

Registered number: 04486293

ENVISION PHARMA LIMITED

UNAUDITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

COMPANIES HOUSE

TUESDAY



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COMPANIES HOUSE

ENVISION PHARMA LIMITED

COMPANY INFORMATION

Directors	B A Hepburn G S Caswill J D Gillie
Registered number	04486293
Registered office	Envision House 5 North Street Horsham West Sussex RH12 1XQ
Solicitors	Irwin Mitchell LLP Station Way Crawley West Sussex RH10 1JA

ENVISION PHARMA LIMITED

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ENVISION PHARMA LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

Introduction

The directors present their Strategic Report for the year ended 31 December 2019.

Business review

The principal activity of the Company for the year under review continued to be that of technology and scientific communications focused on the pharmaceutical, biotechnology and medical devices industry.

Principal risks and uncertainties

There are a number of potential risks and uncertainties which could impact the Company's performance and these are considered by the board on a regular basis. The board and regional management teams consider the risks of all significant business decisions and changes in the external environment and in the group's operations.

The key risks affecting the business are as follows:

Operating Risk

The Company's reputation and continued success depend on its ability to provide services which are valued by its clients. The company regularly reviews the quality of its services both internally and through formalised client feedback and evaluation.

Market Risk

The Company operates in a specialised market and seeks to maintain a competitive advantage by offering an appropriate and relevant service range and providing a high level of customer service from professional and dedicated staff. The Company keeps abreast of developments in the market through maintaining strong relationships with its clients.

Financial Risk

The Company is principally funded from retained earnings and is reliant on converting these profits into cash. Financial monitoring, forecasting and planning are continuous processes and emphasis is placed on balancing maintenance or growth of profit margin against investment in resources to maintain delivery of high quality of service to customers.

Financial key performance indicators

The financial performance for the year can be summarised by the following key figures and indicators which the directors have found useful in monitoring the Company's progress.

	2019 \$'000	2018 \$'000
Turnover	14,442	10,037
Gross profit	5,330	3,712
(Loss) before tax	(2,657)	(4,956)

Assessment of the effects of Brexit

The Company, as part of a wider Group of companies, has undertaken numerous assessments regarding the impact of Brexit. Commercially we do not expect Brexit to have a material impact to the Company although until a final deal is agreed uncertainty will remain. The sole major impact to date has been the ability to attract and retain highly skilled EU nationals within our UK operating business which is resulting in a greater reliance on both freelance staff and the utilisation of other overseas fellow Group companies to ensure we can continue to meet our contractual obligations.

ENVISION PHARMA LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Assessment of risks and other reporting consequences arising from the emergence and spread of Coronavirus (COVID-19)

This is an ongoing situation which is having a global impact. The health of all our employees and other stakeholders remains of paramount importance to the directors and the Company.

The Company identified the potential risks associated with the outbreak of the Coronavirus (COVID19) at an early stage which provided the Company, as part of a wider Group, adequate time to implement its Disaster Recovery and Business Continuity Plan with minimal disruption and risk to our staff and client service levels. In March 2020, all UK sites were closed in a managed sequence to enable stability of our systems. Since then all sites have had a deep clean undertaken and all staff security badges have been suspended to ensure no unauthorised access is gained to any facility.

In line with the Disaster Recovery and Business Continuity Plan a formal Emergency Committee was created that is co-chaired by a member of the Board of Directors and a member of the Executive Leadership team. Representatives convene a daily call so that the latest situation is noted and the Company's policies are amended to stay current. All staff are communicated to on a regular basis via both email and our intranet site. As part of the overall assessment a separate team is evaluating the commercial risks to the business. These include:

Impact to income from existing business

The Company partners with its clients across a diverse set of services and products and is satisfied that while there will be exposure to Congress support and other 'live event' type activities in backlog the overall impact would not be material. In part this is due to the appetite of our clients to move to on-line and other digital delivery mechanisms.

Impact to income from New Business activities

We have seen new business opportunities reduce since the health crisis gained 'Pandemic' status. That said, we are still invited to submit requests for proposals, and we have undertaken some virtual/online presentations to prospective clients. We see a greater risk associated with growth associated with new business activities.

Staffing Levels

We have minimised the risk of widespread infection to our staff by the early action undertaken to close all of our sites. While we do have individual employees, who have tested positive to COVID19 infection we have had no large groups or teams impacted at the same time. Looking to the future, the Company has drafted a return to work policy for each site for when it has received local authority/Governmental approval to do so and undertaken its own risk assessment.

This report was approved by the board on 1 September 2020 and signed on its behalf.



J D Gillie
Director

ENVISION PHARMA LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 to 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.

Results and dividends

The loss for the year, after taxation, amounted to \$2,840,739 (2018 - loss \$5,058,788).

Directors

The directors who served during the year were:

B A Hepburn
G S Caswill
J D Gillie

Future developments

We continue to see our clients evolve to drive efficiency and accommodate changes in both regulation and industry practice. The directors believe that the Company is very well positioned to continue to support our clients into the future.

This report was approved by the board on 1 September 2020 and signed on its behalf.

J D Gillie
Director

ENVISION PHARMA LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 \$	2018 \$
Turnover	4	13,374,586	10,037,395
Cost of sales		(8,056,486)	(6,325,761)
Gross profit		5,318,100	3,711,634
Administrative expenses		(8,106,414)	(8,760,222)
Operating loss	5	(2,788,314)	(5,048,588)
Interest receivable and similar income	8	131,027	92,238
Interest payable and expenses	9	(19)	-
Loss before tax		(2,657,306)	(4,956,350)
Tax on loss	10	(183,433)	(102,438)
Loss for the financial year		(2,840,739)	(5,058,788)

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2019 (2018:\$NIL).

The notes on pages 7 to 18 form part of these financial statements.

ENVISION PHARMA LIMITED
REGISTERED NUMBER: 04486293

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 \$	2018 \$
Fixed assets			
Intangible assets	11	1,219,051	1,883,192
Tangible assets	12	2,010,110	1,946,298
		<u>3,229,161</u>	<u>3,829,490</u>
Current assets			
Debtors: amounts falling due within one year	13	73,488,457	61,960,998
Cash at bank and in hand	14	1,690,054	3,637,101
		<u>75,178,511</u>	<u>65,598,099</u>
Creditors: amounts falling due within one year	15	(86,601,057)	(74,892,859)
Net current liabilities		<u>(11,422,546)</u>	<u>(9,294,760)</u>
Total assets less current liabilities		<u>(8,193,385)</u>	<u>(5,465,270)</u>
Provisions for liabilities			
Deferred tax	17	(112,624)	-
		<u>(112,624)</u>	<u>-</u>
Net liabilities		<u>(8,306,009)</u>	<u>(5,465,270)</u>
Capital and reserves			
Called up share capital	18	19,963	19,963
Other reserves	19	178,036	178,036
Profit and loss account	19	(8,504,008)	(5,663,269)
		<u>(8,306,009)</u>	<u>(5,465,270)</u>

The directors considers that the Company is entitled to exemption from the requirement to have an audit under the provisions of section 479A of the Companies Act 2006.

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 1 September 2020.


J D Gillie
 Director

The notes on pages 7 to 18 form part of these financial statements.

ENVISION PHARMA LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital	Other reserves	Profit and loss account	Total equity
	\$	\$	\$	\$
At 1 January 2019	19,963	178,036	(5,663,269)	(5,465,270)
Comprehensive income for the year				
Loss for the year	-	-	(2,840,739)	(2,840,739)
Total comprehensive income for the year	-	-	(2,840,739)	(2,840,739)
At 31 December 2019	19,963	178,036	(8,504,008)	(8,306,009)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

	Called up share capital	Other reserves	Profit and loss account	Total equity
	\$	\$	\$	\$
At 1 January 2018	19,963	178,036	(604,481)	(406,482)
Comprehensive income for the year				
Loss for the year	-	-	(5,058,788)	(5,058,788)
Total comprehensive income for the year	-	-	(5,058,788)	(5,058,788)
At 31 December 2018	19,963	178,036	(5,663,269)	(5,465,270)

The notes on pages 7 to 18 form part of these financial statements.

ENVISION PHARMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

Envision Pharma Limited is a private limited company incorporated in England and Wales. The registered office is Envision House, 5 North Street, Horsham, West Sussex, RH12 IXQ.

The principal activity of the Company for the year under review continued to be that of technology and scientific communications focused on the pharmaceutical, biotechnology and medical devices industries.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in US Dollars (\$).

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Envision Pharma Group Limited as at 31 December 2019 and these financial statements may be obtained from their registered office.

2.3 Going concern

The financial statements have been prepared on a going concern basis with the financial support of Envision Pharma Group Limited. The directors have received confirmation that this financial support will continue to be provided for the foreseeable future to enable the company to continue as a going concern and to settle its liabilities as and when they fall due.

2.4 Turnover

Turnover comprises revenue recognised in respect of services supplied during the period, exclusive of Value Added Tax. The company, as part of a wider group, provides industry standard software and medical consulting and writing services specifically customised to each customer. These contracts specify a price for all the services and consumables for such work to be performed.

Turnover reflects the contract activity during the period and represents the proportion of total contract valued delivered in the period by reference to the percentage completion against costs. Projects are invoiced at set points throughout their lifetime based on pre-agreed billing schedules.

ENVISION PHARMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income 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 lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.7 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

ENVISION PHARMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.9 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Computer software	-	4	years on a straight line basis
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2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

The estimated useful lives range as follows:

Fixtures and fittings	-	5	years
Office and computer equipment	-	3	years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

ENVISION PHARMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.14 Foreign currency translation

The company's functional and presentational currency is US Dollars (\$).

Transactions and balances

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction, except where the transaction is to be settled using a contracted rate, in which case that rate is used. Where a trading transaction is covered by a related or matching forward contract, the rate in that contract is used to translate the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date, except where there are related or matching forward contracts, in which case the rate in that contract is used. Foreign exchange gains and losses are credited or charged to the profit and loss account as they arise.

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.16 Financial instruments

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgments and estimates have been made include:

- Determining the point at which turnover has been earned from the contract activity.
- Impairment of intangible assets.
- Deferred tax provision.

4. Turnover

Turnover attributable to geographical markets outside the United Kingdom has not been disclosed as in the opinion of the directors it would be seriously prejudicial to the interests of the Company.

ENVISION PHARMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

5. Operating loss

The operating loss is stated after charging:

	2019	2018
	\$	\$
Exchange differences	(66,436)	1,250,660
Other operating lease rentals	7,842	9,882
	<u>7,842</u>	<u>9,882</u>

6. Employees

Staff costs, including directors' remuneration, were as follows:

	2019	2018
	\$	\$
Wages and salaries	7,760,680	8,382,760
Social security costs	835,716	992,465
Cost of defined contribution scheme	318,232	356,659
	<u>8,914,628</u>	<u>9,731,884</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2019	2018
	No.	No.
Number of employees	84	102
	<u>84</u>	<u>102</u>

7. Directors' remuneration

	2019	2018
	\$	\$
Directors' emoluments	1,170,683	1,292,045
	<u>1,170,683</u>	<u>1,292,045</u>

During the year retirement benefits were accruing to 1 director (2018 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of \$535,950 (2018 - \$587,355).

The value of the company's contributions paid to a defined benefit pension scheme in respect of the highest paid director amounted to \$NIL (2018 - \$NIL).

ENVISION PHARMA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

8. Interest receivable

	2019	2018
	\$	\$
Bank interest receivable	131,027	92,238
	<u>131,027</u>	<u>92,238</u>

9. Interest payable and similar expenses

	2019	2018
	\$	\$
Other loan interest payable	19	-
	<u>19</u>	<u>-</u>

10. Taxation

	2019	2018
	\$	\$
Corporation tax		
Adjustments in respect of previous periods	70,809	196,262
	<u>70,809</u>	<u>196,262</u>
Total current tax	<u>70,809</u>	<u>196,262</u>
Deferred tax		
Origination and reversal of timing differences	112,624	(75,426)
Adjustments in respect of prior periods	-	(18,398)
Total deferred tax	<u>112,624</u>	<u>(93,824)</u>
Taxation on profit on ordinary activities	<u>183,433</u>	<u>102,438</u>

ENVISION PHARMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2018 - *higher than*) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 \$	2018 \$
Loss on ordinary activities before tax	(2,657,306)	(4,956,350)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	(504,888)	(941,707)
Effects of:		
Expenses not deductible for tax purposes	203,965	16,140
Adjustments to tax charge in respect of prior periods	70,809	177,813
Movement in unrecognised deferred tax	(106,580)	106,580
Fixed asset differences	9,727	17,027
Group relief	537,665	705,173
Other differences leading to an increase (decrease) in the tax charge	(27,265)	21,412
Total tax charge for the year	183,433	102,438

ENVISION PHARMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

11. Intangible assets

	Computer software \$
Cost	
At 1 January 2019	2,797,231
Additions	27,948
	<hr/>
At 31 December 2019	2,825,179
	<hr/>
Amortisation	
At 1 January 2019	914,039
Charge for the year	692,089
	<hr/>
At 31 December 2019	1,606,128
	<hr/>
Net book value	
At 31 December 2019	1,219,051
	<hr/>
At 31 December 2018	1,883,192
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ENVISION PHARMA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

12. Tangible fixed assets

	Fixtures and fittings \$	Office and computer equipment \$	Total \$
Cost or valuation			
At 1 January 2019	1,283,589	1,803,855	3,087,444
Additions	18,631	589,639	608,270
Disposals	(387,139)	(12,735)	(399,874)
At 31 December 2019	<u>915,081</u>	<u>2,380,759</u>	<u>3,295,840</u>
Depreciation			
At 1 January 2019	496,532	644,614	1,141,146
Charge for the year on owned assets	155,866	388,592	544,458
Charge for the year on financed assets	(387,139)	(12,735)	(399,874)
At 31 December 2019	<u>265,259</u>	<u>1,020,471</u>	<u>1,285,730</u>
Net book value			
At 31 December 2019	<u>649,822</u>	<u>1,360,288</u>	<u>2,010,110</u>
At 31 December 2018	<u>787,057</u>	<u>1,159,241</u>	<u>1,946,298</u>

13. Debtors

	2019 \$	2018 \$
Trade debtors	860,490	695,836
Amounts owed by group undertakings	70,672,143	60,003,116
Other debtors	936,974	776,914
Prepayments and accrued income	1,018,850	485,132
	<u>73,488,457</u>	<u>61,960,998</u>

14. Cash and cash equivalents

	2019 \$	2018 \$
Cash at bank and in hand	1,690,054	3,637,101
	<u>1,690,054</u>	<u>3,637,101</u>

ENVISION PHARMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

15. Creditors: Amounts falling due within one year

	2019 \$	2018 \$
Trade creditors	926,873	349,753
Amounts owed to group undertakings	81,365,833	70,052,381
Other taxation and social security	1,170,140	1,091,196
Other creditors	644,565	1,565,290
Accruals and deferred income	2,493,646	1,363,985
Financial instruments	-	(70,254)
	<u>86,601,057</u>	<u>74,892,859</u>

16. Financial instruments

	2019 \$	2018 \$
Financial assets		
Financial assets measured at fair value through profit or loss	<u>1,690,054</u>	<u>3,637,101</u>
Financial liabilities		
Derivative financial instruments measured at fair value through profit or loss	<u>-</u>	<u>(70,254)</u>

Derivative financial instruments measured at fair value through profit or loss comprise of foreign currency forward contracts. Foreign currency forward contracts are not traded in active markets. They have been fair valued using observable forward exchange rates corresponding to the maturity of the contract.

17. Deferred taxation

	2019 \$	2018 \$
At beginning of year	-	(93,824)
Charged to profit or loss	(112,624)	-
Utilised in year	-	93,824
At end of year	<u>(112,624)</u>	<u>-</u>

ENVISION PHARMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

17. Deferred taxation (continued)

The deferred tax balance is made up as follows:

	2019 \$	2018 \$
Accelerated capital allowances	(112,624)	-
	<u>(112,624)</u>	<u>-</u>
Comprising:		
Liability	(112,624)	-
	<u>(112,624)</u>	<u>-</u>

18. Share capital

	2019 \$	2018 \$
Allotted, called up and fully paid		
1,000,000 (2018 - 1,000,000) Ordinary shares shares of \$0.019963 each	<u>19,963</u>	<u>19,963</u>

19. Reserves

Share premium account

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares is deducted from share premium.

Profit and loss account

Includes all current and prior periods retained profit and losses.

Other reserves

This is the share based payment reserve representing the cumulative charge for share based payment in prior years.

20. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. Pension costs are recharged as appropriate to other related companies. The pension cost charges represents contributions payable by the Company to the fund and amounted to \$901,647 (2018 - \$878,961). Contributions totalling \$152,328 (2018 - \$129,529) were payable to the fund at the reporting date and are included in creditors.

ENVISION PHARMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

21. Commitments under operating leases

At 31 December 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 \$	2018 \$
Not later than 1 year	799,545	654,248
Later than 1 year and not later than 5 years	1,251,478	2,905,613
Later than 5 years	174,552	1,033,436
	<u>2,225,575</u>	<u>4,593,297</u>

22. Related party transactions

During the year, net rental related payments totalling \$378,000 (2018: \$388,000) were made in respect of the premises from which the Company operates and which is owned by GDB Investments LLP, a limited liability partnership of which B A Hepburn and G S Caswill are members. A proportion of this cost is recharged to fellow group company undertakings.

23. Controlling party

As at 31 December 2019, the immediate parent undertaking was Envision Pharma Inc, a company incorporated in Connecticut, USA.

As of 31 December 2019, the Company's ultimate parent company was Ardian France S.A., a company incorporated in France and whose registered address is 20 Place Vendrome, Paris, 75001 France.

The largest and smallest group of accounts drawn up are by Envision Pharma Group Limited, whose accounts are publicly available and can be obtained from their registered office.