

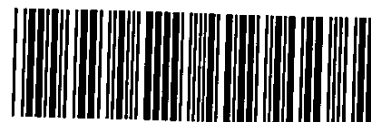
# Thiakis Limited

## Directors' report and financial statements

*Registered Number 05148298*

**Year ended 30 November 2011**

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# Thiakis Limited

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## **Directors and other information**

<b>Directors</b>	M O'Callaghan P Rao A Verrinder A Nel J Mount
<b>Registered office</b>	Ramsgate Road Sandwich Kent CT13 9NJ
<b>Independent auditor</b>	KPMG LLP Chartered Accountants 15 Canada Square London, E14 5GL
<b>Registered number</b>	05148298

# Thiakis Limited

## Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 November 2011

## Principal activity

During the year ended 30 November 2011, the principal activity of the company was the research and development of medicines. However, after the year end the company took the decision to cease trading. As the directors do not intend to acquire a replacement trade they have prepared the financial statements on a basis other than going concern. The effect of this is explained in note 1.

## Results and dividends

The company generated an after tax loss of £10,331,758 (*As restated 2010 loss £17,827,081*). No dividends were declared in 2011 (*2010 nil*).

## Directors

The directors who held office from 1 December 2010 and to the date of this report, unless otherwise noted, were

M O'Callaghan

P Rao

A Verrinder

A Nel

L Jones (resigned 29 February 2012)

J Mount (appointed 24 February 2012)

## Provision of information to auditor

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

The company's auditor is KPMG, LLP

## Small company provisions

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

By order of the board



J Mount  
Director

24 August 2012

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# Thiakis Limited

## **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 period. 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 judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. As explained in note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

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.

## **Independent auditor's report to the members of Thiakis Limited**

We have audited the financial statements of Thiakis Limited for the year ended 30 November 2011 set out on pages 6 to 17. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice). These financial statements have not been prepared on the going concern basis for the reason set out in note 1 to the financial statements.

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 3, 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 APB's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

### **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 30 November 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with UK 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.

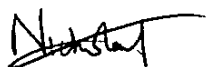
# Thiakis Limited

## Independent auditor's report to the members of Thiakis Limited (*continued*)

### 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



**Nicholas Frost (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
Chartered Accountants  
15 Canada Square,  
London, E14 5GL

Date 24<sup>th</sup> August 2012

# Thiakis Limited

## Profit and Loss Account for the year ended 30 November 2011

	<i>Note</i>	<b>2011</b> <b>£</b>	As restated* 2010 <b>£</b>
Administrative expenses		<b>(10,342,281)</b>	(17,827,081)
		<hr/>	<hr/>
<b>Operating loss</b>	<b>3</b>	<b>(10,342,281)</b>	(17,827,081)
		<hr/>	<hr/>
Interest receivable and similar income	<b>6</b>	<b>10,523</b>	-
		<hr/>	<hr/>
<b>Loss on ordinary activities before taxation</b>		<b>(10,331,758)</b>	(17,827,081)
Tax on loss on ordinary activities	<b>7</b>	-	-
		<hr/>	<hr/>
<b>Loss for the financial year</b>	<b>12</b>	<b>(10,331,758)</b>	(17,827,081)
		<hr/>	<hr/>

\* see note 2

Since the decision to cease trading, as described in note 1, occurred more than three months after the year end, in accordance with FRS 3, all items dealt with in arriving at the loss of 2011 and 2010 relate to continuing operations

Notes on pages 9 to 17 form part of the financial statements



# Thiakis Limited

## Balance Sheet at 30 November 2011

Registered Number 05148298

	Note	2011 £	As restated* 2010 £
<b>Fixed assets</b>			
Tangible assets	8	-	-
<b>Current assets</b>			
Debtors	9	3,553,319	56,085
		<u>3,553,319</u>	<u>56,085</u>
<b>Creditors: amounts falling due within one year</b>	10	<b>(43,727,125)</b>	<b>(29,898,133)</b>
<b>Net current liabilities</b>		<b>(40,173,806)</b>	<b>(29,842,048)</b>
<b>Net Liabilities</b>		<b>(40,173,806)</b>	<b>(29,842,048)</b>
<b>Capital and reserves</b>			
Called up share capital	11	16,389	16,389
Share premium account	12	10,137,364	10,137,364
Profit and loss account - deficit	12	(50,327,559)	(39,995,801)
<b>Shareholders' deficit</b>		<b>(40,173,806)</b>	<b>(29,842,048)</b>

\* see note 2

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24 August 2012

Notes on pages 9 to 17 form part of the financial statements



J Mount  
Director

# Thiakis Limited

## Statement of total recognised gains and losses for the year ended 30 November 2011

	2011 £	As restated* 2010 £
Loss for the financial year	(10,331,758)	(17,827,081)
Prior year adjustment (see note 2)	12,371,019	-
Total recognised gains and losses recognised since last annual report	<u>2,039,261</u>	<u>(17,827,081)</u>

## Reconciliation of movements in shareholders' funds for the year ended 30 November 2011

	2011 £	As restated* 2010 £
Opening shareholders' deficit (originally £42,213,067 before prior year adjustment of £12,371,019)*	(29,842,048)	(12,014,967)
Loss for the financial year	(10,331,758)	(17,827,081)
Closing shareholders' deficit	<u>(40,173,806)</u>	<u>(29,842,048)</u>

\* see note 2

Notes on pages 9 to 17 form part of the financial statements

# Thiakis Limited

## Notes

*forming part of the financial statements*

### 1. Statement of accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as noted below

#### ***Basis of preparation***

The financial statements have been prepared in accordance with generally accepted accounting principles under the historical cost convention, and comply with financial reporting standards of the Accounting Standards Board. In previous years the financial statements have been prepared on a going concern basis. However, after the year end the directors took the decision to cease trading. As they do not intend to acquire a replacement trade, the directors have prepared the accounts on a basis other than going concern. No adjustments were necessary to the amounts at which the net liabilities are included in these financial statements.

The presentation of the financial statements on a basis other than going concern did not have a material impact on the company's assets and liabilities at 30 November 2011.

Under Financial Reporting Standard 1 (Revised) the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a subsidiary undertaking where 90 per cent or more of the voting rights are controlled within the group and the consolidated financial statements in which those subsidiary undertakings are included are publicly available.

#### ***Tangible fixed assets and depreciation***

Tangible fixed assets are stated at historical purchase cost net of depreciation. Tangible fixed assets are depreciated by reference to cost or valuation, at rates estimated to write off the cost of the relevant assets less residual value, by equal instalments over their estimated useful lives.

Office equipment	4 years
Computer equipment	4 years

#### ***Operating Leases***

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

# Thiakis Limited

## **Notes (continued)**

*forming part of the financial statements*

### **1. Statement of accounting policies (continued)**

#### ***Deferred taxation***

The charge for taxation is based on the profit for the year.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Provision is made at the rates expected to apply when the timing differences reverse. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in taxable profits in periods different from those in which they are recognised in the financial statements.

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.

#### ***Foreign currencies***

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

#### ***Research and development***

Research and development expenditure is charged to the Profit and loss account in the period in which it is incurred.

#### ***Classification of financial instruments issued by the company***

Financial instruments issued by the company are treated as equity only to the extent that they meet the following two conditions:

- a) They include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company, and
- b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for the called up share capital and share premium account exclude amounts in relation to those shares.

# Thiakis Limited

## Notes (continued)

forming part of the financial statements

### 2. Prior year adjustment

During the year management identified that R&D expenditure in the previous year and the associated intercompany creditor had been overstated by £12,371,019 due to an intercompany recharge booked in error. An adjustment has been made to the comparative financial information to reduce the administrative expenses / loss for the prior year to £17,827,081, reduce intercompany creditors to £29,896,213 and reduce the net liabilities to £29,842,048.

### 3. Statutory and other information

Operating loss is stated after charging

	2011 £	As restated 2010 £
Difference on foreign exchange	857,501	1,458,170
Research and development expenditure	9,480,996	16,358,660

Auditor's remuneration in respect of the audit of these financial statements for the current year is borne without recourse by Pfizer Limited, a fellow group undertaking. In 2011 these fees amounted to £8,000 (2010 £10,250).

### 4. Directors' remuneration and emoluments

None of the directors received emoluments or accrued retirements benefit in respect of qualifying services they provided to the company in 2011 (2010 nil).

Four of the directors received shares under long term incentive scheme and none of the directors exercised share options in the ultimate holding company Pfizer Inc during the period (2010 nil).

### 5. Staff numbers and costs

The company had no employees during the year (2010 nil).

# Thiakis Limited

## Notes (continued) forming part of the financial statements

### 6. Interest receivable

	2011	2010
	£	£
Interest receivable on amounts owed by group undertakings	10,523	-

### 7. Taxation

	2011	2010
	£	£
UK corporation tax credit on loss for the year	-	-

#### Factors affecting tax charge for the year

The tax assessed for the year is nil (2010 nil) The standard rate of corporation tax in the UK is 26.66% (2010 28%) The differences are explained below:

	2011	As restated 2010
	£	£
Profit/(loss) on ordinary activities before tax	(10,331,758)	(17,827,081)
Taxation (credit) / charge at UK corporation tax rate of 26.66% (2010 28%)	(2,754,758)	(4,991,583)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	-	347,235
Capital allowances for year in excess of depreciation	(145)	(190)
Tax losses carried forward	2,754,903	4,644,538
Current tax charge / (credit) for the year	-	-

#### Factors that may affect future tax charges

The company has trading losses of £49,285,905 (As restated 2010 - £38,953,605) available to be carried forward to be offset against future trading profits arising from the same trade. No deferred tax has been recognised.

# Thiakis Limited

## Notes (continued) forming part of the financial statements

### 8. Tangible fixed assets

	Computer equipment £	Fixtures and fittings £	Total £
<b>Cost</b>			
At beginning and end of year	6,874	8,727	15,601
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation</b>			
At beginning and end of year	6,874	8,727	15,601
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net book value</b>			
At beginning and end of year	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>

### 9. Debtors

	2011 £	2010 £
Amounts owed by group undertakings	3,550,062	-
Tax recoverable	-	50,526
Other debtors	3,257	3,639
Prepayments and accrued income	-	1,920
	<u>          </u>	<u>          </u>
	<b>3,553,319</b>	<b>56,085</b>
	<u>          </u>	<u>          </u>
All debtors fall due within one year		

### 10. Creditors: amounts falling due within one year

	2011 £	As restated 2010 £
Amounts owed to group undertakings	43,727,125	29,896,213
Accruals and deferred income	-	1,920
	<u>          </u>	<u>          </u>
	<b>43,727,125</b>	<b>29,898,133</b>
	<u>          </u>	<u>          </u>

# Thiakis Limited

## Notes (continued)

forming part of the financial statements

### 11. Share capital

#### Shares classified as capital

*Allotted, called up and fully paid:*

	2011 £	2010 £
27,052 (2010 27,052) Ordinary shares of 5p	1,353	1,353
1,500 (2010 1,500) 'B' Ordinary shares of £1 each	1,500	1,500
7,500 (2010 7,500) Deferred shares of 95p each	7,125	7,125
128,210 (2010 128,210) Preferred shares of 5p each	6,411	6,411
	<b>16,389</b>	<b>16,389</b>

#### Share rights Income

Any profits of the company available for distribution and which are proposed to be distributed shall be used to pay dividends in the following order of priority

- (i) first, the holders of the preferred shares shall be entitled, in priority to any payment of dividend to the holders of any other class of shares, to a cumulative preferential dividend at a rate of 8% per annum of the aggregate issue price of each share which shall accrue quarterly from the first day of the calendar quarter after the date of issue of the relevant preferred shares up to and including the date of redemption of the preferred shares, and shall be distributed to the preferred shareholders pro rata according to the number of preferred shares held by them respectively,
- (ii) next, in paying to the holders of A shares, B shares and ordinary shares such amount by way of dividend as the directors may determine and is approved by the shareholders in general meeting, and for such purposes the holders of A shares and B shares shall be entitled to participate in any dividend declared and paid to the holders of ordinary shares as if (a) the B shares had been converted into A shares; and (b) subject to (a), the A shares, B shares and ordinary shares constituted a single class of share, and the A shares and B shares ranked pari passu in all respects to dividend with the ordinary shares at the same rate per share as the amount per ordinary share payable

The holders of deferred shares are not entitled to receive any dividend or distribution



# Thiakis Limited

## Notes *(continued)*

*forming part of the financial statements*

### 11. Share capital *(continued)*

#### Capital

On a liquidation, winding up or any return of capital at any time whatsoever or on the sale of the company, the assets of the company available for distribution among shareholders will be distributed in the following order of priority

- (i) first, to the holders of each preferred share, any arrears and accruals of preferential dividend in respect thereof,
- (ii) second, to the holders of each preferred share, the issue price on that preferred share,
- (iii) third, to the holders of deferred shares, the nominal amount of each deferred share, and
- (iv) thereafter, the remaining assets of the company available for distribution shall be distributed to the holders of the voting shares as if (a) the B shares had been converted into A shares, and (b) subject to (a), pro rata to each such holder's respective holding *pari passu* as if they constituted a single class of share

#### Redemption of preferred shares

The preferred shares shall become redeemable by the company if one of the following events occurs

- (i) the company breaches any material provisions of the investment agreement that are for the benefit of the investors; or
- (ii) the investors (acting by an investor majority) notify the company of a material breach of any of the warranties given by the company under the investment agreement, or
- (iii) a liquidation event occurring in respect of the company

Upon the preferred shares being redeemed, the company shall pay to the holder of each preferred share the issue price for each preferred share held together with a sum equal to all arrears and accruals of the preferred dividend payable on it calculated to and including the date of redemption. The directors consider that there is no contractual obligation to deliver cash associated with the redemption of the preferred shares which is outside of the company's control

#### Attendance at General Meetings and Voting

Ordinary shares, A shares, B shares and preferred shares confer the right to receive notice, attend and vote at general meetings. On a poll taken at any general meeting the holders of ordinary shares, A shares and B shares and preferred shares shall have one vote for each ordinary share, A share, B share or preferred share held

Deferred shares shall not entitle the holders thereof to receive notice of or to attend and vote at any general meeting of the company

# Thiakis Limited

## Notes (continued) forming part of the financial statements

### 12. Reserves

	Share premium account £	As restated Profit and loss account £
Opening reserves as previously stated	10,137,364	(52,366,820)
Prior year adjustment	-	12,371,019
Opening reserves	10,137,364	(39,995,801)
Loss for the year	-	(10,331,758)
<b>At end of the year</b>	<b>10,137,364</b>	<b>(50,327,559)</b>

### 13. Derivatives not included at fair value

The company has derivatives which are not included at fair value in the accounts

#### Fair value asset/ (liability)

	2011 £	2010 £
Forward foreign exchange contracts	858,286	1,327,610

The company uses derivatives to hedge its exposures to changes in foreign currency exchange rates. As at the year end the company had open forward currency contracts in place with a fellow group company to sell \$60,242,000 (2010 nil) and to buy \$115,360,000 (2010 \$60,242,000). The fair values of these contracts are based on market values of equivalent instruments at the balance sheet date.

### 14. Related party disclosures

The ultimate controlling company is Pfizer Inc, a company incorporated in the State of Delaware, United States of America.

The company has taken advantage of the exemption in FRS 8 *Related Party Disclosures* from the requirement to disclose details of transactions with wholly owned group undertakings. Other than transactions with related group undertakings there were no other related party transactions. Details on the availability of group consolidated financial statements are given in note 15.

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# Thiakis Limited

## **Notes (continued)**

*forming part of the financial statements*

### **15. Ultimate Parent Company**

The immediate parent undertaking is Wyeth LLC and the ultimate parent undertaking is Pfizer Inc (both are incorporated in the State of Delaware, USA)

The directors consider Pfizer Inc to be the ultimate controlling party. Copies of the ultimate parent company's financial statements may be obtained from Pfizer Inc, 235 East 42nd Street, New York, NY 10017 USA