

REGISTERED NUMBER: 04062313 (England and Wales)

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020
FOR
PHICO THERAPEUTICS LIMITED

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PHICO THERAPEUTICS LIMITED (REGISTERED NUMBER: 04062313)

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FOR THE YEAR ENDED 31 AUGUST 2020

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PHICO THERAPEUTICS LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2020

DIRECTORS:

H M Fairhead
A Martin
M H Wilcox
D C Beadle
T Rea

REGISTERED OFFICE:

Bertarelli Building
Bourn Hall
Bourn
CAMBRIDGE
Cambridgeshire
CB23 2TN

REGISTERED NUMBER:

04062313 (England and Wales)

ACCOUNTANTS:

Staffords
Chartered Accountants
Unit 1, Cambridge House
Camboro Business Park
Oakington Road, Girton
CAMBRIDGE
Cambridgeshire
CB3 0QH

PHICO THERAPEUTICS LIMITED (REGISTERED NUMBER: 04062313)**BALANCE SHEET**
31 AUGUST 2020

	Notes	2020		2019	
		£	£	£	£
FIXED ASSETS					
Tangible assets	4		121,313		170,814
CURRENT ASSETS					
Debtors	5	496,632		684,207	
Cash at bank		<u>2,028,061</u>		<u>578,780</u>	
		2,524,693		1,262,987	
CREDITORS					
Amounts falling due within one year	6	<u>1,261,411</u>		<u>2,171,497</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>1,263,282</u>		<u>(908,510)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,384,595		(737,696)
CREDITORS					
Amounts falling due after more than one year	7		-	2,654,097	
NET ASSETS/(LIABILITIES)			<u>1,384,595</u>		<u>(3,391,793)</u>
CAPITAL AND RESERVES					
Called up share capital	9		5,236	2,734	
Share premium			25,665,923	19,460,739	
Retained earnings			(24,286,564)	(22,855,266)	
			<u>1,384,595</u>	<u>(3,391,793)</u>	

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- 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.

PHICO THERAPEUTICS LIMITED (REGISTERED NUMBER: 04062313)

BALANCE SHEET - continued
31 AUGUST 2020

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

In accordance with Section 444 of the Companies Act 2006, the Profit and Loss Account has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 23 April 2021 and were signed on its behalf by:

H M Fairhead - Director

PHICO THERAPEUTICS LIMITED (REGISTERED NUMBER: 04062313)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. **STATUTORY INFORMATION**

Phico Therapeutics Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Laboratory equipment	- 33% on cost, 25% on cost and 20% on cost
Fixtures and fittings	- 33% on cost and 20% on cost

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

PHICO THERAPEUTICS LIMITED (REGISTERED NUMBER: 04062313)**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 AUGUST 2020**2. ACCOUNTING POLICIES - continued****Research and development**

Expenditure on research and development is written off in the year in which it is incurred.

The company takes advantage of both of the HMRC incentives for R&D in the year. Subsidised costs relating to the grant income are claimed under the ATL RDEC scheme with the total claim being £59,836 in the year with the cash to be received in relation to this being £48,467 during the following financial year.

The HMRC SME scheme is used for the majority of the qualifying R&D spend by the company in the year with a total to be received of £129,339 being included at the year end and will be received in the following financial year.

As the SME R&D scheme requires the surrendering of the taxable losses to HMRC to enable a cash repayment, the remaining unused tax losses carried forward at the end of the year are £15,572,639.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 14 (2019 - 26) .

4. TANGIBLE FIXED ASSETS

	Improvements to property £	Laboratory equipment £	Fixtures and fittings £	Totals £
COST				
At 1 September 2019	92,223	499,544	14,298	606,065
Additions	-	-	3,600	3,600
Disposals	-	(360,534)	(14,005)	(374,539)
At 31 August 2020	<u>92,223</u>	<u>139,010</u>	<u>3,893</u>	<u>235,126</u>
DEPRECIATION				
At 1 September 2019	6,918	414,352	13,981	435,251
Charge for year	2,306	46,284	1,547	50,137
Eliminated on disposal	-	(357,590)	(13,985)	(371,575)
At 31 August 2020	<u>9,224</u>	<u>103,046</u>	<u>1,543</u>	<u>113,813</u>
NET BOOK VALUE				
At 31 August 2020	<u>82,999</u>	<u>35,964</u>	<u>2,350</u>	<u>121,313</u>
At 31 August 2019	<u>85,305</u>	<u>85,192</u>	<u>317</u>	<u>170,814</u>

PHICO THERAPEUTICS LIMITED (REGISTERED NUMBER: 04062313)**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 AUGUST 2020

5.	DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
		2020	2019	
		£	£	
	Other debtors	<u>496,632</u>	<u>684,207</u>	
6.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
		2020	2019	
		£	£	
	Trade creditors	90,342	85,383	
	Taxation and social security	11,171	21,999	
	Other creditors	<u>1,159,898</u>	<u>2,064,115</u>	
		<u>1,261,411</u>	<u>2,171,497</u>	
7.	CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR			
		2020	2019	
		£	£	
	Other creditors	<u>-</u>	<u>2,654,097</u>	
		Due within	Due in 2	TOTAL
		1 year	5 years	
		£	£	£
	Torteval Investments Ltd	<u>600,000</u>	<u>-</u>	<u>600,000</u>
		<u>600,000</u>	<u>-</u>	<u>600,000</u>

The above is an interest bearing convertible loan which was repaid after the balance sheet date. A provision has been made for the accrued interest on the remaining loan shown above up to the end of the accounting period, as its repayment took place after the Balance Sheet date.

The total accrued interest on the loan is £315,026 (2019: £963,485 for all loans; others were converted in this accounting period) at the balance sheet date.

8. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020	2019
	£	£
Within one year	57,000	227,241
Between one and five years	<u>30,068</u>	<u>347,111</u>
	<u>87,068</u>	<u>574,352</u>

PHICO THERAPEUTICS LIMITED (REGISTERED NUMBER: 04062313)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2020

9. CALLED UP SHARE CAPITAL

Allotted and issued:	Class:	Nominal value:		
2,863,793 (2019 - 2,734,253)	Ordinary	0.1p	<u>2,864</u>	<u>2,734</u>
2,372,570 (2019 - Nil)	Ordinary A	0.1p	<u>2,373</u>	<u>Nil</u>

On 13 Aug 2020 a new class of shares was created in the company, being the A Ordinary Shares and that they rank alongside the existing Ordinary Shares barring that on a liquidation the A Ords receive their original subscription price back, before any remaining liquidation proceeds are returned.

The following fully paid shares were allotted during the year:

2,502,110 Ordinary 0.1p shares for total cash proceeds of £6,541,611 from which £333,925 of associated fundraising expenses have been deducted.

The company operates both approved (EMI) and unapproved share option schemes. During the year, 15,000 options lapsed and 2,000 were granted with exercise prices of £3.00.

The total pool of issued options at the year end was 165,083 (2019: 178,083) with exercise prices between £1.80 and £9.00 per share.

PHICO THERAPEUTICS LIMITED (REGISTERED NUMBER: 04062313)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2020

10. **RELATED PARTY DISCLOSURES**

Dr Robert Dwyer Nolan

Dr R Nolan, a director of the company, is the proprietor.

During the year Dr Nolan provided consultancy services.

The fees totalled £2,700, (2019: £19,200 in total). These amounts do not include reimbursed expenses.

	2020	2019
£ £		
Amount due to related party at the balance sheet date	<u> -</u>	<u> 1,600</u>

Anthony Martin Advisory

Dr A Martin, a director of the company, is the proprietor.

During the year Anthony Martin Advisory provided consultancy services.

The fees totalled £34,200 (2019: £28,800 in total). These amounts do not include reimbursed expenses.

	2020	2019
£ £		
Amount due to related party at the balance sheet date	<u> -</u>	<u> 2,400</u>

Mark Wilcox Consulting Limited

Prof M. Wilcox, a director of the company, is the proprietor.

During the year Mark Wilcox Consulting Limited provided consultancy services.

The fees totalled £18,000 (2018: £16,500 in total). These amounts do not include reimbursed expenses.

	2020	2019
£ £		
Amount due to related party at the balance sheet date	<u> 1,500</u>	<u> -</u>

DB Associates

David Beadle, a director of the company, is the proprietor.

During the year DB Associates provided consultancy services, including Business Development and assistance with the Grant Applications.

The fees totalled £84,000 (2019: £81,000 in total). These amounts do not include reimbursed expenses.

	2020	2019
£ £		
Amount due to related party at the balance sheet date	<u> 7,000</u>	<u> -</u>

