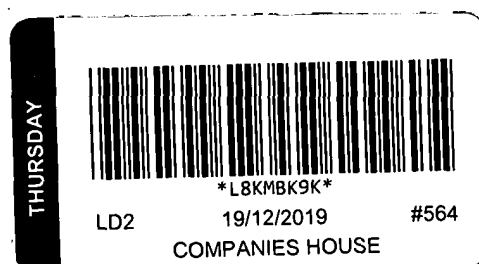


Takeda Cambridge Limited

**Annual report and financial
statements**

Registered number 03585995

31 March 2019



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Strategic report

The directors present their Strategic report, Directors report and financial statements for the year ended 31 March 2019.

Principal activities

The Company's sole activity is now the rental of a building on the Cambridge Science Park.

Results

The results for the year show a profit before taxation of £4,399k (2018: loss of £408k) and revenue of £452k (2018: £483k).

Dividends paid for the year ended 31 March 2019 was £40 million (2018: £nil). See note 8 for details of the dividends paid during the year. The directors have proposed a final ordinary dividend in respect of the current financial year of £3,532k (2018: £nil). This has not been included within creditors as it was not approved before the year-end.

Business Review/Business Strategy

The Company leases a building on the Cambridge Science Park for which one sub-tenant has a lease until 28th May 2031, with an option to break on 1st December 2021, and another sub-tenant who has a lease until 28th May 2031, with an option to break on 16th April 2029.

Key performance indicators (KPIs)

The Company is a wholly owned subsidiary of Takeda Pharmaceutical Company Limited and does not focus on financial KPI's. Its key KPI is now to maintain sub-tenants to the building it leases.

Principal risks and uncertainties

The management of the business and execution of the Company's strategy are subject to a number of risks. The key business risks are set out below. The Board takes an active role in monitoring and mitigating these risks.

Financing

The Company is reliant on the continued financial support of its ultimate parent company Takeda Pharmaceutical Company Limited.

Market risk

The company is awaiting further information on what the proposed exit from the European Union may mean in relation to any potential risks, such as foreign exchange.

Credit risk

The company's principal financial assets are bank balances and cash and trade and other receivables from group undertakings and third parties. The company's credit risk is primarily attributable to its receivables from other group undertakings. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Liquidity risk

The company currently has no requirement for debt finance, but maintains sufficient funds for operations through the membership in Takeda's In-house bank and cash-pooling arrangements.

Strategic report (cont)

Property

The Company's aim is to have full occupancy of the building it leases. At present there are 2 sub-tenants who are occupying the building.

By order of the board



David Isaacs
Director

418 Cambridge Science Park
Milton Road
Cambridge
England
CB4 0PZ

11 December 2019

Directors' report

Employees

The Company no longer has any employees.

Directors

The directors who served during the year are as follows:

Mr David Isaacs
Mr Mark Fowler
Mr Andrew Spicer

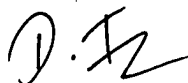
Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, as far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware, and each director has taken all steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



David Isaacs
Director

418 Cambridge Science Park
Milton Road
Cambridge
England
CB4 0PZ

11 December 2019

Statement of directors' responsibilities in respect of the Strategic report, Directors' report and the financial statements

The directors are responsible for preparing the Strategic report, 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), including FRS 101 *Reduced Disclosure Framework*.

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 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TAKEDA CAMBRIDGE LIMITED

Opinion

We have audited the financial statements of Takeda Cambridge Limited ("the company") for the year ended 31 March 2019, which comprise the Statement of profit and loss and other comprehensive Income, Statement of financial position, Statement of Changes in Equity, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as the recoverability of debtors, and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Strategic report and Directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TAKEDA CAMBRIDGE LIMITED (cont.)

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

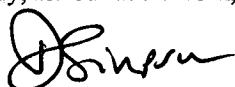
Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.



David Simpson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

Botanic House
100 Hills Road
Cambridge
CB2 1AR

17 December 2019

Statement of Profit and Loss and Other Comprehensive Income
for the year ended 31 March 2019

	Note	2019 £000	2018 £000
Revenue	2	452	483
Cost of sales		(657)	(120)
Release of dilapidations provision	13	-	500
Release of onerous lease provision	13	5,451	-
Gross profit		5,246	863
Other operating income	3	-	-
Operating profit	4	5,246	863
Finance income	7	314	153
Finance expense	7	(1,161)	(1,424)
Profit/(loss) before tax		4,399	(408)
Taxation	9	(867)	436
Profit for the year and total comprehensive income		3,532	28

All of the results in the current and prior periods were derived from continuing operations.

The notes on pages 10 to 21 form an integral part of these financial statements.

Statement of Financial Position
for the year ended 31 March 2019

	Note	2019 £000	2018 £000
Non-current assets			
Property, plant and equipment	10	203	12
		<u>203</u>	<u>12</u>
Current assets			
Trade and other receivables	11	13,806	54,874
Tax receivable		-	1,010
Cash and cash equivalents		593	1,177
		<u>14,399</u>	<u>57,061</u>
Total assets		<u><u>14,602</u></u>	<u><u>57,073</u></u>
Current liabilities			
Trade and other payables	12	(788)	(534)
Provisions	13	(2,467)	(2,467)
		<u>(3,255)</u>	<u>(3,001)</u>
Non-current liabilities			
Trade and other payables	12	(1,002)	(1,002)
Provisions	13	(3,033)	(9,290)
		<u>(4,035)</u>	<u>(10,292)</u>
Total non-current liabilities		<u><u>(7,290)</u></u>	<u><u>(13,293)</u></u>
Net assets		<u><u>7,312</u></u>	<u><u>43,780</u></u>
Equity			
Share capital	14	-	2,939
Share premium		-	34,199
Capital redemption reserve		-	4
Retained earnings		7,312	6,638
Total equity		<u><u>7,312</u></u>	<u><u>43,780</u></u>

The notes on pages 10 to 21 form an integral part of these financial statements.

These financial statements were approved by the board of directors on 11 December 2019 and were signed on its behalf by:



David Isaacs
Director

Company registered number: 03585995

Statement of Changes in Equity

	Share capital £000	Share premium £000	Capital redemption reserve £000	Retained earnings £000	Total equity £000
Balance at 1 April 2017	2,939	34,199	4	6,610	43,752
Profit and total comprehensive income for the year	-	-	-	28	28
Balance at 31 March 2018	2,939	34,199	4	6,638	43,780
Balance at 1 April 2018	2,939	34,199	4	6,638	43,780
Capital reduction	(2,939)	(34,199)	(4)	37,142	-
Distribution to shareholder	-	-	-	(40,000)	(40,000)
Profit and total comprehensive income for the year	-	-	-	3,532	3,532
Balance at 31 March 2019	-	-	-	7,312	7,312

The notes on pages 10 to 21 form an integral part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

Takeda Cambridge Limited (the “Company”) is a company incorporated, domiciled and registered in England in the UK.

Basis of Preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* (*FRS 101*) and in accordance with applicable accounting standards. The presentation currency of these financial statements is sterling.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU (‘Adopted IFRSs’), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

These financial statements are prepared on a going concern basis and under the historical cost convention. The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies.

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

Going Concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on page 1. The financial position of the company, and its exposures to market risk, credit risk and liquidity risk are also set out in the Strategic Report.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and for at least the next twelve months from the date of signing the accounts. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Exemptions for qualifying entities under FRS 101

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- (i) from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, Takeda Pharmaceutical Company Limited, includes the company's cash flows in its own consolidated financial statements;
- (ii) from certain disclosures required by IFRS 13 Fair Value Measurements and the disclosures required by IFRS 7 Financial Instrument Disclosures;
- (iii) the effects of new but not yet effective IFRSs;
- (iv) comparative period reconciliations for share capital; and
- (v) disclosures in respect of the compensation of key management personnel.

Notes (continued)

Related party Transactions

The Company is a wholly owned subsidiary of a group whose consolidated accounts are publicly available. Accordingly, the company has taken advantage of the exemption in FRS 101 from disclosing transactions with wholly owned group entities which are part of the Takeda Pharmaceutical Company Limited group.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to the Statement of Profit and Loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.. The estimated useful lives are as follows:

Computer equipment	3 years
Laboratory equipment	3 years
Fixtures and fittings	5 years
Leasehold Improvements	Remaining life of lease

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date

Turnover

Turnover comprises rent receivable excluding Value Added Tax arising wholly in the UK, Rents are brought into account on an accrual basis. The rental income is matched to the day in the period. Turnover in the previous year arose in the normal course of business from a contract research agreement.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination.. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Notes (continued)

Operating Leases

Payments made under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in the Statement of Profit and Loss as an integral part of the total lease expense.

Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Statement of Profit and Loss.

Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

Financing income and expense

Financing income comprises interest receivable on cash and cash equivalents and net foreign exchange gains.

Interest income and interest payable is recognised in the Statement of Profit or Loss as it accrues, using the effective interest method. Dividend income is recognised in the income statement on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

Financing expenses comprise interest payable and net foreign exchange losses that are recognised in the income statement (see foreign currency accounting policy).

Judgements and estimates

The dilapidations provision has been recognised according to the estimated dilapidations cost prepared by management's expert. This has been assessed in the prior year. There have been no changes to the nature or expected amount of this provision.

During the year a second sub-tenant has taken over the remainder of the building. The onerous lease provision has been adjusted in accordance with this change, based on Management review and potential option to break on the lease.

The discount rate is assumed to be 5.42%, approximately equivalent to the internal cost of capital.

Discontinued operations

A discontinued operation is a component of the Company's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative income statement is restated as if the operation has been discontinued from the start of the comparative period. See note 2 for further details.

Notes (continued)

2 Revenue

	2019 £000	2018 £000
Revenue by destination:		
UK	452	483
Total revenues	<u>452</u>	<u>483</u>

3 Other operating expenses and income

All operating expenses are classified as cost of sales under the contract research agreement.

4 Expenses and auditor's remuneration

Included in profit for the year are the following:

	2019 £000	2018 £000
Depreciation of tangible fixed assets		
Owned assets	13	14
Operating lease rentals		
Land and buildings	1,950	1,950
<i>Auditor's remuneration:</i>		
Amounts receivable by the Company's auditor and its associates in respect of:		
Audit of financial statements of the Company	<u>12</u>	<u>20</u>

Notes (continued)

5 Staff numbers and costs

The average number of persons employed by the Company (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2019	2018
Research	-	-
Administration	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

The aggregate payroll costs of these persons were as follows:

	£000	£000
Wages and salaries	-	16
Social security costs	-	2
Contributions to defined contribution plans	-	-
Severance payments	-	-
	<hr/>	<hr/>
	-	18
	<hr/>	<hr/>

6 Directors' remuneration

	2019 £000	2018 £000
Directors' emoluments	-	11
Company contributions to defined contribution pension scheme	-	-
	<hr/>	<hr/>
	-	11
	<hr/>	<hr/>

The aggregate of emoluments and amounts receivable under long term incentive schemes of the highest paid director was £nil (2018: £nil), and Company pension contributions of £nil (2018: £nil) were made to a money purchase scheme on his behalf.

During the year ended 31 March 2019, three directors of the Company were remunerated by another Group company (2018: three). The notional cost of directors not remunerated through Takeda Development Centre Europe Ltd., but borne by another group company has been considered and is not deemed to be significant for the years ended 31 March 2019 or 31 March 2018. At 31 March 2019, no directors were members of the Company's personal pension plan (2018: none).

Notes (continued)

7 Finance income and expense

Recognised in the statement of profit or loss

	2019 £000	2018 £000
Continuing operations		
Bank interest income	-	-
Interest income on cash pool with parent undertaking	314	153
Total finance income	314	153
	2019 £000	2018 £000
Continuing operations		
Unwinding of discounted amount	(1,161)	(1,424)
Total finance expenses	(1,161)	(1,424)

8 Dividends

During the year the Company paid dividends totalling £40 million (2018: £nil), equivalent to £40 million (2018: £nil) per ordinary share.

9 Taxation

Recognised in the statement of profit and loss

	2019 £000	2018 £000
Current tax expense		
Current year	867	-
Adjustment in respect of prior periods	-	(436)
	867	(436)
Deferred tax expense		
Origination and reversal of temporary differences	-	-
Adjustment in respect of prior periods	-	-
Effect of changes in tax rates	-	-
	-	-
Total tax expense / (credit) in statement of profit and loss and other comprehensive income	867	(436)

Notes (continued)

9 Taxation (continued)

No tax has been recognised in other comprehensive income or directly in equity during the period.

Reconciliation of effective tax rate

	2018 £000	2018 £000
Profit/(loss) for the year before tax	4,399	(408)
Tax using the UK corporation tax rate of 19% (2018: 19%)	836	(77)
Adjustment in respect of prior years	-	(436)
Reduction in tax rate on deferred tax balances	29	-
Non-deductible expenses	-	-
Tax exempt revenues	-	-
Effects of group relief	-	170
Amounts not recognised	2	(93)
Total tax in statement of profit and loss and other comprehensive income	867	(436)

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 31 March 2018 has been calculated based on these rates.

At 31 March 2019, the company has an unrecognised deferred tax asset of £85,000 (2018: £82,878).

Notes (continued)

10 Property, plant and equipment

	Leasehold improvement £000	Fixtures & fittings £000	Laboratory Equipment £000	Computer equipment £000	Total £000
Cost					
Balance at 1 April 2018	6,072	196	6,557	336	13,161
Additions	204	-	-	-	204
Disposals	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 March 2019	6,276	196	6,557	336	13,365
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation and impairment					
Balance at 1 April 2018	6,072	196	6,545	336	13,149
Depreciation charge for the year	1	-	12	-	13
Disposals	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 March 2019	6,073	196	6,557	336	13,162
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value					
At 1 April 2018	-	-	12	-	12
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 March 2019	203	-	-	-	203
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Notes (continued)

11 Trade and other receivables

	2019 £000	2018 £000
Amounts falling due within one year		
Receivables due from Parent undertaking	11,583	54,397
Trade receivables	-	141
Prepayments and accrued income	2,223	336
	<u>13,806</u>	<u>54,874</u>

Included within Trade receivables is £nil (2018: £nil) expected to be recovered in more than 12 months.

12 Trade and other payables

	2019 £000	2018 £000
Current		
Trade payables	182	65
Taxation and social security	89	-
Accruals and deferred income	517	469
	<u>788</u>	<u>534</u>
Non-current		
Amounts due to subsidiary undertakings	<u>1,002</u>	<u>1,002</u>

Notes (continued)

13 Provisions

	Dilapidations provision £000	Onerous lease provision £000	Total £000
Balance at 1 April 2018	500	11,257	11,757
Provisions utilised during the year	-	(1,967)	(1,967)
Provisions released during the year	-	(5,451)	(5,451)
Unwinding of discounted amount	-	1,161	1,161
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2019	500	5,000	5,500
	<hr/>	<hr/>	<hr/>
Non-current	-	3,033	3,033
Current	500	1,967	2,467
	<hr/>	<hr/>	<hr/>
	500	5,000	5,500
	<hr/>	<hr/>	<hr/>

The dilapidations provision was created in relation to the Chesterford Park site. The lease for this site expired in February 2016. The terms of the lease stipulated that the Company was obliged to return the site to its original condition. The Company obtained legal advice for the expected amount of this dilapidations cost, and recognised a provision accordingly. The Company will be liable to pay for dilapidations at the discretion of the landlord, hence this has been recognised as a current provision.

The onerous lease provision was created in relation to the Building 418 site on the Cambridge Science Park. The provision will be utilised in line with future lease payments. The provision recognised consists of rent payable and other premises costs, less rent expected to be received from the sub-lessee tenants. The costs included in this calculation represent the Company's best estimate of the time taking to sublet the building after a tenant leaves. This provision has been discounted to show the present value of future cash flows, using an assumed internal cost of capital.

Notes (continued)

14 Capital and reserves

Share capital

	2019 £000	2018 £000
<i>Allotted, called up and fully paid</i>		
1 (2018: 1,322,500) ordinary shares of 10p each	-	132
Nil (2018: 12,231,133) 'B' ordinary shares of 10p each	-	1,223
Nil (2018: 3,133,472) 'C' ordinary shares of 10p each	-	313
Nil (2018: 2,702,702) 'D' ordinary shares of 10p each	-	271
Nil (2018: 10,000,000) 'E' ordinary shares of 10p each	-	1,000
	<hr/>	<hr/>
	-	2,939
	<hr/>	<hr/>

On 14 January 2019, the Company affected a capital reduction, cancelling and extinguishing 1,322,499 ordinary shares of 10p each, 12,231,133 'B' ordinary shares of 10p each, 3,133,472 'C' ordinary shares of 10p each, 2,702,702 'D' ordinary shares of 10p each, and 10,000,000 'E' ordinary shares of 10p each, in addition to cancelling the share premium account of the Company and the capital redemption reserve of the Company. The amount by which the share capital was reduced was credited to Retained Earnings.

The ordinary shares, 'B' ordinary shares, 'C' ordinary shares, 'D' Ordinary shares and 'E' ordinary shares ranked *pari passu* with respect to the rights to receive dividends and voting rights.

15 Operating leases

Non-cancellable operating lease rentals are payable as follows:

	2019 £000	2018 £000
Less than one year	1,125	1,125
Between one and five years	4,500	4,500
More than five years	8,063	9,188
	<hr/>	<hr/>
	13,688	14,813
	<hr/>	<hr/>

The Company's leases relate to their rental of laboratory and office facilities.

During the year £1,950,000 was recognised as an expense in the income statement in respect of operating leases (2018: £1,950,000).

Notes (continued)

16 Operating leases (continued)

Non-cancellable operating lease receivables are payable as follows:

	2019 £000	2018 £000
Less than one year	443	424
Between one and five years	696	1,118
More than five years	-	-
	<hr/> 1,139 <hr/>	<hr/> 1,542 <hr/>

On 16th April 2019 a second sub-lease was signed that will run until 28th May 2031

17 Ultimate parent company and parent company of larger group

The ultimate parent company and controlling party is Takeda Pharmaceutical Company Limited, a company incorporated in Osaka, Japan. The largest group in which the results of the company are consolidated is that headed by Takeda Pharmaceutical Company Limited. The financial statements of Takeda Pharmaceutical Company Limited may be obtained from the head office at 4-1-1, Doshomachi, Chuoku, Osaka 540-8645, Japan.

Until 28 January 2019, Takeda Europe Holdings BV, a company incorporated in Amsterdam, The Netherlands, owned 100% of the share capital. Accordingly, Takeda Europe Holdings BV was the company regarded by the directors as the immediate parent company, and the smallest group for which consolidated financial statements were prepared. Copies of Takeda Europe Holdings BV financial statements may be obtained from the head office at WTC Amsterdam A-12, Strawinskylaan 1217, 1077 XX Amsterdam, The Netherlands. On 28 January 2019 the entire share capital was transferred to Takeda Pharmaceutical Company Limited who are now considered the immediate and ultimate parent company.