

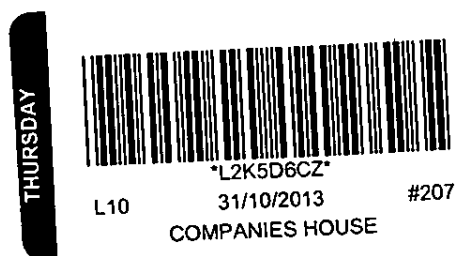
**IBA MOLECULAR UK LIMITED**

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**IBA MOLECULAR UK LIMITED**

**DIRECTORS' REPORT AND  
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
31 DECEMBER 2012**



Company Registration No 04794962 (England and Wales)

# IBA MOLECULAR UK LIMITED

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## COMPANY INFORMATION

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Directors	M Yon
	X Defourt (Resigned 02/04/2012)
	F Labarre
	J Keyneshad (Appointed 02/04/2012)
Secretary	Thomas Eggar Secretaries Limited
Company number	04794962
Registered Office	The Corn Exchange Baffins Lane Chichester West Sussex PO19 1GE
Auditors	KPMG LLP 1 Forest Gate Brighton Road Crawley RH11 9PT

# IBA MOLECULAR UK LIMITED

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## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2012**

The directors present their report and financial statements for the year ended December 2012

#### **Principal activities**

The principal activity of the company is the production, marketing and distribution of radiopharmaceuticals

The company has two manufacturing sites at Dinnington, Yorkshire, and Guildford, Surrey, which supply pharmaceutical products

On 1 November 2010, the Dinnington site was frozen due to the severe competitive environment

#### **Business review**

Turnover has increased by 6.1% at £4,999,277. The result for the year has also improved with a loss for the year of £538,868 compared to £4,330,297 in the previous period (2011 result excluding impairment £1,156,885). The position of the company at the year-end is shown on the balance sheet on page 6.

On 16 September 2013, the trade and business assets of the Photon Emission Tomography (PET) unit were sold to Alliance Medical Ltd. The net assets of the PET business at 31 December 2012 were £4,305,000. The turnover for the year ended 31 December 2012 was £2,147,000 and the profit before tax was £533,000.

#### **Directors**

The following directors held office in 2012

M Yon

X Defourt (resigned 02/04/2012)

F Labarre

J Keyneshad (appointed 02/04/2012)

#### **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 they have elected to prepare the financial statements in accordance with the Financial Reporting Standard for Smaller Entities and applicable law (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 estimates that are reasonable and prudent, and

## IBA MOLECULAR UK LIMITED

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- 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.

### Statement of disclosure to the 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 auditor is unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

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.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board



M Yon

Director

30th October 2013

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IBA MOLECULAR UK LIMITED**

We have audited the financial statements of IBA Molecular UK Ltd for the year ended 31 December 2012 set out on pages 5 to 17. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 1, 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 (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice applicable to Smaller Entities, 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.

## IBA MOLECULAR UK LIMITED

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### 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, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime



Paul Gresham (Senior Statutory Auditor)

**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

1 Forest Gate

Brighton Road

Crawley

RH11 9PT

31st October 2013

# IBA MOLECULAR UK LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2012

		2012	2011 (Restated see note 12)
	Notes	£	£
Turnover		4,999,277	4,709,770
Cost of Sales		(3,507,357)	(3,286,023)
<b>Gross Profit</b>		<b>1,491,920</b>	<b>1,423,747</b>
Administrative Expenses		(1,997,687)	(5,726,432)
<b>Operating Loss</b>	<b>2</b>	<b>(505,767)</b>	<b>(4,302,685)</b>
Interest payable and similar charges	3	(33,101)	(27,612)
<b>Loss On Ordinary Activities Before Taxation</b>		<b>(538,868)</b>	<b>(4,330,297)</b>
Tax on loss on ordinary activities	4	-	-
<b>Loss For The Year</b>	<b>12</b>	<b>(538,868)</b>	<b>(4,330,297)</b>

The notes on pages 7 – 17 form part of the financial statements

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognized gains and losses other than those passing through the profit and loss account



# IBA MOLECULAR UK LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2012

		2012		2011	
				(Restated see note 12)	
	Notes	£	£	£	£
<b>Fixed Assets</b>					
Intangible assets	5		78,520		83,770
Tangible assets	6		4,069,630		4,480,683
			<u>4,148,150</u>		<u>4,564,453</u>
<b>Current Assets</b>					
Stocks		188,542		217,071	
Debtors	7	862,809		844,724	
Cash at bank and in hand		201,112		433,783	
		<u>1,252,463</u>		<u>1,495,578</u>	
<b>Creditors: Amounts Falling Due Within One Year</b>	8	<u>(1,011,180)</u>		<u>(1,361,295)</u>	
<b>Net Current Assets</b>			241,283		134,283
<b>Total Assets Less Current Liabilities</b>			<u>4,389,433</u>		<u>4,698,736</u>
<b>Creditors: Amounts Falling Due After More Than One Year</b>	9		(303,637)		(102,820)
<b>Provision for liabilities</b>	17		(1,115,985)		(1,087,237)
			<u>2,969,811</u>		<u>3,508,679</u>
<b>Capital and reserves</b>					
Called up share capital	11		23,173,157		23,173,157
Profit and loss account	12		(20,203,346)		(19,664,478)
<b>Shareholders' Funds</b>			<u>2,969,811</u>		<u>3,508,679</u>

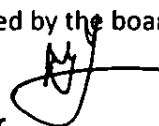
The notes on pages 7-17 form part of the financial statements.

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006

Approved by the board and authorized for issue on 30 October 2013

M Yon

Director



Registered number: 04794962

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2012

#### 1 Accounting Policies

##### 1.1 Accounting Convention

The financial statements are prepared on a going concern basis as the ultimate parent company has confirmed that it will provide sufficient funds to enable the company to meet its liabilities as they fall due for a period of at least 12 months after the date that the accounts have been approved and signed. The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities.

##### 1.2 Turnover

Turnover represents amounts receivable for goods supplied net of VAT and trade discounts.

Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the company and the amount of revenue and any associated costs incurred, or to be incurred, can be measured reliably.

##### 1.3 Intangible Assets

These are valued at cost less accumulated amortisation. Amortisation is calculated to write off the costs in equal annual installments over their estimated useful lives of five years.

##### 1.4 Research and Development

Development expenditure is written off to the profit and loss account in the year in which it is incurred except where the development costs meet the criteria set out in SSAP 13. IBA Molecular monitors the level of product development costs against all the criteria set out in SSAP 13, which include the requirement to establish that a flow of economic benefits is probable before costs are capitalized and, if these criteria are met, the costs are capitalized. The level of costs incurred after these criteria have been met is currently insignificant.

The costs have not been amortised as commercial production has not yet started.

##### 1.5 Tangible Fixed Assets and Appreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	over 15 to 33 years
Fixtures, fittings & Equipment	20% - 33% straight line

##### 1.6 Stock

Stock is valued at the lower of cost and net recognised value.

## IBA MOLECULAR UK LIMITED

### 1.7 Pensions

The company operated a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

### 1.8 Taxation

The charge for taxation is based on the profit/loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, discounted where material, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

### 1.9 Foreign Currency Transaction

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

### 1.10 Impairment

All assets (other than goodwill, indefinite life intangible assets and intangible assets that are not yet ready for use) are required to be tested for impairment where there is an impairment indicator. Impairment losses are recognized, in accordance with FRS 11, if the recoverable amount of an asset has declined below its carrying amount. Recoverable amount is measured as the higher of an asset's fair value less costs to sell and its value in use.

### 1.11 Decommissioning provision

A decommissioning provision is recognized when a site is constructed to provide for the expected costs payable to decommission it in accordance with the lease agreements and local regulatory requirements.

The provisions are calculated by management with reference to the work of external experts in the field and are discounted to reflect the time value of money where this is considered material. See note 12 and 17.

## 2 Operating Loss

	2012	2011
	£	£
Operating loss is stated after charging		
Amortisation of intangible assets	2,917	7,000
Depreciation of tangible assets	451,498	810,096
Impairment of fixed assets – building and plant	-	3,173,412
Auditors' remuneration	22,500	18,000
Directors' remuneration	79,718	106,139
Directors pension	5,143	5,028

# IBA MOLECULAR UK LIMITED

## 3 Interest Payable

	2012	2011
	£	£
Included in interest payable is the following amount		
On amounts payable to group companies	4,353	2,133
Unwinding of discounted amount	28,748	25,479
	<u>33,101</u>	<u>27,612</u>

## 4 Taxation

### Factors affecting the tax charge for the current year

The current tax credit for the year is lower (2011 lower) than the standard rate of corporation tax in the UK of 24.5% (2011 26.5%). The differences are explained below

	2012	2011
	£	£
Current tax reconciliation		
Loss on ordinary activities before tax	(538,868)	(4,330,297)
Current tax reconciliation at 24.5% (2011 26.5%)	(132,022)	(1,147,528)
Effects of		
Expenses not deductible for tax purposes	-	840,954
Capital allowances in excess of depreciation	(54,768)	(20,781)
Tax losses carried forward	186,790	327,355
Total current tax	<u>-</u>	<u>-</u>

A reduction in the UK corporation tax rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 31 December 2012 has been calculated based on the rate of 23% substantively enacted at the balance sheet date.

The March 2013 Budget announced that the rate will further reduce to 20% by 2015 in addition to the planned reduction to 21% by 2014 previously announced in the December 2012 Autumn Statement. It has not yet been possible to quantify the full anticipated effect of the announced further 3% rate reduction, although this will further reduce the company's future current tax charge and reduce the company's deferred tax asset accordingly.

## IBA MOLECULAR UK LIMITED

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### Factors affecting future tax charge

Deferred tax asset not provided in respect of timing differences and carry forward losses is as follows

	2012	2011
	£	£
Capital allowances	(677,959)	(643,919)
Losses carried forward	4,039,487	4,517,811
	<u>3,361,528</u>	<u>3,873,892</u>

The deferred tax asset has not been provided as there is no certainty that there will be suitable taxable profits in the foreseeable future

The company has estimated losses of £17,562,989 (2011 £17,376,198) available for carry forward against future trading profits

# IBA MOLECULAR UK LIMITED

## 5 Intangible Fixed Assets

	Deferred Other Development Costs £	Other Intangible Assets £	Total £
<b>Cost</b>			
At 1 January 2012	78,520	35,000	113,520
Disposals	-	(2,333)	(2,333)
At 31 December 2012	78,520	32,667	111,187
<b>Amortisation</b>			
At 1 January 2012	-	29,750	29,750
Charge for the year	-	2,917	2,917
At 31 December 2012	-	32,667	32,667
<b>Net book value</b>			
At 31 December 2012	78,520	-	78,520
At 31 December 2011	78,520	5,250	83,770

# IBA MOLECULAR UK LIMITED

## 6 Tangible Fixed Assets

	Land and Buildings	Plant and Machinery etc.	Total
	£	£	£
<b>Cost</b>			
At 1 January 2012	8,710,972	2,011,232	10,722,204
Additions	-	40,445	40,445
At 31 December 2012	8,710,972	2,051,677	10,762,649
<b>Depreciation</b>			
At 1 January 2012	4,586,495	1,655,026	6,241,521
Charge for the year	232,418	219,080	451,498
At 31 December 2012	4,818,913	1,874,106	6,693,019
<b>Net book value</b>			
At 31 December 2012	3,892,059	177,571	4,069,630
At 31 December 2011	4,124,477	356,206	4,480,683

## IBA MOLECULAR UK LIMITED

### 7 Debtors

	2012	2011
	£	£
Trade Debtors	642,603	614,750
Amounts owed by group undertakings and undertakings in which the company has a participation interest	113,780	120,787
Other Debtors	106,426	109,187
	862,809	844,724

### 8 Creditors: Amounts Falling Due Within One Year

	2012	2011
	£	£
Trade Creditors	109,296	124,124
Amounts owed to ultimate parent company and other group undertakings	528,721	810,774
Taxation and social security	205,914	188,988
Other creditors	167,249	237,409
	1,011,180	1,361,295



## IBA MOLECULAR UK LIMITED

### 9 Creditors: Amounts Falling Due After More Than One Year:

	2012	2011
	£	£
Loans from group companies	303,637	102,820
<b>Analysis of Loans</b>		
Not wholly repayable within five years	303,637	102,820
<b>Loan Maturity Analysis</b>		
In more than five years	303,637	102,820

### 10 Pension and Other Post-Retirement Benefit Commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contribution payable by the company to the fund.

	2012	2011
	£	£
Contributions payable by the company for the year	30,947	29,329

# IBA MOLECULAR UK LIMITED

## 11 Share Capital

	2012	2011
	£	£
<b>Allotted, Called Up and Fully Paid</b>		
23,173,157 Ordinary shares of £1 each	23,173,157	23,173,157

## 12 Statement of Movements on Profit and Loss Account

	2012	2011
	£	£
Balance at 1 January	-	(14,272,423)
Prior year adjustment (see note 17)	-	(1,061,758)
Balance at 1 January – (Restated for FY 2011)	(19,664,478)	(15,334,181)
Loss for the year – (Restated for FY 2011)	(538,868)	(4,330,297)
Balance at 31 December	(20,203,346)	(19,664,478)

Prior to 31 December 2010 the company constructed two radiopharmaceuticals production and storage sites for which it has an obligation to decommission at the end of its use. No decommissioning provision in relation to these sites was recorded in the financial statements at 31 December 2011 or 31 December 2010.

During the current year an adjustment to the 2011 retaining earnings has therefore been made to increase the deficit at 1 January 2011 from £14,272,423 to £15,334,181 and recognize a £1,061,758 decommissioning provision. In addition, the loss for the year ended 31 December 2011 has been restated by £25,479 as a result of unwinding the discounts on this decommissioning provision. This increased the loss for the year from £4,304,818 to £4,330,297. See note 17 for further details.

## IBA MOLECULAR UK LIMITED

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### 13 Financial Commitments

At 31 December 2012 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2013

	2012	2011
	£	£
Operating leases which expire		
In over five years	138,000	138,000

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### 14 Control

The ultimate parent undertaking and controlling party is Rose Holdings S a r l , a company incorporated in Luxembourg

The largest group in which the results of the Company are consolidated is that headed by Rose Holdings S a r l incorporated in Luxembourg. The consolidated financial statements of these groups are available to the public and may be obtained at the address of the company which registered office is 19, rue de Bitbourg, L-1273 Luxembourg, Grand-Duche du Luxembourg

### 15 Post Balance Sheet Events

On 16 September 2013, the trade and business assets of the PET unit were sold to Alliance Medical Ltd. The turnover for the year ended 31 December 2012 was £2,147,000 and the profit before tax was £533,000

### 16 Related Party Relationships and Transactions

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly-owned subsidiary undertaking of the group

## IBA MOLECULAR UK LIMITED

### 17 Provisions for liabilities

	2012	2011
	£	£
At beginning of year as restated	1,087,237	1,061,758
Unwinding of discounted amount	28,748	25,479
At end of year	1,115,985	1,087,237

The decommissioning provision reflects the expected costs payable by the company to decommission its owned and leased radiopharmaceuticals production and storage sites in accordance with their lease agreements and local regulatory requirements

The company expects to utilize the provision in 10-13 years time however the exact timing will depend on the life of the cyclotrons in these locations

The provisions have been calculated by management with reference to the work of external experts in the field and have been discounted to reflect the time value of money where this is considered material