

Stafford-Miller Limited
(Registered Number 318499)

Annual Report and Financial Statements

For the year ended 31st December 2010



Registered office address:
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Stafford-Miller Limited

Annual Report and Financial Statements

For the year ended 31st December 2010

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Stafford-Miller Limited
(Registered Number 318499)

Directors' Report for the year ended 31st December 2010

The Directors submit their report and the audited financial statements for the year ended 31st December 2010

Principal activities

The Company's principal activity is the receipt of interest on loans from other GlaxoSmithKline Group ("the Group") undertakings. The Directors do not envisage any change to the nature of the business in the foreseeable future.

Review of business

The Company made a profit on ordinary activities after taxation of £11,000 (2009 - profit of £18,000). The Directors are of the opinion that the current level of activity and the year end financial position are satisfactory and will remain so in the foreseeable future.

The retained profit for the year of £11,000 will be transferred to reserves (2009 - retained profit for the year of £18,000 transferred to 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 or Preference Shares in respect of the year ended 31st December 2010 (2009 - £nil).

Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were as follows:

Glaxo Group Limited
Edinburgh Pharmaceutical Industries Limited
Paul Blackburn

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 with the exception of the Corporate Directors, where such an 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 his, her or its duties.

Stafford-Miller Limited
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Directors' Report for the year ended 31st December 2010

Statement of Directors' Responsibilities in respect of the Annual Report and the financial statements

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 year.

In preparing those 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,
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business, in which case there should be supporting assumptions or qualifications as necessary

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

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.

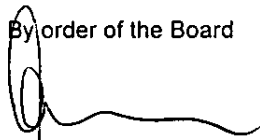
As far as each of the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and the Directors have taken all the steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the Company's auditors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

Independent auditors

PricewaterhouseCoopers LLP are deemed to be re-appointed in accordance with an elective resolution made under s386 of the Companies Act 1985 which continues in force under the Companies Act 2006.

This report has been prepared taking advantage of the small companies exemption in accordance with s415A of the Companies Act 2006.

By order of the Board



P Williamson
For and on behalf of Edinburgh Pharmaceutical Industries Limited - Director
24th February 2011

Stafford-Miller Limited

Independent Auditors' Report to the members of Stafford-Miller Limited

We have audited the financial statements of Stafford-Miller Limited for the year ended 31st December 2010 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2 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.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

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 at 31st December 2010 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.

Opinion on other matter prescribed by the Companies Act 2006

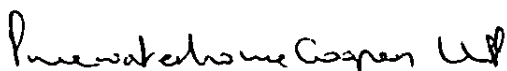
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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.

The Company has passed a resolution in accordance with Section 506 of the Companies Act 2006 that the auditor's name should not be stated.



PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
24 February 2011

Stafford-Miller Limited

Profit and Loss Account

For the year ended 31st December 2010

	<i>Notes</i>	2010 £'000	2009 £'000
Operating expense		(7)	(7)
Operating loss	2	(7)	(7)
Interest receivable and similar income	3	22	32
Profit on ordinary activities before taxation		15	25
Taxation on profit on ordinary activities	4	(4)	(7)
Profit for the financial year	8	11	18

The results disclosed above relate entirely to continuing operations

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

The Company had no recognised gains or losses during the year other than those reflected in the above profit and loss account

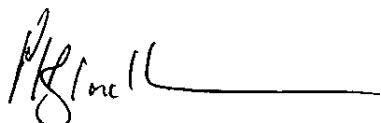
Stafford-Miller Limited

Balance Sheet

As at 31st December 2010

	<i>Notes</i>	2010 £'000	2009 £'000
Current assets			
Debtors	5	5,151	5,412
Creditors amounts falling due within one year	6	(101)	(373)
Net current assets		5,050	5,039
Total assets less current liabilities		5,050	5,039
Net assets		5,050	5,039
Capital and reserves			
Called up share capital	7	4,600	4,600
Profit and loss account	8	450	439
Total shareholders' funds	9	5,050	5,039

The accounts on pages 4 to 8 were approved by the Board of Directors on 24th February 2011 and were signed on its behalf by



Paul Blackburn
Director

Stafford-Miller Limited

Notes to the Financial Statements for the year ended 31st December 2010

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 on the going concern basis under the historical cost convention, the accounting policies set out below, which have been applied consistently, and in accordance with the Companies Act 2006 and applicable UK Accounting Standards

(b) Taxation

Current tax is provided at the amounts expected to be paid applying tax rates that have been enacted or substantially enacted at the balance sheet date

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

	2010 £'000	2009 £'000
The following items have been charged in operating loss		
Management fees	(4)	(4)
Audit fees		
Auditors' UK firm	(3)	(3)
	(7)	(7)

The auditor's remuneration borne by the Group is £3,477 (2009 - £3,393)

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

3 Interest receivable and similar income

	2010 £'000	2009 £'000
On loans with Group undertakings	22	32

4 Taxation

	2010 £'000	2009 £'000
Taxation charge based on profits for the year		
UK corporation tax at 28% (2009 28%)	4	7

There are no items required to reconcile the profit before taxation at the statutory rate of 28% (2009 28%) to the current tax charge

No provision is required for deferred taxation

Stafford-Miller Limited

Notes to the Financial Statements for the year ended 31st December 2010

5 Debtors

	2010 £'000	2009 £'000
Amounts due within one year		
Amounts owed by Group undertakings	5,151	5,412

6 Creditors

	2010 £'000	2009 £'000
Amounts falling due within one year		
Bank loans and overdrafts	7	3
Amounts owed to Group undertakings	7	280
Taxation	87	90
	101	373

The taxation creditor contains amounts which will be paid to fellow Group companies

7 Called up share capital

	2010 Number of shares	2009 Number of shares	2010 £'000	2009 £'000
Authorised				
Ordinary Shares of £10 each	92,000	92,000	920	920
Non-Cumulative Non Redeemable Preference Shares of £10 each	368,000	368,000	3,680	3,680
Issued and fully paid				
Ordinary Shares of £10 each	91,980	91,980	920	920
Non-Cumulative Non Redeemable Preference Shares of £10 each	368,000	368,000	3,680	3,680
	459,980	459,980	4,600	4,600

Each ordinary share entitles its holder to cast one vote at general meetings. Preference shareholders are not entitled to vote. Dividends are payable at the option of the shareholders in general meeting. Dividends shall be paid in the first instance to the holders of preference shares. There is no fixed dividend rate. The dividends will be dependent on the annual profits of the Company during the year. Dividends are non-cumulative and consequently the preference shares are treated as equity. In the event of a dissolution of the Company, preference shareholders will be entitled to receive the last dividend accrued but unpaid and the return of the subscription price in priority over any payments to holders of any other class of shares.

8 Reserves

	Profit and loss account £'000	Total reserves £'000
At 1st January 2010	439	439
Profit for the financial year	11	11
At 31st December 2010	450	450

Stafford-Miller Limited

Notes to the Financial Statements for the year ended 31st December 2010

9 Reconciliation of movements in shareholders' funds

	2010 £'000	2009 £'000
Profit for the financial year	11	18
Opening shareholders' funds	5,039	5,021
Closing shareholders' funds – equity interests	5,050	5,039

10 Contingent liabilities

Group banking arrangement

The Company, together with fellow Group undertakings has entered into a Group banking arrangement with the Company's principal bankers. The bank holds the right to pay and apply funds from any account of the Company to settle any indebtedness to the bank of any other party to this agreement. The Company's maximum potential liability as at 31st December 2010 is limited to the amount held on its accounts with the bank. No loss is expected to accrue to the Company from the agreement.

11 Employees

The Company has no employees as all personnel are employed by other Group companies (2009 nil)

12 Directors' remuneration

During the year the Directors of the Company, with the exception of the Corporate Directors, were remunerated as executives of the Group and received no remuneration in respect of their services to the Company (2009 - £nil). Corporate Directors received no remuneration during the year, either as executives of the Group or in respect of their services to the Company (2009 - £nil).

13 Cash flow statement

A cash flow statement has been included in the consolidated financial statements of GlaxoSmithKline plc, the ultimate parent undertaking, which are publicly available. 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.

14 Ultimate parent undertaking

GlaxoSmithKline plc, a company registered in England and Wales, is the Company's ultimate parent undertaking and controlling party. 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 financial statements can be obtained from The Company Secretary, GlaxoSmithKline plc, 980 Great West Road, Brentford, Middlesex TW8 9GS. The immediate parent undertaking is Block Drug Company, Inc.

15 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.