

Registered no: 02285007

CDK UK Limited

Annual Report

For the 52 Weeks Ended 25 September 2009

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CDK UK Limited

Annual Report and Financial Statements for the 52 weeks ended 25 September 2009

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Officers and Professional Advisors

Directors

The directors of the company who held office during the 52 week period ended 25 September 2009 and in the period to date (unless otherwise stated) were:

D R West (resigned 26th March 2010)
D Reynolds (appointed 16th January 2009)
O Millet (resigned 16th January 2009)

Secretary

D R West (resigned 16th January 2009)
D Reynolds (appointed 16th January 2009)

Registered Office

154 Fareham Road
Gosport
Hampshire
PO13 0AS

Bankers

Barclays Bank plc
London
United Kingdom

Actuaries and Consultants

Buck Consultants Ltd
Manchester
United Kingdom

PricewaterhouseCoopers LLP
Southampton
United Kingdom

Auditors

Deloitte LLP
Chartered Accountants and Registered Auditors
Southampton
United Kingdom

Report of the directors for the 52 weeks ended 25 September 2009

The directors present their report and the audited financial statements for the 52 weeks ended 25 September 2009 which has been prepared in accordance with the special provisions relating to small companies under s382 of the Companies Act 2006

Principal activity

The principal activity of the company is as holding company of Tyco Healthcare UK Limited, the principal activity of which is to act as holding company to Tyco Healthcare (UK) Manufacturing Limited and Covidien (UK) Commercial Limited

Review of business, future developments and going concern

The profit and loss account for the year is set out on page 7. The intention is for the business to continue as a holding company for the UK Covidien trading group. The company has net assets of £54.5m (2008: £54.5m) which relates mainly to inter-company receivables and payables. The directors of the business are satisfied that these balances are recoverable from within the group and have obtained a letter of comfort to confirm there is no current intention to call on the intercompany payable for the foreseeable future. As a result the directors are satisfied that the going concern principle is appropriate in preparing the financial statements.

Results and dividends

The profit for the financial period was £nil (2008: £nil). The directors have paid no dividend for the 52 weeks ended 25 September 2009 (52 weeks ended 30 September 2008: £nil).

Auditors

Pursuant to section 386 of the Companies Act 2006, an elective resolution was passed on 20 September 2004 by the company, dispensing with the requirement to appoint auditors annually. Therefore, Deloitte LLP are deemed to continue as auditors.

**Report of the directors
for the 52 weeks ended 25 September 2009 (continued)**

Provision of information to auditors

Each of the directors, at the time when the directors' report is approved, confirm that

(a) so far as the director is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the company's auditors are unaware, and

(b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information (as defined in the Companies Act 2006) and to establish that the company's auditors are aware of that information.

This confirmation is given and shall be interpreted in accordance with the provision of s418 of the Companies Act 2006

By order of the board:

A handwritten signature in black ink, appearing to read 'D Reynolds', followed by a stylized flourish or initial 'RS'.

**D Reynolds
Director
25 June 2010**

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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 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.

The directors are responsible for keeping proper accounting records that 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 auditors' report to the members of CDK UK Limited

We have audited the financial statements of CDK UK Limited for the 52 week period ended 25 September 2009 which comprise the profit and loss account, the balance sheet and the related notes 1 to 17. These financial statements have been prepared under the accounting policies set out therein. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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, 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 (APB'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 for the 52 week period ended 25 September 2009 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom 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.

Independent auditors' report to the members of CDK UK 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



Tobias Wright (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
Southampton, United Kingdom
25 June 2010

Profit and loss account for the 52 weeks ended 25 September 2009

	Notes	52 weeks ended 25 September 2009 £'000	52 weeks ended 30 September 2008 £'000
Interest receivable and similar income	4	2,309	4,281
Interest payable and similar charges	5	(2,309)	(4,281)
Profit on ordinary activities before taxation		-	-
Tax charge on profit on ordinary activities	6	-	-
Profit on ordinary activities after taxation	13, 14	-	-

The company has no recognised gains and losses other than those included in the losses above, and therefore no separate statement of total recognised gains and losses has been presented

All income and expenditure in the current and preceding year is derived from continuing operations.

Balance sheet as at 25 September 2009

	Notes	52 weeks ended 25 September 2009 £'000	52 weeks ended 30 September 2008 £'000
Fixed Assets			
Investments	7	375	375
Current assets			
Debtors amounts falling due within one year	8	54,122	54,122
Total assets less current liabilities		54,497	54,497
Debtors: amounts falling due after more than one year	9	57,833	57,833
Creditors amounts falling due after more than one year	10	(57,833)	(57,833)
Net assets		54,497	54,497
Capital and reserves			
Called up share capital	12	49,453	49,453
Share premium		5,621	5,621
Profit and loss account – deficit	13	(577)	(577)
Shareholders' funds	14	54,497	54,497

The financial statements of CDK UK Limited, registration number 02285007, on pages 7 to 16 were authorised and approved by the board of directors on 25 June 2010 and were signed on its behalf by



D Reynolds
Director

Notes to the financial statements for the 52 weeks ended 25 September 2009

1 Principal accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom and have been applied consistently in current and prior year. A summary of the principal accounting policies is set out below. As discussed in the Director's Report the directors have continued to adopt the going concern basis in preparing the financial statements.

Cash flow statement

The company has taken advantage of the exemption in FRS 1 (Revised) from the requirement to produce a cash flow statement on the grounds that it is a wholly owned subsidiary of Covidien Limited. The ultimate parent company has prepared a consolidated cash flow statement including cash flows of this company for the 52 weeks ended 25 September 2009 and comparative period.

Taxation

Current tax is provided at amounts expected to be paid or recovered using tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallize based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Pension costs

The company participates in a number of multi-employer pension schemes, the assets and liabilities of which are held independently from the group. In the case of defined benefit pension schemes, FRS 17 "Retirement Benefits" requires the expected cost of providing pensions, as calculated periodically by a professionally qualified independent actuary, is charged to the profit and loss account so as to spread the cost over the service lives of the employees in the scheme in such a way that the pension cost is a substantially level percentage of current and expected future pensionable payroll. This is based on the cost of providing pensions across all participating group companies. The defined benefits schemes are valued every three years by a professionally qualified independent actuary.

The company is unable to identify its share of the underlying assets and liabilities of the schemes. Therefore the cost of providing pensions is not determined for each individual company, and thus the schemes are accounted for as if they were defined contribution schemes. See note 11 for the summary of key details of the group pension scheme.

In the case of defined contribution schemes, the costs are charged to the profit and loss account in the period in which they are incurred.

Notes to the financial statements for the 52 weeks ended 25 September 2009 (continued)

1 Principal accounting policies (continued)

Subsidiary undertakings and consolidation

The financial statements contain information about CDK UK Limited as an individual company and do not contain consolidated financial information as the parent of a group. CDK UK Limited is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included in the consolidated financial statements of its parent ultimate parent and controlling party, Covidien Plc, a company incorporated in Ireland.

2 Directors' emoluments and employee information

The remuneration of the directors of CDK UK Limited was paid for by either Covidien UK Commercial Limited or Tyco Healthcare AG in both the current and previous financial years, and disclosed accordingly within these company's financial statements, which are publically available. The directors represent a number of Tyco Healthcare entities and it is neither feasible nor practical to separate the services they perform for CDK UK Limited from their total remuneration.

There are no employees of CDK UK Limited.

3 Profit on ordinary activities before interest and taxation

Auditors' remuneration for CDK UK Limited for the 52 weeks ended 25 September 2009 will be paid by and recorded in the accounts of Covidien UK Commercial Limited at £3,500 (2008 £3,625). There were no non-audit fees charged by the company's auditors in the current year.

4 Interest receivable and similar income

	52 weeks ended 25 September 2009 £'000	52 weeks ended 30 September 2008 £'000
On loans to subsidiary undertakings	2,309	4,281

5 Interest payable and similar charges

	52 weeks ended 25 September 2009 £'000	52 weeks ended 30 September 2008 £'000
On loans from immediate parent company	2,309	4,281

Notes to the financial statements for the 52 weeks ended 25 September 2009 (continued)

6 Tax on profit on ordinary activities

There is no current or deferred tax payable in the period (2008 nil) There is no difference between the tax shown and the amount calculated by applying the standard rate of UK corporation tax to the result of the year

	52 weeks ended 25 September 2009 £'000	52 weeks ended 30 September 2008 £'000
Profit on ordinary activities before tax	-	-
Tax on profit on ordinary activities at standard UK corporation tax average rate of 28%	-	-
Expenses not deductible for tax purposes	-	-
Group relief (claimed)	-	-
Current tax charge for the year	-	-

7 Fixed asset investments

Interests in group undertakings

CDK UK Limited owns 100% (£375,000) of the issued share capital of Tyco Healthcare UK Limited, which is incorporated in England and Wales

Tyco Healthcare UK Limited's principal activity is as a holding company of Covidien (UK) Commercial Limited and Tyco Healthcare Manufacturing Limited Covidien (UK) Commercial Limited's principal activity is the distribution of surgical and medical products Tyco Healthcare Manufacturing Limited's principal activity is the manufacture medical products The retained profit and net assets of these companies for the 52 weeks ended 25 September 2009 were as follows,

Name of company	Profit/(loss) on ordinary activities after taxation £'000	Net assets/(liabilities) £'000
Tyco Healthcare (UK) Limited	(361)	(8,008)
Covidien (UK) Commercial Limited	7,647	30,958
Tyco Healthcare (UK) Manufacturing Limited	(3,222)	(31,967)

Notes to the financial statements for the 52 weeks ended 25 September 2009 (continued)

8 Debtors: amounts falling due within one year

	52 weeks ended 25 September 2009 £'000	52 weeks ended 30 September 2008 £'000
Amounts falling due within one year:		
Amounts owed by subsidiary undertakings	54,122	54,122

9 Debtors: amounts falling due after more than one year

	52 weeks ended 25 September 2009 £'000	52 weeks ended 30 September 2008 £'000
Amounts owed by subsidiary undertakings	57,833	57,833

10 Creditors: amounts falling due after more than one year

	52 weeks ended 25 September 2009 £'000	52 weeks ended 30 September 2008 £'000
Amounts owed to immediate parent company	57,833	57,833

The total amount owed to the immediate parent company has no fixed repayment date and the group companies have confirmed that repayment will not be demanded in the 12 months from the date of signing the financial statements. Interest is charged upon this loan based on a three month LIBOR rate. The weighted average interest charge for the year was 4% (2008: 7.09%).

Notes to the financial statements for the 52 weeks ended 25 September 2009 (continued)

11 Pension commitments

Tyco UK Group Pension Scheme – Non Tube and Strip Section ('the Scheme')

The Scheme is a defined contribution scheme with a Best Benefit Guarantee that, more often than not provides benefits that are linked to salary near retirement or earlier date of leaving service. The Scheme is closed to new entrants. Active members in the Scheme were accruing benefits until 31 January 2009. From 1 February 2009 members ceased accruing benefits in the Scheme and started accruing benefits in the Covidien UK Pension Plan ('the Covidien Scheme'). As such, this disclosure does not make allowance for any benefits accrued since 31 January 2009. Although the accrued benefits in the Scheme were later transferred into the Covidien Scheme, at 25 September 2009 the liability of the accrued benefits remained in the Scheme. As a result, this disclosure sets out the position of the Scheme as at 25 September in respect of these accrued benefits. An approximate actuarial valuation of the Scheme was carried out by a qualified independent actuary as at 25 September 2009.

The major financial assumptions used by the actuary on this scheme were in nominal terms:

	2009	2008	2007
Tyco UK Group Pension Scheme			
Rate of increase in salaries	4.35%	4.25%	4.25%
Expected return on assets - equities	7.35%	8.20%	8.00%
- cash	4.15%	5.00%	6.00%
Discount rate - pre retirement	5.60%	6.75%	5.75%
- post retirement	2.60%	3.50%	3.70%
Inflation assumption	3.35%	3.25%	3.25%
	2009	2008	2007
	Value	Value	Value
	£'000	£'000	£'000
Equities	622	2,078	2,408
Government stock	393	1,424	1,604
Cash	893	585	214
Total market value of assets	1,908	4,087	4,226
Present value of scheme assets/(liabilities)	3,422	4,228	3,927
(Deficit)/surplus in scheme	(1,514)	(141)	299

Notes to the financial statements for the 52 weeks ended 25 September 2009 (continued)

11 Pension commitments (continued)

Tyco UK Group Pension Scheme – Non Tube and Strip Section ('the Scheme') (continued)

Analysis of the movement in the scheme (deficit)/surplus during the year	2009 £'000	2008 £'000	2007 £'000
Opening surplus / (deficit) in the scheme	(141)	299	(1,134)
Current service cost	62	(245)	(321)
Contributions	487	609	951
Other finance (expense) / income	7	(198)	53
Actuarial (losses) / gains	(1,929)	(606)	751
Closing (deficit)/surplus in the scheme	(1,514)	(141)	299

History of experience gains and losses

	2009 £'000	2008 £'000	2007 £'000
Difference between the expected and actual return on scheme assets	(305)	(617)	(46)
Percentage of scheme assets	(16.0%)	(15.1%)	(1.1%)
Experience of gains and losses arising on the scheme liabilities	(103)	1	188
Percentage of present value of scheme liabilities	(3.0%)	0.0%	4.8%

In addition there are individual insurance policies held in the name of the Trustees in respect of pensioners in the Scheme. These policies have not been included in the above because it is not possible to split the Defined Contribution and top-up Defined Benefit elements of the liability. The value of these policies as at 25 September 2009 on the basis used to value the liabilities above is £6,862,000 and, because this liability is insured, it is also valued as an asset of equal value to the liability. It therefore has no net effect on the pension deficit, although the ultimate liability for these members remains with the Scheme.

The value of the Scheme assets disclosed as at 25 September 2009 takes no account of any net current assets or liabilities other than cash in the Trustees' bank account.

Consistency has been maintained with previous years' treatment in that no allowance has been made in assets of the Scheme for National Insurance age-related rebates that were accrued before the year-end but not paid.

The Scheme does not invest in the sponsor's own financial instruments, including property or other assets owned by the sponsor.

Notes to the financial statements for the 52 weeks ended 25 September 2009 (continued)

11 Pension commitments (continued)

Tyco UK Group Pension Scheme – Non Tube and Strip Section ('the Scheme') (continued)

From 1 February 2009 the active members in the Scheme ceased accruing benefits in the Scheme and started to accrue benefits in the Covidien Scheme. However, at 25 September 2009 the benefits of the active members continued to be linked to the members' salaries and all liabilities in the Scheme were transferred to the Covidien Scheme after the year end, on 8 December 2009.

The disclosure above reflects pension accrued in the Scheme, therefore no contributions in respect of future accrual of benefits will be paid to the Scheme during the following financial year

12 Share capital

	52 weeks ended 25 September 2009 £'000	52 weeks ended 30 September 2008 £'000
Authorised		
1,900,000 redeemable ordinary shares of £1 each	1,900	1,900
47,553,447 ordinary shares of £1 each	47,553	47,553
	49,453	49,453
Allotted, called up and fully paid		
1,900,000 redeemable ordinary shares of £1 each	1,900	1,900
47,552,830 ordinary shares of £1 each	47,553	47,553
	49,453	49,453

13 Reserves

	Share Premium account £'000	Profit and loss account deficit £'000
At 1 October 2008 and 25 September 2009	5,621	5,621

Notes to the financial statements for the 52 weeks ended 25 September 2009 (continued)

14 Reconciliation of movements in shareholders' funds

	52 weeks ended 25 September 2009 £'000	52 weeks ended 30 September 2008 £'000
Opening shareholders' funds	54,497	54,497
Profit for the 52 weeks	-	-
Closing shareholders' funds	54,497	54,497

15 Contingent liabilities

The company is included in the Covidien (UK) Commercial Limited grouping which covers the Tyco Healthcare UK Limited statutory group. Under this arrangement, Tyco Healthcare UK Limited has indemnified its banker to the amount of £20,000 (2008: £20,000) in respect of certain Customs and Excise duties secured by a floating charge over stock and debtors of the group

16 Ultimate parent company and controlling party

The directors regard Covidien Group S A R L , a company registered in Luxembourg, as the immediate controlling party by virtue of its 73.4% holding in the share capital of the company. The remaining 26.6% is held by Tyco Holdings VII (Denmark) APS, a company registered in Denmark.

The directors regard Covidien Plc, a company incorporated in Ireland, as the ultimate parent company and controlling party since its purchase of Covidien Limited on 4 June 2009. Covidien Plc is the parent of the largest group to consolidate these financial statements. Copies of the consolidated financial statements of Covidien Plc are available from the Company Secretary, Covidien (UK) Commercial Ltd, 154 Fareham Road, Gosport, Hampshire, PO13 0AS.

17 Related party transactions

In accordance with the exemption allowed by FRS 8 "Related Party Disclosures", transactions with other undertakings within the Covidien Limited group have not been disclosed in these financial statements.