

**Dealcyber Limited**  
**(Registered Number 3541898)**

**Annual Report and Financial Statements**

**For the year ended 31st December 2010**

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Brentford  
Middlesex  
TW8 9GS

**Dealcyber Limited**

**Annual Report and Financial Statements**

**For the year ended 31st December 2010**

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**Dealcyber Limited**  
**(Registered Number 3541898)**

**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 principal activities of Dealcyber Limited (the Company) are property management and development. 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 £3,322,000 (profit of 2009 - £2,982,000). 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 and that the Company remains a going concern due to support from GlaxoSmithKline Finance plc.

The retained profit for the year of £3,322,000 will be transferred to reserves (retained profit of 2009 - £2,982,000 transferred to reserves).

**Principal risks and uncertainties**

The Directors of The GlaxoSmithKline plc manage the risks of the GlaxoSmithKline Group ("the Group") at a group level, rather than at an individual business unit level. For this reason, the Company's Directors believe that a discussion of the Group's risks would not be appropriate for an understanding of the development, performance or position of the Company's business. The principal risks and uncertainties of the Group, which include those of the Company, are discussed in the Group's 2010 Annual Report which does not form part of this report.

**Key performance indicators (KPIs)**

The Directors of GlaxoSmithKline plc manage the Group's operations on a business sector basis. For this reason, the Company's Directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the Company's business. The development, performance and position of the Group are discussed in the Group's 2010 Annual Report which does not form part of this report.

**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 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  
P F 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.

**Dealcyber Limited**  
**(Registered Number 3541898)**

**Directors' Report for the year ended 31st December 2010**

**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.

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

By order of the Board



**P Williamson**  
**For and on behalf of Edinburgh Pharmaceutical Industries Limited**  
**Company Secretary**  
04th March 2011

## **Dealcyber Limited**

### **Independent Auditors' Report to the members of Dealcyber Limited**

We have audited the financial statements of Dealcyber 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**

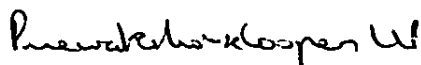
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### **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  
4 March 2011

**Dealcyber Limited**

**Profit and Loss Account**

**For the year ended 31st December 2010**

		<b>2010</b>	<b>2009</b>
	<i>Notes</i>	<b>£'000</b>	<b>£'000</b>
Turnover	2	<b>11,377</b>	11,375
Gross profit		<b>11,377</b>	11,375
Administrative expenses		<b>(4,719)</b>	(4,724)
<b>Trading profit</b>		<b>6,658</b>	6,651
Other operating income		-	84
Other operating expense		<b>(15)</b>	(14)
<b>Operating profit</b>	3	<b>6,643</b>	6,721
Interest payable and similar charges	4	<b>(1,063)</b>	(1,409)
<b>Profit on ordinary activities before taxation</b>		<b>5,580</b>	5,312
Taxation on profit on ordinary activities	5	<b>(2,258)</b>	(2,330)
<b>Profit for the financial year</b>	11	<b>3,322</b>	2,982

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

# Dealcyber Limited

## Balance Sheet

As at 31st December 2010

		2010	2009
	Notes	£'000	£'000
<b>Fixed assets</b>			
Tangible assets	6	158,414	163,131
		158,414	163,131
<b>Current assets</b>			
Debtors	7	10,444	9,549
		10,444	9,549
Creditors, amounts falling due within one year	8	(132,270)	(139,027)
<b>Net current liabilities</b>		<b>(121,826)</b>	<b>(129,478)</b>
<b>Total assets less current liabilities</b>		<b>36,588</b>	<b>33,653</b>
Provisions for liabilities	9	(3,979)	(4,366)
<b>Net assets</b>		<b>32,609</b>	<b>29,287</b>
<b>Capital and reserves</b>			
Called up share capital	10	27,538	27,538
Profit and loss account	11	5,071	1,749
<b>Total shareholders' funds</b>	12	<b>32,609</b>	<b>29,287</b>

The accounts on pages 4 to 9 were approved by the Board of Directors on 04th March 2011 and were signed on its behalf by

  
D Davies

For and on behalf of Edinburgh Pharmaceutical Industries Limited – Director

## Dealcyber 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, based on financial support from GlaxoSmithKline Finance plc, 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) Revenue

Revenue is recognised in the profit and loss account when rental services are supplied to other Group subsidiaries. Revenue represents rental of property, plant and equipment to other Group subsidiaries recognised on an accruals basis.

##### (c) Tangible fixed assets

Tangible fixed assets are stated at historic purchase cost less provisions for depreciation or impairment. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation is calculated to write off the cost of tangible fixed assets, excluding freehold land, in equal annual instalments over their expected useful lives. The normal expected useful lives of the major categories of tangible fixed assets are:

Freehold buildings	20 to 50 years
Plant and machinery	10 to 20 years

On disposal of a tangible fixed asset, the cost and related accumulated depreciation are removed from the financial statements and the net amount, less any proceeds, is taken to the profit and loss account.

##### (d) Impairment of fixed assets

The carrying values of fixed assets are reviewed for impairment when there is an indication that the assets might be impaired. Any provision for impairment is charged against profit in the year concerned. First year impairment reviews are conducted for acquired goodwill and intangible assets. Certain intangibles are considered to have an indefinite life and are therefore not amortised. Such intangibles are subject to annual impairment tests. Impairment is determined by reference to the higher of net realisable value and value in use, which is measured by reference to discounted future cash flows. Any provision for impairment is charged to the profit and loss account.

##### (e) 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 Segmental information

During the year ended 31st December 2010, the Company operated in one geographical segment, the United Kingdom, and one class of business, being the rental services to other Group companies.

#### 3 Operating profit

	2010 £'000	2009 £'000
The following items have been charged in operating profit		
Depreciation of tangible fixed assets		
Owned assets	4,717	4,724
Management fee	15	14

GlaxoSmithKline Services Unlimited provides various services and facilities to the Company including finance and administrative services for which a management fee is charged. Included in the management fee is a charge for auditor remuneration of £9,342 (2009 - £9,114).



# Dealcyber Limited

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

### 4 Interest payable and similar charges

	2010 £'000	2009 £'000
On loans with Group undertakings	(1,063)	(1,409)
	<b>(1,063)</b>	<b>(1,409)</b>

### 5 Taxation

	2010 £'000	2009 £'000
<b>Taxation charge based on profits for the year</b>		
<b>Current Tax</b>		
UK corporation tax at 28% (2009 28%)	2,645	2,513
Current tax charge	2,645	2,513
<b>Deferred Tax</b>		
Origination and reversal of timing differences	(240)	(183)
Change in tax rate - impact on deferred tax	(147)	0
Deferred taxation	(387)	(183)
<b>Total tax charge</b>	<b>2,258</b>	<b>2,330</b>

The tax assessed for the year is higher (2009 higher) than the standard rate of corporation tax in the UK for the year ended 31 December 2010 of 28% (2009 28%) The differences are explained below

<b>Reconciliation of current taxation charge</b>	2010 £'000	2009 £'000
Profit on ordinary activities at the UK statutory rate 28% (2009 28%)	1,563	1,487
Expenses not deductible for tax purposes	842	843
Depreciation in excess of capital allowances	387	183
Change of Rate on Deferred Tax	(147)	0
<b>Current tax charge for the year</b>	<b>2,645</b>	<b>2,513</b>

On 22 June 2010 the Chancellor announced that the main rate of UK corporation tax will reduce from 28% to 27% with effect from 1 April 2011 This tax change became substantively enacted in July 2010 and hence the effect of the change on the deferred tax balances has been included in the figures above

Further changes to the rate are proposed to reduce the rate by one per cent per annum to 24 per cent by 1 April 2014, but have not yet been substantively enacted and therefore are not included in the figures above The overall effect of the further changes from 27 per cent to 24 per cent if these applied to the deferred tax balance at 31 December 2010, would be to reduce the deferred tax liability by approximately £442k

### 6 Tangible fixed assets

	Land and buildings £'000	Plant and equipment £'000	Total £'000
<b>Cost</b>			
At 1st January and 31st December 2010	166,125	34,607	200,732
<b>Accumulated depreciation</b>			
At 1st January 2010	(22,945)	(14,656)	(37,601)
Provision for the year	(2,848)	(1,869)	(4,717)
At 31st December 2010	(25,793)	(16,525)	(42,318)
Net book value at 1st January 2010	143,180	19,951	163,131
Net book value at 31st December 2010	140,332	18,082	158,414

The net book value at 31st December 2010 of the Company's land and buildings comprises freehold properties of £140 million (at 1st January 2010 - £143 million)

# Dealcyber Limited

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

### 7 Debtors

	2010 £'000	2009 £'000
Amounts due within one year		
Amounts owed by Group undertakings	10,444	9,549
	<u>10,444</u>	<u>9,549</u>

### 8 Creditors

	2010 £'000	2009 £'000
Amounts falling due within one year		
Amounts owed to Group undertakings	129,626	136,597
Taxation	2,644	2,430
	<u>132,270</u>	<u>139,027</u>

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

### 9 Provisions for liabilities

	Deferred taxation £'000
At 1st January 2010	4,366
Tax credit for the year	(387)
At 31st December 2010	<u>3,979</u>

All the above balance relates to accelerated capital allowances

### 10 Called up share capital

	2010 Number of shares	2009 Number of shares	2010 £'000	2009 £'000
Authorised				
Ordinary Shares of £1 each	40,000,000	40,000,000	40,000	40,000
Issued and fully paid				
Ordinary Shares of £1 each	27,537,839	27,537,839	27,538	27,538

### 11 Reserves

	Profit and loss account £'000	Total reserves £'000
At 1st January 2010	1,749	1,749
Profit for the financial year	3,322	3,322
At 31st December 2010	<u>5,071</u>	<u>5,071</u>

## Dealcyber Limited

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

#### 12 Reconciliation of movements in shareholders' funds

	2010 £'000	2009 £'000
Profit for the financial year	3,322	2,982
Net addition to shareholders' funds	3,322	2,982
Opening shareholders' funds	29,287	26,305
Closing shareholders' funds – equity interests	32,609	29,287

#### 13 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.

#### 14 Employees

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

#### 15 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).

#### 16 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.

#### 17 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 SmithKline Beecham Limited.

#### 18 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.