

Company Registration No 04794962 (England and Wales)

IBA MOLECULAR UK LIMITED

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2010**

THURSDAY



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COMPANIES HOUSE

IBA MOLECULAR UK LIMITED

COMPANY INFORMATION

Directors	M Yon X Defourt F Labarre (Appointed 11 August 2010)
Secretary	Thomas Eggar Secretaries Limited
Company number	04794962
Registered office	The Corn Exchange Baffins Lane Chichester West Sussex PO19 1GE
Auditors	Alliotts Imperial House 15 Kingsway London WC2B 6UN

IBA MOLECULAR UK LIMITED

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IBA MOLECULAR UK LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2010

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

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 supplied pharmaceutical products

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

Directors

The following directors have held office since 1 January 2010

O Legrain

(Resigned 11 August 2010)

M Yon

X Defourt

F Labarre

(Appointed 11 August 2010)

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 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 period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting 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.

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.

IBA MOLECULAR UK LIMITED

DIRECTORS' REPORT (CONTINUED)

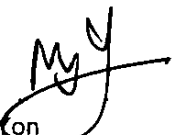
FOR THE YEAR ENDED 31 DECEMBER 2010

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

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 28/08/2011

IBA MOLECULAR UK LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IBA MOLECULAR UK LIMITED

We have audited the financial statements of IBA Molecular UK Limited for the year ended 31 December 2010 set out on pages 5 to 13. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom 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 auditors' 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

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 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 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.

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 as at 31 December 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter

Going concern

In forming our opinion, we have considered the adequacy of the disclosures made in note 1 of the financial statements concerning the continuation of support from the parent undertaking. In view of the significance of this support, we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

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

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF IBA MOLECULAR UK LIMITED

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



Sudheer Gupta FCA (Senior Statutory Auditor)
for and on behalf of Alliotts

6 June 2011

Chartered Accountants
Statutory Auditor

Imperial House
15 Kingsway
London
WC2B 6UN

IBA MOLECULAR UK LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	2010 £	2009 £
Turnover	2	4,246,418	3,507,044
Cost of sales		(3,004,979)	(2,118,093)
Gross profit		1,241,439	1,388,951
Administrative expenses		(2,100,247)	(1,633,088)
Operating loss	3	(858,808)	(244,137)
Interest payable and similar charges	4	(555,275)	(794,057)
Loss on ordinary activities before taxation		(1,414,083)	(1,038,194)
Tax on loss on ordinary activities	5	-	(3,791)
Loss for the year	13	(1 414,083)	(1,041,985)

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

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

IBA MOLECULAR UK LIMITED

BALANCE SHEET


AS AT 31 DECEMBER 2010

	Notes	2010 £	£	2009 £	£
Fixed assets					
Intangible assets	6	12,250		19,250	
Tangible assets	7	8,408,641		9,159,519	
		<u>8,420,891</u>		<u>9,178,769</u>	
Current assets					
Stocks		228,588		206,936	
Debtors	8	719,907		747,186	
Cash at bank and in hand		313,150		191,892	
		<u>1,261,645</u>		<u>1,146,014</u>	
Creditors' amounts falling due within one year	9	<u>(781,802)</u>		<u>(3,417,359)</u>	
Net current assets/(liabilities)		<u>479,843</u>		<u>(2,271,345)</u>	
Total assets less current liabilities		<u>8,900,734</u>		<u>6,907,424</u>	
Creditors' amounts falling due after more than one year	10	<u>-</u>		<u>(18,345,764)</u>	
		<u>8,900,734</u>		<u>(11,438,340)</u>	
Capital and reserves					
Called up share capital	12	23,173,157		1,420,000	
Profit and loss account	13	(14,272,423)		(12,858,340)	
Shareholders' funds		<u>8,900,734</u>		<u>(11,438,340)</u>	

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 authorised for issue on

27/03/21


M. Yon
Director

Company Registration NO. 04794962

IBA MOLECULAR UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements have been 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

1.2 Turnover

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

1.3 Intangible assets

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

1.4 Tangible fixed assets and depreciation

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 residual value of each asset over its expected useful life, as follows

Land and buildings Freehold	over 15 or 33 years
Land and buildings Leasehold	over 22 years
Fixtures, fittings & equipment	20% - 33% straight line

Impairment

One of the company's two sites was frozen as at 31 October 2010. An impairment review was carried out in respect of this site, however, based on the assessment, no impairment is considered necessary (see note 1.9)

1.5 Revenue recognition

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

1.6 Pensions

The company operates 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

1.7 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future. A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

IBA MOLECULAR UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2010

1 Accounting policies

(continued)

1.8 Foreign currency translation

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 profit and loss account.

1.9 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 recognised, 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.

On 31 October 2010 as a result of the competitive environment the company decided to suspend activity from its Dinnington site and the site has been frozen. The company will decide around October 2011 what the future of the Dinnington site will be.

An impairment review has been carried out based on the net present value of future income generated throughout the European market, from two new products. The share of the European market allocated to the UK is 11.3%, based on previous experience.

The projections have been made over a period of 10 years from 2011 to 2020 inclusive, with production and sales commencing in 2013.

FRS 11 requires that growth rates are calculated with reference to the long-term average growth rate for the UK, unless there exists exceptional circumstances. The directors consider these circumstances to exist as the expensive nature of the production process and the co-operation of a major pharmaceutical company will allow the company to rapidly achieve a high market share and therefore a higher than average growth in sales.

The growth rate used is based on estimates of the amount of new patients eligible for treatment and the level of demand for those products based on a projected market share.

The discount rate used was 11%, being the estimate of weighted average cost of capital for the company, adjusted for the particular risks associated with the company's operations.

The impairment review indicated that for the 10 year period, the net present value exceeds the net book value. Hence no impairment provision has been made in the profit and loss account.

2 Turnover

In the year to 31 December 2010 -0% (2009 - 0.80%) of the company's turnover was to markets outside the United Kingdom.

IBA MOLECULAR UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2010

3	Operating loss	2010 £	2009 £
	Operating loss is stated after charging		
	Amortisation of intangible assets	7,000	14,000
	Depreciation of tangible assets	797,829	792,018
	Auditors' remuneration	15,750	14,500
	Directors' remuneration	87,793	89,423

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2009 - 1)

4	Interest payable	2010 £	2009 £
	Included in interest payable is the following amount		
	On amounts payable to group companies	555,275	793,616

5	Taxation	2010 £	2009 £
	Domestic current year tax		
	Adjustment for prior years	-	3,791
	Current tax charge	-	3,791

Factors affecting future tax charge

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

	2010 £	2009 £
Capital allowances	(573,125)	(503,504)
Losses carried forward	4,195,678	4,088,502
	3,622,553	3,584,998

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 £ 16,137,225 (2009 - £ 14,602,080) available for carry forward against future trading profits

IBA MOLECULAR UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

6 Intangible fixed assets

Other
intangible
assets
£

Cost

At 1 January 2010 & at 31 December 2010

35,000

Amortisation

At 1 January 2010

15,750

Charge for the year

7,000

At 31 December 2010

22,750

Net book value

At 31 December 2010

12,250

At 31 December 2009

19,250

7 Tangible fixed assets

Land and
buildings

£

Plant and
machinery
etc

£

Total

£

Cost

At 1 January 2010

8,694,561

1,925,142

10,619,703

Additions

16,300

30,651

46,951

At 31 December 2010

8,710,861

1,955,793

10,666,654

Depreciation

At 1 January 2010

736,096

724,088

1,460,184

Charge for the year

412,002

385,827

797,829

At 31 December 2010

1,148,098

1,109,915

2,258,013

Net book value

At 31 December 2010

7,562,763

845,878

8,408,641

At 31 December 2009

7,958,465

1,201,054

9,159,519

IBA MOLECULAR UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

8	Debtors	2010 £	2009 £
	Trade debtors	591,191	655,053
	Amounts owed by group undertakings and undertakings in which the company has a participating interest	19,644	-
	Other debtors	109,072	92,133
		<u>719,907</u>	<u>747,186</u>
9	Creditors, amounts falling due within one year	2010 £	2009 £
	Bank loans and overdrafts	790	-
	Trade creditors	229,831	362,121
	Amounts owed to ultimate parent company and other group undertakings	351,527	2,700,198
	Taxation and social security	30,488	59,725
	Other creditors	169,166	295,315
		<u>781,802</u>	<u>3,417,359</u>
10	Creditors, amounts falling due after more than one year	2010 £	2009 £
	Loans from group companies	-	18,345,764
		<u>-</u>	<u>18,345,764</u>
	Analysis of loans		
	Wholly repayable within five years	-	18,345,764
		<u>-</u>	<u>18,345,764</u>
	Loan maturity analysis		
	In more than two years but not more than five years	-	18,345,764
		<u>-</u>	<u>18,345,764</u>

IBA MOLECULAR UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

11 Pension and other post-retirement benefit commitments

Defined contribution

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 contributions payable by the company to the fund.

	2010 £	2009 £
Contributions payable by the company for the year	<u>36,583</u>	<u>39,239</u>

12 Share capital

	2010 £	2009 £
Allotted, called up and fully paid		
23,173,157 Ordinary shares of £1 each	<u>23,173,157</u>	<u>1,420,000</u>

During the year 21,753,157 ordinary shares of £1 each were allotted and fully paid at par for both cash consideration and in settlement of the loan with the parent undertaking to provide working capital.

13 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2010	(12,858,340)
Loss for the year	<u>(1,414,083)</u>
Balance at 31 December 2010	<u>(14,272,423)</u>

14 Financial commitments

At 31 December 2010 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2011:

	2010 £	2009 £
Operating leases which expire in over five years	<u>129,000</u>	<u>129,000</u>

IBA MOLECULAR UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2010

15 Control

The ultimate parent undertaking and controlling party is Ion Beam Applications SA, a company incorporated in Belgium. Copies of the parent's consolidated financial statements may be obtained from Chemin du Cyclotron, 3 at B-1348 Louvain-la-Neuve, Belgium.

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.