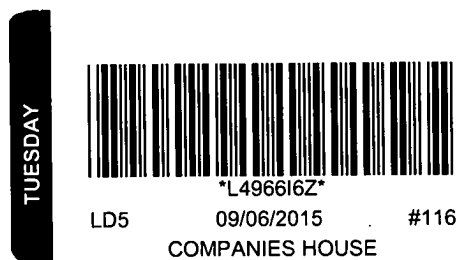


**Registered number: NI040375**

## **Venn Life Sciences (NI) Limited**

### **Director's Report and Financial Statements For the Year to 31 December 2014**



## **Venn Life Sciences (NI) Limited**

### **Company Information**

#### **Directors**

Mr Brendan Mullan

Mr Tony Richardson

#### **Company Secretary**

Mr Brendan Mullan

#### **Registered number**

NI040375

#### **Registered office**

Innovation Centre  
Northern Ireland Science Park  
Queen's Road  
Belfast  
BT3 9DT

#### **Bankers**

Ulster Bank Ltd  
11-16 Donegall Square East  
Belfast  
BT1 5UB

#### **Solicitors**

Cleaver Fulton Rankin  
50 Bedford Street  
Belfast  
BT2 7FW

#### **Auditors**

Jeffreys Henry LLP  
Finsgate  
5-7 Cranwood Street  
London,  
EC1V 9EE

## **Venn Life Sciences (NI) Limited**

<b>Contents</b>	<b>Pages</b>
Strategic Report	4
Directors' Report	5 - 6
Independent auditors' Report	7 - 8
Profit and Loss Account	9
Balance Sheet	10
Notes to the Financial Statements	11 - 17

## **Venn Life Sciences (NI) Limited**

### **Strategic report for the year ended 31 December 2014**

#### **Key performance indicators, review of business and future developments**

The key performance indicators currently used by the company are revenue and net assets or liabilities. The company intends to establish other key performance indicators in due course once the company has matured sufficiently. The company does not use and does not at present intend to use non-financial key performance indicators.

In the twelve months ended 31 December 2014, with a clear focus on quality and delivering patients and clean data on schedule, the company continued to grow in a market that is showing signs of recovery. Turnover increased slightly returning a net loss of £31,413 compared to a profit in the previous year of £25,950. The Balance Sheet moved from a net assets position of £10,908 to a net liabilities position of £20,505. The company continues to offer Sponsors a comprehensive range of customised Clinical Trial Services and the continued procurement of new Master Service Agreements has shown clear value for the company.

#### **Principal risks and uncertainties**

##### *Regulatory risk*

There can be no guarantee that any of the company's services will be able to obtain or maintain the necessary regulatory approvals in any or all of the territories in respect of which applications for such approvals are made. Where regulatory approvals are obtained, there can be no guarantee that the conditions attached to such approvals will not be considered too onerous by the company or its partners in order to be able to market their products effectively. The company seeks to reduce this risk by developing products using safe, well-characterised active compounds with known risk profiles, by seeking advice from regulatory advisers, consultations with regulatory approval bodies and by working with experienced distribution partners.

##### *Competition risk*

The company's current and future potential competitors include, amongst others, major multinational pharmaceutical and healthcare companies with substantially greater resources than those of the company. There can be no assurance that competitors will not succeed in developing systems and products that are more effective or economic than any of those developed by the company, with its partners, or which would render the partners' products obsolete or otherwise non-competitive. The company seeks to reduce this risk by ensuring that a professional and better standard service is provided to its partners for registering their products, maintaining confidentiality agreements and selecting leading businesses in their respective fields as partners capable of addressing significant competition, should it arise.

This report was approved by the board on 21 May 2015 and signed on its behalf by:



Tony Richardson  
Director

## **Venn Life Sciences (NI) Limited**

### **Directors' report for the year ended 31 December 2014**

The directors present their report and the financial statements of the company for the twelve months ended 31 December 2014.

#### **Principal activities**

The principal activity of the company is to manage and coordinate clinical trials on behalf of Pharmaceutical and Biotechnology companies.

#### **Results**

The company's loss for the 12 months is £31,413 (Previous Period Profit £25,950.)

#### **Directors**

The directors who served during the period and up to the date of signing the financial statements were:

Mr Brendan Mullan

Mr Tony Richardson

Mr Paul Foulger (resigned 14 April 2014)

#### **Strategic Report**

In accordance with section 414C(11) of the Companies Act 2006 the Company choose to report the review of the business, the future outlook and the risks and uncertainties faced by the company in the Strategic Report on page 4.

## **Venn Life Sciences (NI) Limited**

### **Directors' report for the year ended 31 December 2014 (continued)**

#### **Directors' responsibilities statement**

The directors are responsible for preparing 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 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 those financial statements, the directors are required to:

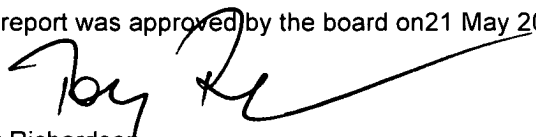
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

#### **Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report was approved by the board on 21 May 2015 and signed on its behalf by:



Tony Richardson  
Director

## **Venn Life Sciences (NI) Limited**

### **Independent Auditors' Report to the Members of Venn Life Sciences (NI) Limited for the year ended 31 December 2014**

We have audited the financial statements of Venn Life Sciences (NI) Limited for year ended 31 December 2014 set out on pages 9 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report and Strategic Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

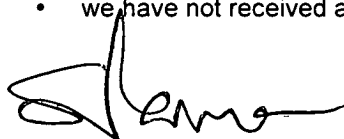
## **Venn Life Sciences (NI) Limited**

### **Independent Auditors' Report to the Members of Venn Life Sciences (NI) Limited for the year ended 31 December 2014 (continued)**

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



**Sanjay Parmar**

**Senior Statutory Auditor**

For and on behalf of Jeffrey's Henry LLP  
Chartered Accountants, Statutory Audit Firm  
Finsgate  
5-7 Cranwood Street  
London  
EC1V 9EE  
United Kingdom

**21 May 2015**



## Venn Life Sciences (NI) Limited

### Profit and loss account for the year ended 31 December 2014

	Notes	Year ended 31 December 2014 £	9 month period ending 31 December 2013 £
Turnover	1, 2	158,068	149,209
Cost of sales		(130,785)	(28,412)
<b>Gross profit</b>		<b>27,283</b>	<b>120,797</b>
Net operating expenses		(58,542)	(94,404)
<b>Operating (loss)/profit</b>	<b>3</b>	<b>(31,259)</b>	<b>26,393</b>
Interest receivable and similar income		24	2
Interest payable and similar charges	6	(178)	(445)
<b>(Loss)/profit on ordinary activities before taxation</b>		<b>(31,413)</b>	<b>25,950</b>
Tax on profit/ loss on ordinary activities	7	-	-
<b>Loss)/profit for the financial year</b>	<b>12</b>	<b>(31,413)</b>	<b>25,950</b>

All amounts above relate to continuing operations of the company.

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the profit on ordinary activities before taxation and the profit for the years stated above, and their historical cost equivalents.

## Venn Life Sciences (NI) Limited

### Balance sheet as at 31 December 2014

	Notes	2014 £	2013 £
<b>Fixed assets</b>			
Tangible assets	8	4,115	4,227
<b>Current assets</b>			
Debtors	9	29,463	125,299
Cash at bank and in hand		44,573	26,566
		74,036	151,865
<b>Creditors: amounts falling due within one year</b>	10	(98,656)	(145,184)
<b>Net current Assets/(liabilities)</b>		(24,620)	6,681
<b>Net Assets/(liabilities)</b>		(20,505)	10,908
<b>Capital and reserves</b>			
Called up share capital	11	447,001	447,001
Profit and loss account	12	(467,506)	(436,093)
<b>Total Shareholders' funds/(deficit)</b>	13	(20,505)	10,908

Approved by the Board and authorized for issue on 21 May 2015.

Tony Richardson  
Director



## Venn Life Sciences (NI) Limited

### Notes to the financial statements for the year ended 31 December 2014

#### 1. Accounting policies

These financial statements are prepared under the historical cost convention, and in accordance with Companies Act 2006 and applicable accounting standards in the United Kingdom.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

The principal accounting policies which have been applied consistently throughout the year are set out below.

#### Going Concern

The company had net liabilities at 31 December 2014 of £20,505 (2013: net assets £10,908) and made an operating loss of £31,413 for the year to 31 December 2014 (2013: profit £25,950).

Management have reviewed the budgets and cash flow forecasts for the forthcoming year and based on the expected trading results, is satisfied that the company has sufficient resources and available support from other group companies to continue to operate for at least 12 months from the date of approval.

After considering all the uncertainties, the Board believes it is appropriate to continue to adopt the going concern basis in preparing the financial statements. The financial statements do not include adjustments that would result if the company was unable to continue as a going concern.

#### Tangible fixed assets

Tangible fixed assets are stated at historic cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on a reducing balance basis as follows.

	%
Office equipment	25
Computer equipment	25

#### Operating leases

Operating lease rentals are charged to the income statement in equal annual amounts over the lease term.

#### Turnover

Turnover represents the net sales to customers and excluded value added tax. Turnover is recognised upon delivery of the services to the customer.

#### Government Grants

Grants that relate to specific capital expenditure are treated as deferred income and credited to the profit and loss account over the related asset's useful economic life. Grants that relate to revenue expenditure are credited to the profit and loss account over the period that the revenue expenditure relates to.

## Venn Life Sciences (NI) Limited

### Notes to the financial statements for the year ended 31 December 2014

#### 2. Analysis of Turnover

Turnover relates to the company's main activity, which is carried out in the United Kingdom.

#### 3. Operating (loss)/profit

	2014	2013
	£	£
<b>This is stated after charging/(crediting):</b>		
Staff costs	123,232	64,844
Depreciation of tangible fixed assets – owned assets	1,306	975
Revenue grant received	-	(1,350)
Operating lease rentals	9,000	9,000
Auditors' remuneration	5,850	4,000
	<u>123,232</u>	<u>64,844</u>

#### 4. Employee information

	2014	2013
	£	£
<b>Staff costs</b>		
Wages and salaries	112,522	58,719
Social security costs	10,710	6,125
	<u>123,232</u>	<u>64,844</u>

	2014	2013
	Number	Number
<b>The average monthly number of persons employed by the company (including directors) during the year by activity was:</b>		
	<u>5</u>	<u>8</u>

#### 5. Directors' remuneration

	2014	2013
	£	£
Aggregate remuneration	<u>5,790</u>	<u>6,500</u>

There are no retirement benefits accruing to company directors under pension schemes. (Previous year: £nil)

## Venn Life Sciences (NI) Limited

### Notes to the financial statements for the year ended 31 December 2013

#### 6. Interest payable and similar charges

	2014	2013
	£	£
Interest payable on loans	178	445

#### 7. Tax on loss on ordinary activities

	2014	2013
	£	£
<b>Current tax:</b>		
UK corporation tax on Profit for the period	-	-
<b>Total current tax</b>	-	-
<b>Deferred tax:</b>		
Accelerated capital allowances and other timing differences	-	-
<b>Total deferred tax</b>	-	-
<b>Current tax charge for the period</b>	-	-

Factors affecting the tax charge for the period	2014	2013
	£	£
<b>Profit/(Loss) on ordinary activities before tax</b>	<b>(31,413)</b>	25,950
Profit/(Loss) on ordinary activities multiplied by standard rate in the UK 20% (Previous year:20%)	(6,283)	5,190
Effects of:		
Depreciation	1,306	195
Losses carried forward	4,977	4,995
<b>Total current tax</b>	-	-

The company has tax losses of approximately £455,413 (Previous year £422,694) available for carry forward and offset against future taxable profits arising from the same trade. The company has a potential deferred tax asset of £91,083 at a rate of 20%(Previous year: £84,538) which has not been recognised in these financial statements as its future recovery is uncertain.

## Venn Life Sciences (NI) Limited

### Notes to the financial statements for the year ended 31 December 2014

#### 8. Tangible assets

	Office equipment £	Computer equipment £	Total £
<b>Cost</b>			
At 1 January 2014	2,791	13,109	15,900
Additions	-	1,194	1,194
<b>At 31 December 2014</b>	<b>2,791</b>	<b>14,303</b>	<b>17,094</b>
<b>Accumulated depreciation</b>			
At 1 January 2014	2,159	9,514	11,673
Charge for the period	146	1,160	1,306
<b>At 31 December 2014</b>	<b>2,305</b>	<b>10,674</b>	<b>12,979</b>
<b>Net book value</b>			
<b>At 31 December 2014</b>	<b>486</b>	<b>3629</b>	<b>4,115</b>
At 31 December 2013	632	3,595	4,227

#### 9. Debtors

	31 December 2014 £	31 December 2013 £
Trade debtors	563	115,482
Amounts owed from group undertakings	12,528	
Other Debtors	11,562	-
Prepayments and accrued income	4,810	9,817
	<b>29,463</b>	<b>125,299</b>

## Venn Life Sciences (NI) Limited

### Notes to the financial statements for the year ended 31 December 2014

#### 10 Creditors: amounts falling due within one year

	31 December 2014 £	31 December 2013 £
Trade creditors	59,790	18,284
Amounts owed to group undertakings	24,763	-
Other tax and social security	4,141	30,154
Investors Loans	-	10,000
Accruals and deferred income	9,962	86,746
	<u>98,656</u>	<u>145,184</u>

#### 11. Called up share capital

	31 December 2014 £	31 December 2013 £
<b>Allotted</b>		
402,001 ordinary shares of £1 each	402,001	402,001
900,000 ordinary shares of £0.05 each	45,000	45,000
	<u>447,001</u>	<u>447,001</u>

#### 12 Reserves

	£
At 1 January 2014	(436,093)
Loss for the period	(31,413)
<b>At 31 December 2014</b>	<u><b>(467,506)</b></u>

## Venn Life Sciences (NI) Limited

### Notes to the financial statements for the year ended 31 December 2014

#### 13. Reconciliation of movements in shareholders' funds/(deficit)

	31 December 2014 £	31 December 2013 £
Opening shareholders' funds	10,908	(15,042)
New issued share capital	-	-
(Loss)/profit for the financial period	(31,413)	25,950
	<hr/>	<hr/>
Closing shareholders' (deficit)/funds	(20,505)	10,908
	<hr/>	<hr/>

#### 14 Ultimate controlling party

Venn Life Sciences Holdings PLC is the ultimate controlling party and is also the parent undertaking for which group accounts are drawn up. Group accounts are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

#### 15 Related party transactions

Brendan Mullan, a Director of the Company is also a Director of Interim Management Assignments (NI) Ltd. During the year fees of £Nil were paid to Interim Management Assignments (NI) Ltd. for the provision of an interim business development manager (Previous year £2,700).

#### 16. Financial commitments

At 31 December 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2014:

	31 December 2014 £	31 December 2013 £
Operating leases which expire:		
Within one year	-	-
Between two and five years	9,000	-
	<hr/>	<hr/>
	9,000	-
	<hr/>	<hr/>



## Venn Life Sciences (NI) Limited

### Notes to the financial statements for the year ended 31 December 2014

#### 17. Directors and Secretary and their interest

The directors at 31 December 2014 held no interests in the share capital of Venn Life Sciences NI Limited.

The directors at 31 December 2014 and their interests in the share capital of the parent company Venn Life Sciences Holdings Plc were as follows:

Name	Share class	No. at beginning of year	No. at end of year	% of Company Held
<b>Director</b>				
Tony Richardson *	Ordinary	621,667	621,667	2.19%
Brendan Mullan	Ordinary	21,520	21,520	0.08%
<b>Secretary</b>				
Brendan Mullan	Ordinary	21,520	21,520	0.08%

\* Tony Richardson's interest in the share capital of Venn Life Sciences Holdings Plc is also through Coolford Ltd, a company for which he is a director. Tony Richardson is interested in 50.0 per cent. of the issued share capital of Coolford Limited. Coolford Limited holds 72,212 Ordinary Shares.