



MEDEVA LIMITED

2008 REPORT AND ACCOUNTS

Registered Number: 2086530

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DIRECTORS' REPORT

The Directors submit their report and accounts for the 12 months ended 31 December 2008.

RESULTS AND DIVIDENDS

The Company made a profit after taxation of £16,686,000 (2007: £10,108,000 loss). The Directors do not recommend the payment of a dividend in respect of the year ended 31 December 2008 (2007: £nil).

PRINCIPAL ACTIVITIES

The company undertakes investment and treasury activities.

DIRECTORS AND THEIR INTERESTS

The Directors who held office during the period are listed below.

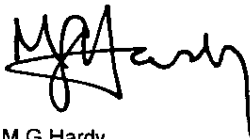
M G Hardy
E Roelandt
M de Cannart D'Hamale
S C Jones

No Director had a material interest in any contract to which the Company was a party during the financial year. The Directors who held office at the end of the year had no interest in the share capital of the company.

DISCLOSURE OF INFORMATION TO AUDITORS

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the Board.



M G Hardy
Director
4th September 2009

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

KPMG Audit Plc

8 Salisbury Square
London
EC4Y 8BB
United Kingdom

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MEDEVA LIMITED

We have audited the financial statements of Medeva Limited for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditor's 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 judgments 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 UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its profit 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.

KPMG Audit Plc

4 September 2009

KPMG Audit Plc

*Chartered Accountants
Registered Auditor*

Medeva Limited

PROFIT AND LOSS ACCOUNT

For year ended 31 December 2008

	Notes	Year ended 31 December 2008 £000	Year ended 31 December 2007 £000
Operating profit	2	-	-
Profit on ordinary activities before interest		-	-
Interest receivable and similar income	3	1,318	656
Interest payable and similar charges	4	(14,653)	(16,215)
Income from Group undertakings	5	25,750	-
Profit/(Loss) on ordinary activities before taxation		12,415	(15,559)
Tax on profit on ordinary activities	6	4,271	5,451
Profit/(Loss) on ordinary activities after taxation for the year	11	16,686	(10,108)

No recognised gains or losses occurred in the year other than those in the profit and loss account.

The reconciliation of movements in shareholders' funds is given in note 11.

The notes on pages 7 to 10 form an integral part of these accounts.

Medeva Limited

BALANCE SHEET

As at 31 December 2008

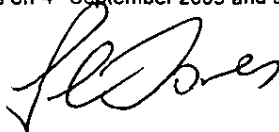
	Notes	Year ended 31 December 2008 £000	Year ended 31 December 2007 £000
Fixed Assets			
Investment in subsidiary undertakings	7	772,278	773,278
Other long term investments	7	9,670	9,670
		781,948	782,948
Current Assets			
Debtors	8	517,494	535,863
Cash and liquid resources		184	499
		517,678	536,362
Current Liabilities			
Creditors: amounts falling due within one year	9	(668,010)	(704,380)
Net Current Liabilities		(150,332)	(168,018)
Net Assets		631,616	614,930
Capital and reserves			
Share capital	10	35,902	35,902
Share premium account		218,781	218,781
Capital redemption reserve		1,700	1,700
Capital reserves		310,411	310,411
Profit and loss account		64,822	48,136
Equity Shareholders' Funds	11	631,616	614,930

The notes on page 7 to 10 form an integral part of these accounts.

Approved by the Board of Directors on 4th September 2009 and signed on their behalf by:



M G Hardy
Director



S C Jones
Director

NOTES TO THE ACCOUNTS

As at 31 December 2008

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as noted below.

ACCOUNTING CONVENTION

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The Company is exempt by virtue of s228/s248 of the Companies Act 1985 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

CASH FLOW STATEMENT

The Company is not required to prepare a cash flow statement as it is ultimately owned by UCB S.A., and the consolidated accounts of that company include a consolidated cash flow statement.

CLASSIFICATION OF FINANCIAL INSTRUMENTS ISSUED BY THE COMPANY

Following the adoption of FRS 25, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds, are dealt with as appropriations in the reconciliation of movements in shareholders' funds.

FOREIGN CURRENCIES

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction or, if hedged forward, at the rate of exchange under the related forward currency contract. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

DEFERRED TAXATION

Deferred taxation is provided on timing differences that have originated but not reversed by the balance sheet date on a non-discounted basis. Deferred taxation assets are recognised only to the extent that it is more likely than not that there will be suitable taxable profits from which future reversals of the underlying timing differences can be deducted.

FINANCIAL SUPPORT

The accounts have been prepared under the going concern concept because a fellow group undertaking has agreed to provide adequate funds for the Company to meet its liabilities as they fall due.

2. OPERATING RESULT

- a) The operating loss is stated after charging:

	Year ended 31 December 2008 £000	Year ended 31 December 2007 £000
Administrative expenses	-	-

The auditors' remuneration has been borne by fellow subsidiary companies.

- (b) No Director received any remuneration for the year in respect of their duties.
- (c) The average number of staff employed by the company, including Directors during the year was nil (2007: nil).

Medeva Limited

NOTES TO THE ACCOUNTS (CONTINUED)

As at 31 December 2008

3. INTEREST RECEIVABLE AND SIMILAR INCOME

	Year ended 31 December 2008 £'000	Year ended 31 December 2007 £'000
Bank interest	7	18
Interest from group undertakings	597	638
Net foreign exchange gains	714	-
	1,318	656

4. INTEREST PAYABLE AND SIMILAR CHARGES

	Year ended 31 December 2008 £'000	Year ended 31 December 2007 £'000
Bank charges	16	15
Interest to group undertakings	14,637	16,197
Net foreign exchange losses	-	3
	14,653	16,215

5. INCOME FROM GROUP UNDERTAKINGS

	Year ended 31 December 2008 £'000	Year ended 31 December 2007 £'000
Dividend received from Group undertakings	25,750	-
	25,750	-

6. TAXATION

	Year to 31 December 2008 £'000	Year to 31 December 2007 £'000
UK Corporation tax at 28.5% (2007: 30%)	(4,271)	(6,692)
UK corporation tax relating to prior periods	-	1,241
Current taxation credit	(4,271)	(5,451)
Total current tax credit and tax on profit on ordinary activities	(4,271)	(5,451)

The current tax credit for the period is lower (2007: lower) than the standard rate of corporation tax in the UK (28.5%, 2007: 30%). The differences are explained below.

	Year to 31 December 2008 £'000	Year to 31 December 2007 £'000
(Profit)/Loss on ordinary activities before tax	(12,415)	15,559
Expected tax charge/(credit) at UK corporation tax rate	3,538	(4,668)
Income not taxable	(7,509)	(168)
Group relief surrendered	3,971	4,836
Payment received for group relief	(4,271)	(6,692)
Adjustments to corporation tax relating to prior periods	-	1,241
Current taxation credit	(4,271)	(5,451)

There are capital losses of approximately £12.5 million (2007: £12.5 million) which have not been recognised due to uncertainty with regards to generating future capital profits.

Medeva Limited

NOTES TO THE ACCOUNTS (CONTINUED)

As at 31 December 2008

7. INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

Shares in subsidiary undertakings

	£000
COST	
At 1 January 2008	1,368,631
At 31 December 2008	1,368,631
Provisions	
At 1 January 2008	(595,353)
At 31 December 2008	(596,353)
Net book value	
At 31 December 2008	772,278
At 1 January 2008	773,278

The company owns an allocation of \$18,660,000 (£9,670,000) Preference A Shares in UCB Pharma Inc which carry an interest rate of 6% per annum.

The Company directly owns all of the issued share capital of the following companies:

Country of incorporation	Name of subsidiary
UK	Celltech Limited
UK	Celltech Pharma Europe Limited
UK	Evans Healthcare Limited
UK	Medeva International Limited
UK	Fipar
US	Celltech US LLC
Ireland	Celltech Insurance (Ireland) Limited
Ireland	Celltech Reinsurance (Ireland) Limited

8. DEBTORS

	Year ended 31 December 2008 £000	Year ended 31 December 2007 £000
Amounts owed by fellow group companies	517,494	535,863
Other debtors	-	-
Total	517,494	535,863

9. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	Year ended 31 December 2008 £000	Year ended 31 December 2007 £000
Amounts owed to fellow group companies	668,010	704,380
Accruals and deferred income	-	-
Total	668,010	704,380

10. SHARE CAPITAL

	Number '000	Nominal Value £'000
<i>Ordinary shares of 10 pence each</i>		
Authorised		
At 1 January 2008	460,000	46,000
At 31 December 2008	460,000	46,000
Allotted, called up and fully paid		
At 1 January 2008	359,020	35,902
At 31 December 2008	359,020	35,902

NOTES TO THE ACCOUNTS (CONTINUED)

As at 31 December 2008

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Share capital £'000	Share premium reserve £'000	Other capital reserves £'000	Profit and loss account £'000	Total £'000
At 1 January 2008	35,902	218,781	312,111	48,136	614,930
Retained profit for the year	-	-	-	16,686	16,686
At 31 December 2008	35,902	218,781	312,111	64,822	631,616

12. RELATED PARTY TRANSACTIONS

The Company is exempt, under Financial Reporting Standard 8, from the requirement to disclose related party transactions on the grounds that it is a wholly owned subsidiary undertaking. This exemption covers transactions with other Group undertakings.

13. PARENT UNDERTAKING

As at 31 December 2008 the immediate parent undertaking was Celltech Group Limited, registered in England and Wales. The ultimate holding company at 31 December 2008 and smallest group in which the company's results are consolidated was UCB S.A., a company incorporated in Belgium.

Copies of the respective financial statements of each of these companies can be obtained from Celltech Group Limited, 208 Bath Road, Slough, Berkshire, SL1 3WE.