

REGISTERED NUMBER: 09257415 (England and Wales)

REPORT OF THE DIRECTOR AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018
FOR
CHIMERIX UK LIMITED

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CHIMERIX UK LIMITED (REGISTERED NUMBER: 09257415)

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for the year ended 31 December 2018

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CHIMERIX UK LIMITED

COMPANY INFORMATION

for the year ended 31 December 2018

DIRECTOR:

M Andriole

SECRETARY:

TMF Corporate Administration Services Limited

REGISTERED OFFICE:

5th Floor
6 St Andrew Street
London
EC4A 3AE

REGISTERED NUMBER:

09257415 (England and Wales)

CHIMERIX UK LIMITED (REGISTERED NUMBER: 09257415)

REPORT OF THE DIRECTOR
for the year ended 31 December 2018

The director presents his report with the financial statements of the company for the year ended 31 December 2018.

PRINCIPAL ACTIVITY

The principal activity of the company during the year under review was the discovering, developing and commercialising novel, oral antivirals in areas in most medical need.

GOING CONCERN

The director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, he has adopted the going concern basis in preparing these financial statements.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors who have held office during the period from 1 January 2018 to the date of this report is as follows:

T Trost (Resigned on 5 June 2019)

M Andriole (Appointed on 5 June 2019)

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 102 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 director is 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. The director is 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.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



M Andriole - Director

Date: Nov 13 2019

CHIMERIX UK LIMITED (REGISTERED NUMBER: 09257415)

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2018

	Notes	2018 £	2017 £
TURNOVER	4	711,963	699,770
Cost of sales		<u>(668,814)</u>	<u>(866,067)</u>
GROSS PROFIT/(LOSS)		43,149	(166,297)
Administrative expenses		<u>(62,984)</u>	<u>(114,207)</u>
OPERATING PROFIT/(LOSS) and PROFIT/(LOSS) BEFORE TAXATION		(19,835)	(280,504)
Tax on profit/(loss) on ordinary activities	7	<u>-</u>	<u>5,668</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		(19,835)	(274,836)
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(19,835)</u>	<u>(274,836)</u>

The notes on pages 6 to 9 form part of these financial statements

CHIMERIX UK LIMITED (REGISTERED NUMBER: 09257415)

STATEMENT OF FINANCIAL POSITION
31 December 2018

	Notes	2018 £	2017 £
CURRENT ASSETS			
Debtors	8	2,623	2,316
Cash at bank	9	<u>61,306</u>	<u>20,989</u>
		63,929	23,305
CREDITORS			
Amounts falling due within one year	10	<u>(375,794)</u>	<u>(315,335)</u>
NET CURRENT LIABILITIES		<u>(311,865)</u>	<u>(292,030)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(311,865)</u>	<u>(292,030)</u>
CAPITAL AND RESERVES			
Called up share capital	11	1	1
Retained earnings		<u>(311,866)</u>	<u>(292,031)</u>
SHAREHOLDERS' FUNDS		<u>(311,865)</u>	<u>(292,030)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2018.

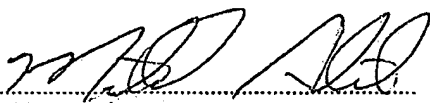
The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2018 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on November 13, 2019 and were signed by:


.....
M Andriole - Director

The notes on pages 6 to 9 form part of these financial statements

CHIMERIX UK LIMITED (REGISTERED NUMBER: 09257415)

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2018

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2017	1	(17,195)	(17,194)
Changes in equity			
Total comprehensive income	-	(274,836)	(274,836)
Balance at 31 December 2017	1	(292,031)	(292,030)
Changes in equity			
Total comprehensive income	-	(19,835)	(19,835)
Balance at 31 December 2018	1	(311,866)	(311,865)

The notes on pages 6 to 9 form part of these financial statements

CHIMERIX UK LIMITED (REGISTERED NUMBER: 09257415)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2018

1. GENERAL INFORMATION

Chimerix UK Limited ("the company") is a private company limited by shares incorporated and domiciled in England and Wales, registration number 09257415. The address of its registered office is 5th Floor, 6 St Andrew Street, London, EC4A 3AE.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following 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.

Basis of preparing the financial statements

These financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 section 1A "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Companies Act 2006, under the provision for Small Companies and Groups (Accounts and Directors' Report) Regulations 2008 (SI2008/409).

The financial statements have been prepared under the historical cost convention.

Going concern

The financial statements have been prepared on the going concern basis. The parent company has given an undertaking that it will continue to provide support to the company for the foreseeable future to enable the company to meet its debts as they fall due. The parent company has also confirmed that there is no intention to withdraw its support in the next twelve months.

Turnover and expenses

Turnover represents net invoice value of services provided during the year.

Expenses are included in the statement of comprehensive income on an accruals basis.

Current tax

Current tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted at the Statement of Financial Position date.

Deferred Tax

Provision is made in full for all taxation deferred in respect of timing differences that have originated but not reversed by the Statement of Financial Position date, except for gains on disposal of fixed assets which will be rolled over into replacement assets. No provision is made for taxation on permanent differences.

Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

Foreign currencies

The company's functional and presentation currency is the pound sterling.

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the Statement of Financial Position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged in the Statement of Comprehensive Income as they become payable in accordance with the rules of the scheme.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks and are subject to an insignificant risk of changes in value.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Debtors and other receivables

Short term debtors are measured at transaction price, less any impairment.

Creditors and other payables

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

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from the estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors have not made any significant judgements or estimates in relation to the financial statements for year ended 31 December 2018.

4. TURNOVER

100% of the company's turnover arises from charges to the parent undertaking, incorporated in the United States of America.

5. EMPLOYEES AND DIRECTORS

The average monthly number of employees during the year/period was as follows:

Year Ended 31.12.18	Year Ended 31.12.17
<u>2</u>	<u>2</u>

6. OPERATING LOSS

The operating loss (2017 - operating loss) is stated after charging:

	2018 £	2017 £
Auditors' remuneration	-	4,210
Foreign exchange differences	<u>-</u>	<u>14,105</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2018

7. TAXATION

Analysis of the tax credit

The tax credit on the profit for the year was as follows:

	2018 £	2017 £
Current tax:		
UK corporation tax	-	-
Adjustments to tax charge in respect of previous periods	-	(5,668)
Tax on loss	-	(5,668)

UK corporation tax has been charged at 19% (2017 - 19.25%).

Reconciliation of total tax credit included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2018 £	2017 £
Loss before tax	(19,835)	(280,504)
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19.250%)	(3,769)	(53,997)
Effects of:		
Adjustments to tax charge in respect of previous periods	-	(5,668)
Losses carried forward	3,769	53,997
Total tax credit	-	(5,668)

No provision has been made for a deferred tax asset due to uncertainty over the recoverability of the losses.

Factors that may affect future tax charges

In the 2015 Summer Budget, enacted on 18 November 2015, the Chancellor announced additional reductions to 19% (effective from 1 April 2017) and 18% (effective from 1 April 2020). The Finance Act 2016, which was enacted on 15 September 2016, announced that the reduction effective from 1 April 2020 would be to 17% instead of 18%, as previously announced in the 2015 Summer Budget. This will reduce the Company's future current tax charge accordingly.

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Other debtors	1	1
Prepayments	2,622	2,315
	2,623	2,316

CHIMERIX UK LIMITED (REGISTERED NUMBER: 09257415)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2018

9. CASH AT BANK

	2018	2017
	£	£
Bank accounts	<u>61,306</u>	<u>20,989</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade creditors	-	6,462
Amounts owed to parent undertaking	301,186	205,007
Taxation and social security	14,856	10,141
Accrued expenses	<u>59,752</u>	<u>93,725</u>
	<u>375,794</u>	<u>315,335</u>

Amounts owed to parent undertaking are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

11. CALLED UP SHARE CAPITAL

Allotted and issued:			2018	2017
Number:	Class:	Nominal value:		
1	Ordinary	\$1	<u>£ 1</u>	<u>£ 1</u>

12. RELATED PARTY DISCLOSURES

During the year the company charged £711,963 (2017: £699,770) for its services to Chimerix, Inc., the parent undertaking of the company and was charged £221,505 (2017: £396,267) by Chimerix, Inc. for management services. At 31 December 2018, the amount owed to Chimerix Inc. was £301,186 (2017: £205,007).

13. POST BALANCE SHEET EVENTS

There were no significant events after the reporting period to be adjusted in the financial statements.

14. ULTIMATE CONTROLLING PARTY

The parent undertaking and ultimate controlling party is Chimerix, Inc., a company incorporated in the United States of America. A copy of the consolidated financial statements of Chimerix, Inc. may be obtained from 2505 Meridian Parkway, Suite 100, Durham, NC 27713, USA, Chimerix Inc.'s registered office address.