

**Avecia Group Limited**

**Directors' report and financial  
statements**

**Registered Number: 3768265**

**Year ended 31 December 2010**



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## Directors' report

The directors present their annual report and the financial statements for the year ended 31 December 2010

### Principal activities

The company is an intermediate holding company and is a wholly owned subsidiary of Avecia Finance Limited. The company and the company's immediate subsidiary, Avecia Corporation Limited, are dormant. The directors do not foresee any change of activities in the foreseeable future.

### Business review

During the year the company made neither a profit nor a loss (2009 £nil). The directors do not recommend the payment of a final dividend (2009 £nil).

### Political and charitable contributions

The company made no political or charitable donations during the year (2009 £nil).

### Directors

The directors who held office during the year were as follows:

A C Buckmaster  
D McLellan

### Auditors

In accordance with section 476 of the Companies Act 2006, the company, being eligible, has resolved not to appoint an auditor.

By order of the board



**D McLellan**  
Director

PO Box 42  
Hexagon Tower  
Blackley  
Manchester  
M9 8ZS

## **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).

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, 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 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 UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Profit and loss account**  
*for the year ended 31 December 2010*

	<i>Note</i>	<b>2010 £000</b>	<b>2009 £000</b>
Exceptional operating costs	4	-	(146 200)
<b>Operating loss</b>		-	<b>(146,200)</b>
Income from shares in group undertakings	5	-	146,200
<b>Profit on ordinary activities before taxation</b>		-	-
Tax on profit on ordinary activities		-	-
<b>Profit on ordinary activities after taxation and retained for the year</b>		-	-

**Statement of total recognised gains and losses**  
*for the year ended 31 December 2010*

There were no gains or losses in the current or preceding year other than those shown in the profit and loss account above

**Balance sheet**  
*as at 31 December 2010*  
*Registered number 3768265*

	<i>Note</i>	<b>2010</b> <b>£000</b>	2009 £000
<b>Fixed assets</b>			
Investments	6	-	-
		<hr/>	<hr/>
<b>Net assets</b>		-	-
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	7	-	-
Profit and loss reserve	8	-	-
		<hr/>	<hr/>
<b>Shareholders' funds</b>		-	-
		<hr/>	<hr/>

During the financial year the company did not trade and received no income and incurred no expenditure. Consequently, during this year the company made neither a profit nor a loss.

There are no recognised gains and losses for the year or the preceding year. The company's operations are discontinued within the meaning of Financial Reporting Standard 3 – Reporting Financial Performance.

For the year ended 31 December 2010 the company was entitled to exemption under section 480 of the Companies Act 2006.

Members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors

- confirm that members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476, and
- acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These financial statements were approved by the board of directors on 5 May 2011 and were signed on its behalf by



**D McLellan**  
*Director*

**Reconciliation of movements in shareholders' funds**  
*for the year ended 31 December 2010*

	2010 £000	2009 £000
<b>Result for the financial year</b>	-	-
Dividend in specie (see note 9)	-	(146,200)
	<hr/>	<hr/>
<b>Net reduction in shareholders' funds</b>	-	(146,200)
Opening shareholders' funds	-	146,200
	<hr/>	<hr/>
<b>Closing shareholders' funds</b>	-	-
	<hr/>	<hr/>

## Notes

*(forming part of the financial statements)*

### 1 Basis of preparation

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

Under Financial Reporting Standard 1 (Revised 1996) the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements

As 100% of the company's voting rights are controlled within the group headed by Avecia Holdings Limited, the company has taken advantage of the exemption contained in Financial Reporting Standard 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties)

### 2 Remuneration of directors

None of the directors received any remuneration for their work as directors of the company (2009 *none*)

### 3 Staff numbers and costs

Other than the named directors, the company has no employees (2009 *nil*)

### 4 Exceptional operating costs

Exceptional operating costs in 2009 relate to an impairment of the fixed asset investments

### 5 Income from shares in group undertakings

During 2009, the company received a dividend in specie of £146,200,000 from its subsidiary undertaking, Avecia Corporation Limited. The dividend in specie represented its shareholding in Avecia Investments Limited

### 6 Fixed asset investments

	Shares in group undertakings £000
<i>Cost</i>	
At beginning and end of year	328,604
	<u>          </u>
<i>Impairment</i>	
At beginning and end of year	328,604
	<u>          </u>
<i>Net book value</i>	
At 31 December 2010 and 31 December 2009	-
	<u>          </u>



## Notes (continued)

### 7 Called up share capital

	2010 £000	2009 £000
<b>Authorised</b>		
Equity 70,900,000 ordinary shares of £1.00 each	70,900	70,900
	<u>          </u>	<u>          </u>
<b>Allotted, called up and fully paid</b>		
Equity 1 ordinary share of £1.00 each	-	-
	<u>          </u>	<u>          </u>

### 8 Reserves

	Profit and loss reserve £000
At beginning of year	-
Result for the year	-
	<u>          </u>
<b>At end of year</b>	-
	<u>          </u>

### 9 Dividend in specie

During 2009, the company's assets were distributed to Avecia Finance Limited by way of a dividend in specie

### 10 Ultimate parent company and parent undertaking of larger group of which the company is a member

The company is a subsidiary undertaking of Avecia Finance Limited which is incorporated in the United Kingdom. The ultimate parent company is Avecia (Jersey) Limited, a company registered and incorporated in Jersey.

The largest and smallest group in which the results of the company are consolidated is that headed by Avecia Holdings Limited which is incorporated in the United Kingdom. The consolidated financial statements of Avecia Holdings Limited can be obtained from Avecia Holdings Limited, PO Box 42, Hexagon Tower, Blackley, Manchester M9 8ZS.