SmithKline Beecham Marketing and Technical Services Limited
(Registered number: 00494385)

Directors' report and financial statements

for the year ended 31 December 2015

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England

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(Registered number: 00494385)

Directors' report and financial statements

for the year ended 31 December 2015

Contents

SmithKline Beecham Marketing and Technical Services Limited
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Directors' report for the year ended 31 December 2015

The Directors present their report on the company and the audited financial statements for the year ended 31 December 2015.

Principal activities

SmithKline Beecham Marketing and Technical Services Limited (the "Company") is a member of GlaxoSmithKline Group (the "Group"). The principal activity of the Company is marketing of consumer healthcare products through representative offices. The Company did not undertake any activity in the UK during the financial year ended 31 December 2015.

Review of business

The Company made a loss for the financial year of £63,000 (2014: £11,000).

The loss for the financial year of £63,000 will be transferred from reserves (2014: £11,000 transferred from reserves).

Results and dividends

The Company's results for the financial year are shown in the Statement of comprehensive income on page 5.

No dividend is proposed to the holders of Ordinary Shares in respect of the year ended 31 December 2015 (2014: £nil).

Directors and their interests

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:

Edinburgh Pharmaceutical Industries Limited	
Glaxo Group Limited	
Mr. Paul F Blackburn	(Resigned 1 March 2016)
Mr. Adam Walker	(Appointed 3 June 2015)

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 their duties.

First time adoption of FRS 100 and FRS 101

In the current year the Company has adopted Financial Reporting Standard 100 'Application of Financial Reporting Requirements' ("FRS 100") and Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101"). In previous years the financial statements were prepared in accordance with applicable UK accounting standards. This change in the basis of preparation has materially altered the recognition and measurement requirements previously applied in accordance with applicable accounting standards. An explanation of the impact of the adoption of FRS 100 and FRS 101 for the first time is included in the notes to the financial statements.

Group restructuring

On 2 March 2015, the Group completed a transaction with Novartis AG involving its Consumer Healthcare, Vaccines and Oncology businesses. As part of this transaction, the Group and Novartis have created a new Consumer Healthcare business over which the Group has control with an equity interest of 63.5%. In addition, the Group has acquired Novartis' global Vaccines business (excluding influenza vaccines) and divested its marketed Oncology portfolio, related R&D activities and also granted commercialisation partner rights for future oncology products to Novartis.

As part of the transaction, certain Group companies have been involved in divestment or acquisition activities. This did not have any material impact on the financial statements of this Company.

SmithKline Beecham Marketing and Technical Services Limited
(Registered number: 00494385)

Directors' report for the year ended 31 December 2015

Statement of Directors' responsibilities

The Directors are responsible for preparing the Directors' 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, including FRS 101 'Reduced disclosure framework' ("FRS 101") 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 judgements and accounting estimates that are reasonable and prudent;
- notify the Company's shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of 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.

Disclosure of information to auditors

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 willing to continue in office as auditors and resolutions dealing with their reappointment and will be proposed at a General Meeting of the Company.

This report has been prepared taking advantage of the small companies exemption in accordance with section 415A of the Companies Act 2006.

By order of the Board

Mr. Alan Burns
For and on behalf of Edinburgh Pharmaceutical Industries Limited
Director
22 June 2016

SmithKline Beecham Marketing and Technical Services Limited
(Registered number: 002860752)

Independent auditors' report to the members of SmithKline Beecham Marketing and Technical Services Limited

Report on the financial statements

Our opinion

In our opinion, SmithKline Beecham Marketing and Technical Services Limited's financial statements, (the "financial statements"):

- give a true and fair view of the state of the Company's affairs at 31 December 2015 and of its loss 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.

What we have audited

The financial statements, included within the Directors' report and financial statements (the "Annual Report"), comprise:

- the Balance sheet as at 31 December 2015;
- the Statement of comprehensive income for the year then ended;
- the Statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the Directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of Directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the Directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

SmithKline Beecham Marketing and Technical Services Limited
(Registered number: 002860752)

Independent auditors' report to the members of SmithKline Beecham Marketing and Technical Services Limited

Responsibilities for the financial statements and the audit

Our responsibilities and those of the Directors

As explained more fully in the Directors' report, 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) ("ISAs (UK & 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.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the Directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Directors' report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
22 June 2016

SmithKline Beecham Marketing and Technical Services Limited
(*Registered number:* 00494385)

Statement of comprehensive income
for the year ended 31 December 2015

	Note	**2015** **£'000**	2014 £'000
Cost of sales		**-**	(29)
Gross result/ (loss)		**-**	(29)
Administrative expenses		**(18)**	(10)
Other operating (expense)/income		**(67)**	8
Operating loss	4	**(85)**	(31)
Finance income	6	**55**	110
Finance expense	7	**(47)**	(93)
Loss on ordinary activities before income tax		**(77)**	(14)
Income tax credit on ordinary activities	8	**14**	3
Loss for the financial year		**(63)**	(11)

The results disclosed above for both the current year and prior year relate entirely to continuing operations.

There is no difference in either the current year or prior year between the loss on ordinary activities before taxation and the loss for the financial year stated above and their historical cost equivalents.

The Company has no other comprehensive income during either the current year or prior year other than those included in the results above and therefore no separate statement of other comprehensive income has been presented.

SmithKline Beecham Marketing and Technical Services Limited
(Registered number: 00494385)

Balance sheet
as at 31 December 2015

	Note	2015 £'000	2014 £'000
Current assets			
Trade and other receivables	9	**16,464**	16,408
- including £13,000 (2014: £18,000) due after more than one year			
Cash at bank and in hand		**112**	201
		16,576	16,609
Creditors: amounts falling due within one year	10	**(13,679)**	(13,649)
Net current assets		**2,897**	2,960
Total assets less current liabilities		**2,897**	2,960
Net assets		**2,897**	2,960
Equity			
Share capital	11	**2,010**	2,010
Retained earnings		**891**	954
Other reserves		**(4)**	(4)
Total shareholders' funds		**2,897**	2,960

The financial statements on pages 5 to 13 were approved by the Board of Directors on 22 June 2016 and were signed on its behalf by:

Mr. Alan Burns
For and on behalf of Edinburgh Pharmaceutical Industries Limited - Director

SmithKline Beecham Marketing and Technical Services Limited
(Registered number: 00494385)

Statement of changes in equity
for the year ended 31 December 2015

	Share capital £'000	Other reserves £'000	Retained earnings £'000	Total shareholders' funds £'000
At 1 January 2014	**2,010**	**(4)**	**965**	**2,971**
Loss and total comprehensive loss for the financial year	-	-	(11)	**(11)**
At 31 December 2014	**2,010**	**(4)**	**954**	**2,960**
Loss and total comprehensive loss for the financial year	-	-	(63)	**(63)**
At 31 December 2015	**2,010**	**(4)**	**891**	**2,897**

Notes to the financial statements for the year ended 31 December 2015

1 Presentation of the financial statements

General information
SmithKline Beecham Marketing and Technical Services Limited (the "Company") is a member of GlaxoSmithKline Group (the "Group"). The principal activity of the Company is marketing of consumer healthcare products through representative offices. The Company did not undertake any activity in the UK during the financial year ended 31 December 2015.

The company is a private company and is incorporated and domiciled in the UK (England). The address of the registered office is 980 Great West Road, Brentford, Middlesex TW8 9GS.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied, unless otherwise stated.

(a) Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 100 Application of Financial Reporting Requirements and Financial Reporting Standard 101 Reduced Disclosure Framework. The principal accounting policies adopted in the preparation of the financial statements are set out below.

These financial statements have been prepared on the going concern basis under the historical cost convention, and in accordance with the Companies Act 2006.

First time application of FRS 100 and 101

In the current year the company has adopted FRS 100 and FRS 101. In previous years the financial statements were prepared in accordance with applicable UK accounting standards.

This change in the basis of preparation has materially altered the recognition and measurement requirements previously applied in accordance with applicable accounting standards. An explanation of the impact of the adoption of FRS 100 and FRS 101 for the first time is included in note 15.

The change in basis of preparation has enabled the company to take advantage of all of the available disclosure exemptions permitted by FRS 101 in the financial statements, the most significant of which are summarised below. There have been no other material amendments to the disclosure requirements previously applied in accordance with applicable accounting standards .

Disclosure exemptions adopted

In preparing these financial statements the company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore these financial statements do not include:

- Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payments' (details of the number and weighted-average exercise prices of share options, and how the fair value of goods or services received was determined);
- IFRS 7, 'Financial instruments: disclosures';
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities);
- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
  (i) paragraph 79(a) (iv) of IAS 1;
  (ii) paragraph 73(e) of IAS 16 Property, plant and equipment;
  (iii) paragraph 118(e) of IAS 38 Intangible assets (reconciliations between the carrying amount at the beginning and end of the period);
- The following paragraphs of IAS 1,'Presentation of financial statements':
  - 10(d), (statement of cash flows)
  - 10(f) (a balance sheet as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or make a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements,
  - 16 (statement of compliance with all IFRS),
  - 38A (requirements for minimum of two primary statements, including cash flow statements),
  - 38B-D (additional comparative information),
  - 40A-D (requirements for a third balance sheet),
  - 111 (cash flow statement information), and
  - 134 - 136 (capital management disclosures)
- IAS 7, 'Statement of cash flows'

SmithKline Beecham Marketing and Technical Services Limited
(Registered number: 00494385)

Notes to the financial statements for the year ended 31 December 2015

(a) Basis of preparation (continued)

Disclosure exemptions adopted continued

- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation);
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more wholly owned members of a group.

- Business combinations;
- Assets held for sale and discontinued operations;
- Financial Instruments (other than certain disclosures required as a result of recording financial instruments at fair value);
- Fair value measurement (other than certain disclosures required as a result of recording financial instruments at fair value); and
- Impairment of assets.

The financial statements of GlaxoSmithKline plc can be obtained as described in note 2(b).

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

(b) Ultimate and immediate parent company

The Company is a wholly owned subsidiary of the ultimate parent company. 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 SmithKline Beecham Limited. These financial statements are separate financial statements.

(c) Foreign currency transactions

Foreign currency transactions are booked in functional currency of the company at the exchange rate ruling on the date of the transaction. Foreign currency monetary assets and liabilities are translated into functional currency at rates of exchange ruling at the balance sheet date. Exchange differences are included in the Statement of comprehensive income. The functional and presentation

(d) Expenditure

Expenditure is recognised in respect of goods and services received when supplied in accordance with contractual terms. A provision is made when an obligation exists for a future liability in respect of a past event and where the amount of the obligation can be reliably estimated.

(e) Finance income and expense

Finance income and expenses are recognised on an accruals basis using the effective interest method.

(f) Taxation

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

Deferred tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are recognised to the extent that it is probably that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax is provided on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is provided using rates of tax that have been enacted or substantively enacted by the balance sheet date.

3 Key accounting judgments and estimates

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts of assets, liabilities, revenue and expenses reported in the financial statements. Actual amounts and results could differ from those estimates. In these financial statements, taxation is considered to be the only key area of judgement.

(a) Taxation

Current tax is provided at the amounts expected to be paid, and deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised, based on managements assumptions relating to the amounts and timing of future taxable profits.

4 Operating loss

	2015 £'000	2014 £'000
The following items have been (credited)/charged in operating profit:		
Exchange loss/(gain) on foreign currency transactions	67	(8)
Services provided by the company's auditors		
Audit fees	6	6

Audit fees of £5,774 (2014: £5,606) been borne by GlaxoSmithkline Export Limited and is recharged to the Company.

5 Employees

	2015	2014
Employee costs	**£'000**	£'000
Wages and salaries	2	31

The average monthly number of persons employed by the Company (including Directors) during the year:	**2015**	2014
Selling, general and administration	-	1

6 Finance income

	2015 £'000	2014 £'000
On loans with Group undertakings	55	110

7 Finance expense

	2015 £'000	2014 £'000
On loans to Group undertakings	(47)	(93)

8 Taxation

Tax credit on ordinary activities	2015 £'000	2014 £'000
Current tax:		
UK corporation tax at 20.25% (2014: 21.49%)	**19**	9
Total current tax	**19**	9
Deferred tax:		
Origination and reversal of timing differences	(3)	(6)
Change in tax rate - impact on deferred tax	(2)	-
Total deferred tax	**(5)**	(6)
Total tax credit on ordinary activities	**14**	3

The tax assessed for the year is lower (2014: lower) than the standard rate of corporation tax in the UK for the year ended 31 December 2015 of 20.25% (2014: 21.49%). The differences are explained below:

Reconciliation of total tax credit	2015 £'000	2014 £'000
Loss on ordinary activities before tax	**77**	14
Loss on ordinary activities at the UK statutory rate 20.25% (2014: 21.49%)	**16**	3
Effects of:		
Adjust closing deferred tax to average rate of 20.25%	**(2)**	-
Total tax credit for the year	**14**	3

Factors that may effect future tax charges:
A reduction in the UK corporation tax rate from 21% to 20% (effective 1 April 2015) was enacted in 2013. Further reductions to 19% (effective 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted as part of the Finance (No 2) Act 2015 on 26 October 2015. This will impact the Company's future current tax charge accordingly. Deferred taxes have been calculated based on the rate of 18% (2014: 20%) substantively enacted at the balance sheet date.

The Government also proposed changes to further reduce the main rate of UK corporation tax from 18% to 17% from 1 April 2020. These changes have not yet been substantively enacted and therefore are not included in the figures above.

Movement in deferred tax assets and liabilities

	Accelerated capital allowances £'000	Other net temporary differences £'000	**Total £'000**
At 1 January 2015	20	(2)	**18**
Deferred tax charged in the Statement of comprehensive income	(6)	1	**(5)**
At 31 December 2015	**14**	**(1)**	**13**

After offsetting deferred tax assets and liabilities where appropriate, the net deferred tax asset comprises:

	2015 £	2014 £
Deferred tax assets	**13**	18
	13	18

9 Trade and other receivables

	2015 £'000	2014 £'000
Amounts owed by Group undertakings	**16,432**	16,381
Corporation tax	**19**	9
	16,451	16,390
Amounts due after more than one year		
Deferred tax	**13**	18
	16,464	16,408

Included within amounts owed by Group undertakings is an interest bearing deposit of £15,292,000 (2014: £15,181,000) earning interest at a rate of 0.36% (2014: 0.72%). Amounts owed by Group undertakings are repayable on demand. The corporation tax debtor contains amounts which will be received from fellow Group companies

10 Creditors

	2015 £'000	2014 £'000
Amounts falling due within one year		
Amounts owed to Group undertakings	**13,656**	13,625
Accruals and deferred income	**23**	24
	13,679	13,649

Included within amounts owed to Group undertakings is an interest bearing balance of £12,595,000 (2014: £12,886,000) earning interest at a rate of 0.36% (2014: 0.72%). Amounts owed to Group undertakings are repayable on demand.

The Company has not provided any security in respect of amounts outstanding to creditors.

11 Share capital

	2015 Number of shares	2014 Number of shares	2015 £'000	2014 £'000
Authorised				
Ordinary Shares of £1 each (2014: £1 each)	**2,010,000**	2,010,000	**2,010**	2,010
Issued and fully paid				
Ordinary Shares of £1 each (2014: £1 each)	**2,010,000**	2,010,000	**2,010**	2,010

12 Contingent liabilities

Group banking arrangement
The Company, together with fellow Group undertakings has entered into a Group banking arrangement with the Company's principal bank. 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 31 December 2015 is limited to the amount held on its accounts with the bank. No loss is expected to accrue to the Company from the agreement.

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 101 'Reduced disclosure framework' not to disclose any related party transactions within the Group, or information around remuneration of key management personnel compensation. There are no other related party transactions.

14 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 (2014: £nil). Corporate Directors received no remuneration during the year, either as executives of the Group or in respect of their services to the Company (2014: £nil).

15 First-time adoption of FRS 101

The following explanatory notes outline the impact of the first-time adoption of FRS 101 on the Company. Under FRS 101, the date of transition is 1 January 2014, being the beginning of the earliest reported financial year in the financial statements. There is no impact on the opening balance sheet as at this date.

For the year ended 31 December 2014, the comparative period, transitional adjustments are required as shown below:

Income statement	Under previous GAAP 2014 £'000	Effect of transition to FRS 101 £'000	FRS 101 2014 £'000
Cost of sales	(29)	-	(29)
Gross loss	(29)	-	(29)
Administrative expenses	(10)	-	(10)
Other operating income	-	8	8
Operating profit/loss	(39)	8	(31)
Finance income	110	-	110
Finance costs	(93)	-	(93)
Loss on ordinary activities before taxation	(22)	8	(14)
Taxation	5	(2)	3
Loss for the financial year	(17)	6	(11)
Statement of comprehensive income			
Loss for the financial year	(17)	6	(11)
Exchange movements on overseas net assets	8	(8)	-
Total comprehensive loss for the year	(9)	(2)	(11)
Balance sheet			
Current assets:			
Trade and other receivables	16,410	(2)	16,408
Cash and cash equivalents	201	-	201
Total current assets	16,611	(2)	16,609
Creditors: Amounts falling due within 1 year	(13,649)	-	(13,649)
Net assets	2,962	(2)	2,960
Equity:			
Called up share capital	2,010	-	2,010
Retained earnings	952	(2)	950
Shareholders' equity	2,962	(2)	2,960

The Company has branches based overseas. Under previous GAAP, these branches used the functional currency of the country in which it was based. Under FRS 101, these branches are now included within the results of the Company based a Sterling functional currency. For this reason, foreign exchange gains and losses on retranslation of the branches are included in the Statement of other comprehensive income.

On transition, the Company adjusted its deferred tax position as foreign exchange gains/losses arising before 31 December 2014 have not been taxed/relieved as they were taken to reserves under previous GAAP. This has resulted in a reduction in deferred tax assets of £2k as at 31 December 2014.