

Company Registration No. 05034039 (England and Wales)

**TENTAMUS PHARMA (UK) LIMITED (FORMERLY FOOD AND DRUG
ANALYTICAL SERVICES LIMITED)**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

PAGES FOR FILING WITH REGISTRAR

TENTAMUS PHARMA (UK) LIMITED (FORMERLY FOOD AND DRUG ANALYTICAL SERVICES LIMITED)

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TENTAMUS PHARMA (UK) LIMITED (FORMERLY FOOD AND DRUG ANALYTICAL SERVICES LIMITED)

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	3		250,154		68,017
Current assets					
Stocks		61,250		59,625	
Debtors	4	450,615		298,748	
Cash at bank and in hand		68,945		158,771	
		<u>580,810</u>		<u>517,144</u>	
Creditors: amounts falling due within one year	5	<u>(318,280)</u>		<u>(210,934)</u>	
Net current assets			262,530		306,210
Total assets less current liabilities			<u>512,684</u>		<u>374,227</u>
Creditors: amounts falling due after more than one year	6		<u>(708,617)</u>		<u>(218,089)</u>
Net (liabilities)/assets			<u>(195,933)</u>		<u>156,138</u>
Capital and reserves					
Called up share capital			248,204		248,204
Share premium account			33,320		33,320
Profit and loss reserves			<u>(477,457)</u>		<u>(125,386)</u>
Total equity			<u>(195,933)</u>		<u>156,138</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 5 May 2021 and are signed on its behalf by:

Ms L J Taylor
Director

Company Registration No. 05034039

**TENTAMUS PHARMA (UK) LIMITED (FORMERLY FOOD AND DRUG
ANALYTICAL SERVICES LIMITED)**

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Share capital	Share premium account	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 January 2019	248,204	33,320	(323,362)	(41,838)
Year ended 31 December 2019:				
Profit and total comprehensive income for the year	-	-	197,976	197,976
Balance at 31 December 2019	248,204	33,320	(125,386)	156,138
Year ended 31 December 2020:				
Loss and total comprehensive income for the year	-	-	(352,071)	(352,071)
Balance at 31 December 2020	248,204	33,320	(477,457)	(195,933)

TENTAMUS PHARMA (UK) LIMITED (FORMERLY FOOD AND DRUG ANALYTICAL SERVICES LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Tentamus Pharma (UK) Limited (formerly Food and Drug Analytical Services Limited) is a private company limited by shares incorporated in England and Wales. The registered office is Biocity Nottingham, Pennyfoot Street, Nottingham, United Kingdom, NG1 1GF.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At 31 December 2020 there was a deficit on the profit and loss account of £477,457 (2019: £125,386) and the directors have therefore considered the basis on which the financial statements have been prepared.

There was a loss on ordinary activities before taxation for the year of £352,071 (2019: profit £190,185). However this was after additional costs outside of normal trading expenditure relating to a planned site move in 2021.

Included within creditors falling due after more than one year is a loan due to the parent undertaking of £658,617 (2019: £218,089). The parent undertaking has committed to continue to support the business until 31 March 2022, and the directors believe that this support will continue beyond that date.

In view of the above the directors consider it appropriate to prepare the accounts on the going concern basis.

1.3 Turnover

Turnover represents revenue from the provision of specialist laboratory analytical services and is recognised in full at the point at which the final test results are reported to the customer.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	33% on cost
Fixtures and fittings	33% on cost
Computers	50% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

TENTAMUS PHARMA (UK) LIMITED (FORMERLY FOOD AND DRUG ANALYTICAL SERVICES LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Assets under construction represent equipment being installed at the company's new site. Once in use they will be transferred to Plant and equipment and will be depreciated over the useful economic life of each asset. Leasehold improvements are in connection with the renovations of the new site. Once these premises are in use, leasehold improvements will be depreciated over the remaining lease term.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.6 Stocks

Stock comprises consumables and chemicals used in testing. Stock is held at cost less any provision against items with short expiry dates.

Work in progress in relation to all business lines is calculated at 75% of the order value, multiplied by a fixed percentage determined by the stage of the testing cycle.

1.7 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

TENTAMUS PHARMA (UK) LIMITED (FORMERLY FOOD AND DRUG ANALYTICAL SERVICES LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

TENTAMUS PHARMA (UK) LIMITED (FORMERLY FOOD AND DRUG ANALYTICAL SERVICES LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

The amounts shown in grant income in the profit and loss account represent the amounts receivable under the UK Government's Job Retention Scheme.

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

**TENTAMUS PHARMA (UK) LIMITED (FORMERLY FOOD AND DRUG
ANALYTICAL SERVICES LIMITED)**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	22	18

3 Tangible fixed assets

	Leasehold improvements £	Assets under construction £	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost						
At 1 January 2020	-	-	382,309	1,828	56,149	440,286
Additions	53,785	103,997	58,224	-	5,886	221,892
At 31 December 2020	53,785	103,997	440,533	1,828	62,035	662,178
Depreciation and impairment						
At 1 January 2020	-	-	342,898	1,255	28,116	372,269
Depreciation charged in the year	-	-	31,903	515	7,337	39,755
At 31 December 2020	-	-	374,801	1,770	35,453	412,024
Carrying amount						
At 31 December 2020	53,785	103,997	65,732	58	26,582	250,154
At 31 December 2019	-	-	39,411	573	28,033	68,017

4 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	214,450	281,764
Amounts owed by group undertakings	22,650	2,081
Other debtors	162,724	-
Prepayments and accrued income	50,791	14,903
	450,615	298,748

TENTAMUS PHARMA (UK) LIMITED (FORMERLY FOOD AND DRUG ANALYTICAL SERVICES LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

5 Creditors: amounts falling due within one year

	2020	2019
	£	£
Obligations under finance leases	-	20,942
Trade creditors	133,055	41,666
Amounts owed to group undertakings	82,935	4,122
Taxation and social security	10,146	26,972
Deferred income	-	21,729
Other creditors	2,810	445
Accruals and deferred income	89,334	95,058
	<u>318,280</u>	<u>210,934</u>

6 Creditors: amounts falling due after more than one year

	Notes	2020	2019
		£	£
Bank loans and overdrafts		50,000	-
Amounts owed to group undertakings		658,617	218,089
		<u>708,617</u>	<u>218,089</u>

7 Audit report 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 Simon Hall.

The auditor was Saffery Champness LLP.

8 Financial commitments, guarantees and contingent liabilities

Glas Trust Corporation Limited holds a debenture, as security agent, dated 19 August 2016 over the assets of the company. This debenture is part of a cross corporate guarantee provided for a facility granted to Tentamus Analytics GmbH.

9 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2020	2019
£	£
<u>2,489,660</u>	<u>341,179</u>

**TENTAMUS PHARMA (UK) LIMITED (FORMERLY FOOD AND DRUG
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

10 Parent company

Tentamus Group GmbH (incorporated in Germany), with its registered office at An der Industriebahn 5, 13088 Berlin, Germany, is regarded by the directors as being the company's ultimate parent company.

The directors consider the ultimate controlling party to be Dr Ingo Krocke of AUCTUS Capital Partners AG.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.