

Registration number: 03696586

Pharmalex UK Services Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2019

Rödl & Partner Limited
170 Edmund Street
Birmingham
England
B3 2HB



Pharmalex UK Services Limited

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Pharmalex UK Services Limited

Company Information

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

Pharmalex UK Services 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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 Services Limited

(Registration number: 03696586)

Balance Sheet as at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	132,688	126,300
Current assets			
Debtors	5	1,643,574	923,231
Cash at bank and in hand		<u>599,122</u>	<u>273,734</u>
		2,242,696	1,196,965
Creditors: Amounts falling due within one year	6	<u>(918,743)</u>	<u>(652,342)</u>
Net current assets		<u>1,323,953</u>	<u>544,623</u>
Total assets less current liabilities		1,456,641	670,923
Provisions for liabilities		<u>(10,563)</u>	<u>(6,537)</u>
Net assets		<u>1,446,078</u>	<u>664,386</u>
Capital and reserves			
Called up share capital		200	200
Share premium reserve		17,922	17,922
Profit and loss account		<u>1,427,956</u>	<u>646,264</u>
Total equity		<u>1,446,078</u>	<u>664,386</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.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 14/05/20 and signed on its behalf by:



C J Colton
Director

Pharmalex UK Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

1 General information

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

The address of its registered office is:

170 Edmund Street
Birmingham
England
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'.

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

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.

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.

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.

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Notes to the Financial Statements for the Year Ended 31 December 2019

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 current and deferred 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
Fixture and fittings	3-5 years straight line
Leasehold improvements	3-5 years straight line
Computer equipment	3 years straight line

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.

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Notes to the Financial Statements for the Year Ended 31 December 2019

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.

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.

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.

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 2019

3 Staff numbers

The average number of persons employed by the company (including directors) during the year was 32 (2018: 22).

4 Tangible assets

	Leasehold improvements £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 January 2019	65,000	42,630	117,503	225,133
Additions	-	-	52,644	52,644
Disposals	-	-	(37,129)	(37,129)
At 31 December 2019	<u>65,000</u>	<u>42,630</u>	<u>133,018</u>	<u>240,648</u>
Depreciation				
At 1 January 2019	8,883	12,405	77,545	98,833
Charge for the year	13,354	6,663	25,864	45,881
Eliminated on disposal	-	-	(36,754)	(36,754)
At 31 December 2019	<u>22,237</u>	<u>19,068</u>	<u>66,655</u>	<u>107,960</u>
Carrying amount				
At 31 December 2019	<u>42,763</u>	<u>23,562</u>	<u>66,363</u>	<u>132,688</u>
At 31 December 2018	<u>56,117</u>	<u>30,225</u>	<u>39,958</u>	<u>126,300</u>

5 Debtors

	Note	2019 £	2018 £
Trade debtors		1,241,660	534,657
Amounts owed by group undertakings	8	320,585	314,712
Other debtors		81,329	73,862
		<u>1,643,574</u>	<u>923,231</u>

Pharmalex UK Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

6 Creditors

Creditors: amounts falling due within one year

	Note	2019 £	2018 £
Due within one year			
Trade creditors		313,866	163,524
Amounts owed to group undertakings	8	121,013	62,192
Corporation tax control		117,144	113,103
Social security and other taxes		79,020	56,235
Other creditors		28,317	17,277
Accruals and Deferred income		<u>259,383</u>	<u>240,011</u>
		<u>918,743</u>	<u>652,342</u>

7 Share capital

Allotted, called up and fully paid shares

	2019 No.	£	2018 No.	£
Ordinary shares of £1 each	<u>200</u>	<u>200</u>	<u>200</u>	<u>200</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 Parent and ultimate parent undertaking

The smallest and largest group in which the results of the Company are consolidated is that headed by the ultimate controlling party, PharmaLex GmbH, a company registered in Germany. The consolidated financial statements of this Company are available to the public and may be obtained in Germany. No other group financial statements included the results of the Company.

The company's immediate parent is PharmaLex UK Holding Limited, incorporated in the UK.

These financial statements are available upon request from handelsregister.de.

Pharmalex UK Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

10 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.