

Registration number: 09684636

Pharmalex UK Holding Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2018

Rödl & Partner Limited
170 Edmund Street
Birmingham
B3 2HB



Pharmalex UK Holding Limited

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Pharmalex UK Holding Limited

Company Information

Directors	J W S Jeffery
	J Hönig
	C J Colton
	J B Trethowan
Registered office	170 Edmund Street Birmingham B3 2HB
Auditors	Rödl & Partner Limited 170 Edmund Street Birmingham B3 2HB

Pharmalex UK Holding Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities 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 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.

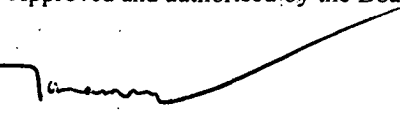
Pharmalex UK Holding Limited

(Registration number: 09684636)
Balance Sheet as at 31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	3	433	905
Investments	4	6,068,316	6,068,316
		<u>6,068,749</u>	<u>6,069,221</u>
Current assets			
Debtors	5	27,678	50,724
Cash at bank and in hand		61,727	862,002
		<u>89,405</u>	<u>912,726</u>
Creditors: Amounts falling due within one year	6	<u>(278,971)</u>	<u>(470,238)</u>
Net current (liabilities)/assets		<u>(189,566)</u>	<u>442,488</u>
Total assets less current liabilities		5,879,183	6,511,709
Creditors: Amounts falling due after more than one year	6	<u>(1,460,000)</u>	<u>(2,975,000)</u>
Net assets		<u>4,419,183</u>	<u>3,536,709</u>
Capital and reserves			
Called up share capital		1,157	1,157
Share premium reserve		1,583,840	1,583,840
Profit and loss account		2,834,186	1,951,712
Total equity		<u>4,419,183</u>	<u>3,536,709</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the provision of FRS 102 Section 1A - small entities regime.

Approved and authorised by the Board on 28 June 2019 and signed on its behalf by:


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J W S Jeffery
Director

Pharmalex UK Holding Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

170 Edmund Street

Birmingham

B3 2HB

Principal activity

The principal activity of the company is that of pharmaceutical consultancy specialising in regulatory affairs, development consulting and pharmacovigilance.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'Section 1A The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The presentation currency of these financial statements is Sterling. All amounts have been rounded to the nearest £1.

Summary of disclosure exemptions

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of and no objection to, the use of exemptions by the company's shareholders.

The company has taken advantage of the following exemptions:

(i) from disclosing transactions with related entities in accordance with FRS 102 paragraph 33.

Group accounts not prepared

The company is part of a small group. The company has taken advantage of the exemption provided by Section 398 of the Companies Act 2006 and has not prepared group accounts.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Pharmalex UK Holding Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

Foreign currency transactions and balances

Transactions in currencies other than the functional currency of the individual entities (foreign currencies) are recognised at the spot rate at the dates of the transactions, or at an average rate where this rate approximates the actual rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences are recognised in profit and loss in the period in which they arise.

Tax

The tax expense for the period comprises tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Office Equipment	33% on Cost

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

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Notes to the Financial Statements for the Year Ended 31 December 2018

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Pharmalex UK Holding Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Dividends

Dividend distribution to the company's shareholders is not recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

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Notes to the Financial Statements for the Year Ended 31 December 2018

3 Tangible assets

	Office equipment £	Total £
Cost or valuation		
At 1 January 2018	1,416	1,416
At 31 December 2018	1,416	1,416
Depreciation		
At 1 January 2018	511	511
Charge for the year	472	472
At 31 December 2018	983	983
Carrying amount		
At 31 December 2018	433	433
At 31 December 2017	905	905

4 Investments

	2018 £	2017 £
Investments in subsidiaries	6,068,316	6,068,316
Subsidiaries		£
Cost or valuation		
At 1 January 2018		6,068,316
Provision		
Carrying amount		
At 31 December 2018		6,068,316
At 31 December 2017		6,068,316

Pharmalex UK Holding Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2018	2017
Subsidiary undertakings				
Pharmalex UK Services limited	England	Ordinary shares	100%	100%
TRAC Services Limited	England	Ordinary shares	100%	100%

5 Debtors

	Note	2018 £	2017 £
Amounts owed by group undertakings	8	26,569	49,063
Other debtors		1,109	1,661
		<u>27,678</u>	<u>50,724</u>

6 Creditors

Creditors: amounts falling due within one year

	Note	2018 £	2017 £
Due within one year			
Trade creditors		4,363	1,476
Amounts owed to group undertakings	8	1,285	43,663
Taxation and social security		11,642	11,435
Other creditors		61,681	63,664
Other loans		200,000	350,000
		<u>278,971</u>	<u>470,238</u>
Due after one year			
Amounts owed to group (>5 years)		1,460,000	2,775,000
Other loans (2-5 years)		-	200,000
		<u>1,460,000</u>	<u>2,975,000</u>

Pharmalex UK Holding Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

7 Share capital

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1,157</u>	<u>1,157</u>	<u>1,157</u>	<u>1,157</u>

8 Related party transactions

The Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemption available under FRS 102 from disclosing Related Party transactions with other members of the same group.

9 Auditor's information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006.

The auditor's report was unqualified.

The Senior Statutory Auditor was Imran Farooq.

The auditor was Rödl & Partner Limited.