

REGISTERED COMPANY NUMBER: 08820009 (England and Wales)
REGISTERED CHARITY NUMBER: 1156666

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2016
FOR
PHELIX RESEARCH AND DEVELOPMENT**

FRIDAY



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A25 29/09/2017 #292
COMPANIES HOUSE

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Elfed House
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CF23 8RS

PHELIX RESEARCH AND DEVELOPMENT

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FOR THE YEAR ENDED 31 DECEMBER 2016**

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PHELIX RESEARCH AND DEVELOPMENT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2016. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objects as stated in its Articles of Association are:

"To protect and promote the health of the public in particular by research into the nature, cases, diagnosis, prevention, treatment and cure of chronic infection diseases, including the development of findings of research into practical applications for the prevention treatment and cure of chronic infection diseases and in furtherance of that primary objective, to support information and raise public understanding of such matters, and to support the research on bacteriophages for bacterial infections in a chronic phase and to develop therapeutic programs based on bacteriophages."

Phelix is an association of healthcare professionals (Medical Practitioners, Immunologists and University Researchers, amongst them Leicester University) and volunteers from the general public. The main objective is to protect the public health by research into the nature, diagnosis, prevention and treatment of chronic diseases caused by antibiotic resistant bacteria. To attain this objective, Phelix has engaged in a program to raise public awareness of this serious, but little appreciated public health crisis. A key part of our strategy is to promote research on bacteriophages (phages), the natural predators of such bacteria, as an effective alternative therapy for chronic bacterial infections. These phages will also be used to develop new more sensitive diagnostic tests for such chronic infections.

Aims

Phelix will use a variety of means to fulfil its mission objectives, in particular:

- Funding relevant research programs (for example the Collaborative Research Agreement with Leicester University);
- Organising fund-raising events to support our research programs and training courses in the relevant scientific domains.
- Organising scientific meetings, educational programs and training courses in the relevant scientific domains.
- Promoting, interdisciplinary and international research synergy by financing exchanges between concerned laboratories.

More generally Phelix will undertake these and various associated activities to serve the public health by facilitating the advancement of scientific research in the domain of chronic infectious diseases.

PHELIX RESEARCH AND DEVELOPMENT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016

OBJECTIVES AND ACTIVITIES

Significant activities

Currently, the charity is focussed on supporting research surrounding bacteriophage viruses and their potential uses in chronic infection. Could bacteriophages provide an alternative to antibiotics, providing a solution to the problem of increasing antibiotic resistance, one of the largest threats to global health?

Before reaching this stage, research is required in the development of new and more sensitive tests for such chronic infections.

The genus of bacteria identified as a target for research being carried out by the Phelix team initially is called *Borrelia* spp. Many of the species within this genus are commonly known to be carried by ticks and lice and can cause Lyme disease, if spread to humans.

Simultaneously, work is being done to give further insight into the pathology and physiology of major neurodegenerative conditions, specifically neuroborreliosis, autism spectrum disorder and Alzheimer's disease. This investigation is to provide a firm basis for Phelix's future research into the relationship between chronic infection and neurodegeneration.

During the year a number of conferences and presentations were held:

- Euroscicon Phage London Meeting - Dr. Jinyu Shan Poster Presentation on 19-21 January and conference on phages on 27-29 January.
- ILADS 6th European Conference, 10 - 11 June 2016, Helsinki, Finland - Dr. Jinyu Shan Poster Presentation at International Lyme and associated diseases society (ILADS).
- AONM Conference, London October 2016: Neuroborreliosis, Chronic Lyme Disease - Dr. Louis Teulières Invited Speaker.
- ILADS 17th Annual Scientific Conference, Philadelphia, PA, 4-6 November 2016 - Dr. Jinyu Shan Invited Speaker and Dr. Louis Teulières Panel Member of International Lyme and Associated Disease Society (ILADS).

Public benefit

The trustees can confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission. Significant activities that we undertook during the year that demonstrate public benefit are set out above.

FINANCIAL REVIEW

Financial position

During the year, the charity incurred expenditure of £66,655 (2015 : £61,124) this was funded by the trustees.

Reserves policy

Whilst the trustees are aware of the need to build reserves for a sustainable future, this is not considered necessary at this time due to the support of the trustees.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is governed by its Memorandum and Articles of Association and constitutes a company limited by guarantee, as defined by the Companies Act 2016.

Recruitment and appointment of new trustees

Trustees are appointed or removed or retire by resolution of the trustees at board meeting or the Annual General Meeting.

Organisational structure

The Board of Trustees administers the company. The Board meets quarterly.

Induction and training of new trustees

Trustees are fully briefed on their legal obligations under charity and company law. Trustees are also urged to make use of the training and advice available on the Charity Commission website.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

PHELIX RESEARCH AND DEVELOPMENT

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2016**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
08820009 (England and Wales)

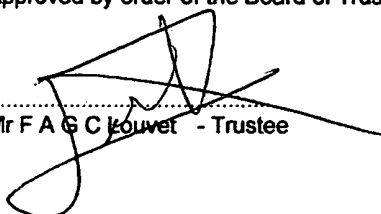
Registered Charity number
1156666

Registered office
37 Langton Street
Chelsea
LONDON
SW10 0JL

Trustees
Mr Francois-Xavier A G C Louvet
Dr Louis C Teulieres

Independent examiner
Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Approved by order of the Board of Trustees on 28/09/2017 and signed on its behalf by:


.....
Mr F A G C Louvet - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF PHELIX RESEARCH AND DEVELOPMENT

I report on the accounts for the year ended 31 December 2016 set out on pages five to eight.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Julia Mortimer FCCA
Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Date: 28 September 2017

PHELIX RESEARCH AND DEVELOPMENT

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016 Unrestricted fund £	2015 Total funds £
INCOME AND ENDOWMENTS FROM		
Donations and legacies	<u>10</u>	<u>-</u>
Total	10	-
 EXPENDITURE ON		
Charitable activities		
Project running costs	<u>66,655</u>	<u>61,124</u>
NET INCOME/(EXPENDITURE)	(66,645)	(61,124)
 RECONCILIATION OF FUNDS		
Total funds brought forward	<u>(125,417)</u>	<u>(64,293)</u>
 TOTAL FUNDS CARRIED FORWARD	<u>(192,062)</u>	<u>(125,417)</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

PHELIX RESEARCH AND DEVELOPMENT

**BALANCE SHEET
AT 31 DECEMBER 2016**

	Notes	2016 Unrestricted fund £	2015 Total funds £
CURRENT ASSETS			
Cash at bank		16,023	237
CREDITORS			
Amounts falling due within one year	4	(780)	(480)
NET CURRENT ASSETS/(LIABILITIES)		<u>15,243</u>	<u>(243)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		15,243	(243)
CREDITORS			
Amounts falling due after more than one year	5	(207,305)	(125,174)
NET ASSETS/(LIABILITIES)		<u>(192,062)</u>	<u>(125,417)</u>
FUNDS	6		
Unrestricted funds		(192,062)	(125,417)
TOTAL FUNDS		<u>(192,062)</u>	<u>(125,417)</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2016.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2016 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that 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 charitable company as at the end of each financial year and of its surplus or deficit 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 charitable company.

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

The financial statements were approved by the Board of Trustees on 28/09/2017 and were signed on its behalf by:


.....
Mr F A G C Louvet - Trustee

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. TRUSTEES' REMUNERATION AND BENEFITS

There was no trustees' remuneration or other benefits for the year ended 31 December 2016 or for the period ended 31 December 2015.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2016 or for the period ended 31 December 2015.

3. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

All expenditure in the period to 31 December 2015 was unrestricted.

4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Accruals and deferred income	<u>780</u>	<u>480</u>

PHELIX RESEARCH AND DEVELOPMENT

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016**

5. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016 £	2015 £
Loan from Trustee	<u>207,305</u>	<u>125,174</u>

The loan has a term of seven years and provides funding facilities to the charity to undertake its research work. The loan is interest free and will only be repayable after the charity secures sufficient independent funding.

6. MOVEMENT IN FUNDS

	At 1/1/16 £	Net movement in funds £	At 31/12/16 £
Unrestricted funds			
General fund	(125,417)	(66,645)	(192,062)
TOTAL FUNDS	<u>(125,417)</u>	<u>(66,645)</u>	<u>(192,062)</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	10	(66,655)	(66,645)
TOTAL FUNDS	<u>10</u>	<u>(66,655)</u>	<u>(66,645)</u>

7. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2016 that require disclosure, other than the loan from trustee as disclosed in note 5.

8. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee; each member's liability is limited to £10 on winding up of the company.