

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

10 INTANGIBLE ASSETS CONTINUED

Significant assets

	Description	Carrying value \$m	Remaining amortisation period
Intangible assets arising from joint venture with Merck ¹	Product, marketing and distribution rights	298	6 and 10 years
Advance payment ¹	Product, marketing and distribution rights	704	11 years
Intangible assets arising from the acquisition of CAT	Product, marketing and distribution rights	585	8 and 13 years ²
Intangible assets arising from the acquisition of KuDOS	Product, marketing and distribution rights	285	Not amortised ²
Intangible assets arising from the acquisition of MedImmune	Product, marketing and distribution rights	5,916	18-24 years
Intangible assets arising from the acquisition of MedImmune	Licensing and contractual income	1,314	2-13 years
Intangible assets arising from the acquisition of MedImmune	Product, marketing and distribution rights	576	Not amortised ²

¹ These assets are associated with the restructuring of the joint venture with Merck & Co., Inc. Further information can be found in Note 27.

² Assets in development are not amortised but are tested annually for impairment.

11 OTHER INVESTMENTS

	2007 \$m	2006 \$m	2005 \$m
Non-current investments			
Loans and receivables at fair value through profit or loss	–	37	100
Equity securities available for sale	182	82	156
	182	119	256
Current investments			
Equity securities held for trading	31	26	16
Fixed deposits	60	559	1,549
Derivative financial instruments	86	72	59
	177	657	1,624

Impairment charges of \$18m in respect of available for sale securities are included in other operating income and expense in the income statement (2006 \$nil, 2005 \$16m included in research and development).

In 2006, the Group completed the acquisition of Cambridge Antibody Technology Group plc, which was previously held as an available for sale investment.

12 INVENTORIES

	2007 \$m	2006 \$m	2005 \$m
Raw materials and consumables	579	541	491
Inventories in process	806	778	957
Finished goods and goods for re-sale	734	931	758
	2,119	2,250	2,206

Inventory write-offs in the year amounted to \$95m (2006 \$137m, 2005 \$147m).

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

13 TRADE AND OTHER RECEIVABLES

	2007 \$m	2006 \$m	2005 \$m
Amounts due within one year			
Trade receivables	5,415	4,340	3,809
Less: Amounts provided for doubtful debts	(89)	(52)	(45)
	5,326	4,288	3,764
Other receivables	593	462	312
Prepayments and accrued income	510	578	417
	6,429	5,328	4,493
Amounts due after more than one year			
Other receivables	54	44	58
Prepayments and accrued income	185	189	227
	239	233	285
	6,668	5,561	4,778
	2007 \$m	2006 \$m	2005 \$m
Provisions for doubtful debts			
Balance at beginning of year	52	45	46
Income statement charge	34	4	3
Amounts utilised, exchange and other movements	3	3	(4)
Balance at end of year	89	52	45

14 CASH AND CASH EQUIVALENTS

	2007 \$m	2006 \$m	2005 \$m
Cash at bank and in hand	1,403	684	545
Short term deposits	4,464	6,419	4,434
Cash and cash equivalents	5,867	7,103	4,979
Unsecured bank overdrafts	(140)	(114)	(84)
Cash and cash equivalents in the cash flow statement	5,727	6,989	4,895

The Group's insurance subsidiaries hold cash and short term investments totalling \$347m (2006 \$320m, 2005 \$300m), of which \$257m (2006 \$220m, 2005 \$176m) is required to meet insurance solvency requirements and which, as a result, is not readily available for the general purposes of the Group.

15 INTEREST BEARING LOANS AND BORROWINGS

	Repayment dates	2007 \$m	2006 \$m	2005 \$m
Current liabilities				
Bank overdrafts	On demand	140	114	84
Other loans	Within one year	4,140	22	6
		4,280	136	90
Non-current liabilities				
Floating Rate Note	US dollars	2009	649	–
4.625% Non-callable bond	Euros	2010	1,099	–
5.4% Callable bond	US dollars	2012	1,765	–
5.4% Callable bond	US dollars	2014	767	770
5.125% Non-callable bond	Euros	2015	1,099	–
5.9% Callable bond	US dollars	2017	1,768	–
7% Guaranteed debentures	US dollars	2023	323	341
5.75% Non-callable bond	Pounds sterling	2031	691	–
6.45% Callable bond	US dollars	2037	2,715	–
		10,876	1,087	1,111

All loans and borrowings above are unsecured.