<b>2005 £000</b>
Debtors	5	1,507	1,687
Cash at bank		76	93
<b>Current assets</b>		<b>1,583</b>	<b>1,780</b>
<b>Creditors amounts due within one year</b>	6	<b>(330)</b>	<b>(292)</b>
<b>Net assets</b>		<b>1,253</b>	<b>1,488</b>
<b>Capital and reserves</b>			
Called up share capital	7	536	536
Share premium account	8	2	2
Profit and loss account	8	715	950
<b>Equity shareholders' funds</b>	9	<b>1,253</b>	<b>1,488</b>

The accounts on pages 4 to 9 were approved by the Board of Directors on 2nd March 2007 and were signed on its behalf by



P Blackburn

For and behalf of Glaxo Group Limited - Director

The notes on pages 7 to 9 form part of these financial statements



**SmithKline Beecham (Mauritius) Limited**

**Notes to the Financial Statements for the year ended 31st December 2006**

**1 Accounting policies**

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

**(a) 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

**(b) Foreign currency transactions**

Foreign currency transactions are booked in local currency at the exchange rate ruling on the date of the transaction, or at the forward rate if hedged by a forward exchange contract. Foreign currency assets and liabilities are translated into local currency at rates of exchange ruling at the balance sheet date, or at the forward rate. Exchange differences are included in trading profit. The retranslation of the opening reserves and results for the period of overseas branches that are denominated in a foreign currency are taken to the statement of total recognised gains and losses

**(c) Taxation**

The Company accounts for taxation which is deferred or accelerated by reason of timing differences which have originated but not reversed by the balance sheet date. Deferred tax assets are only recognised to the extent that they are considered recoverable against future taxable profits

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse. Deferred tax liabilities and assets are not discounted

**2 Operating loss**

	2006 £000	2005 £000
<b>The following items have been charged in operating profit</b>		
Exchange losses on foreign currency transactions	320	-
Management fee	8	6

The auditors' remuneration of £4,405 has been borne by GlaxoSmithKline Export Limited

GlaxoSmithKline Services Unlimited provides various services and facilities to the Company including finance and administrative services for which a management fee is charged

**3 Net interest payable/ receivable**

	2006 £000	2005 £000
<b>Interest payable</b>		
On loans with group undertakings	(11)	-
<b>Investment income</b>		
On loans with group undertakings	3	3
	(8)	3

**4 Taxation**

	2006 £000	2005 £000
<b>Taxation charge/(credit) based on profits for the period</b>		
UK corporation tax at 30% (2005 30%)	(101)	(1)
Under provision in previous years	-	7
	(101)	6

There are no items required to reconcile the loss before taxation at the statutory rate of 30% to the current taxation charge

No provision is required for deferred taxation

**5 Debtors**

	2006 £000	2005 £000
<b>Amounts due within one year</b>		
Amounts owed by group undertakings	1,351	1,631
Corporation tax	156	56
	1,507	1,687

**SmithKline Beecham (Mauritius) Limited**

**Notes to the Financial Statements for the year ended 31st December 2006**

**6 Creditors**

	2006 £000	2005 £000
Amounts due within one year		
Amounts owed to group undertakings	304	266
Overseas Taxation	26	26
	<b>330</b>	<b>292</b>

**7 Called up share capital - equity interests**

	2006 Number of shares	2005 Number of shares	2006 £000	2005 £000
<b>Authorised</b>				
Ordinary Shares of £1 each	612,001	612,001	612	612
<b>Issued and fully paid</b>				
Ordinary Shares of £1 each	535,927	535,927	536	536

**8 Reserves - equity interests**

	Profit & Loss account £000	Share Premium £000	Total Reserves £000
At 1st January 2006	950	2	952
Loss for the financial year	(235)	-	(235)
At 31st December 2006	715	2	717

**9 Reconciliation of movements in shareholders' funds**

	2006 £000	2005 £000
Loss for the financial year	(235)	(9)
Exchange movements	-	(59)
Net reduction in shareholders' funds	(235)	(68)
Opening shareholders' funds	1,488	1,556
Closing shareholders' funds - equity interests	1,253	1,488

**10 Directors' remuneration**

The Corporate Directors of the Company received no remuneration in respect of their service to the Company (2005 - £nil)

**11 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 FRS 1 'Cash Flow Statements' (Revised 1996) not to prepare a cash flow statement.

**12 Ultimate parent undertaking**

GlaxoSmithKline plc, a company registered in England and Wales, is the Company's ultimate parent undertaking. The largest and smallest group of undertakings for which group financial statements are prepared and which include the results of the Company, are the consolidated financial statements of GlaxoSmithKline plc. Copies of the consolidated accounts can be obtained from The Company Secretary, GlaxoSmithKline plc, 980 Great West Road, Brentford, Middlesex TW8 9GS. The immediate parent undertaking is SmithKline Beecham plc.

**SmithKline Beecham (Mauritius) Limited**

**Notes to the Financial Statements for the year ended 31st December 2006**

**13 Related party transactions**

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