

PharmiWeb 2002 Limited

Report of the Directors and Abbreviated Accounts

Year Ended

31 December 2014

Company Number 04548862

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PharmiWeb 2002 Limited

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Directors:

P. Hartigan
S. Ahmed

Secretary and registered office:

P.Hartigan, First Floor, Radius Court, Eastern Road, Bracknell, Berkshire, RG12 2UP

Registered Number:

04548862

Auditors:

BDO LLP
Kings Wharf
20 – 30 Kings Road
Reading
RG1 3EX

PharmiWeb 2002 Limited

Report of the directors for the year ended 31 December 2014

The directors present their report with the audited abbreviated accounts for the year ended 31 December 2014.

Principal activity

PharmiWeb Solutions (the trading name of PharmiWeb 2002 Limited) is a specialist technology and creative services business. We create, deliver and manage digital solutions for the pharmaceutical and healthcare segment, with a focus on the delivery of international multichannel programmes.

Our range spans the entire digital domain. From fully responsive websites, to mobile apps, or a multi-country closed loop marketing programme, we build, deploy and support powerful and engaging solutions. Our own expanding range of applications and cloud-based solutions, is complemented by 'best-in-class' software solutions from a range of partners such as Microsoft and Veeva.

We also own and run the leading pharma industry-sponsored portal, PharmiWeb.com, with a readership of over 100,000, and a customer base of over 200 pharma and biotech advertisers.

Review of business and future developments

2014 saw a number of key developments and successes for PharmiWeb Solutions, including:

- Continued growth, with the business now averaging over 30% annual revenue growth for the last five years.
- Increased profitability with 2014 profit before tax showing 78% increase over the previous year, and cash reserves increasing by 13%.
- The incorporation of a fully owned US subsidiary, PharmiWeb Solutions Inc., which is now trading from our office in New York.
- The delivery of a global digital multi-channel programme to support a major HIV drug launch for a leading pharma company.
- A strong pipeline of new and ongoing business into 2015 and beyond with a blue chip customer base (including GlaxoSmithKline, ViiV Healthcare and Bristol-Myers Squibb).

We are seeing increased demand for our solutions and services in to 2015 and beyond, and we are grateful to our customers for their continued support and to our staff for their creativity, energy and commitment.

Directors

The directors of the company during the year were:

P Hartigan
S Ahmed

The company has arranged qualifying third party indemnity insurance for all its directors.

PharmiWeb 2002 Limited

Report of the directors for the year ended 31 December 2014 (*continued*)

Directors' responsibilities

The directors are responsible for preparing the Report of the Directors 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 these 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;
- 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 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. 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.

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

Stiles & Company resigned as auditors of the company during the year and BDO LLP were appointed as auditors of the company by the directors on 9 December 2014. BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the next annual general meeting.

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

By order of the board



P Hartigan

Secretary

Date 28th September 2015

PharmiWeb 2002 Limited

Independent auditor's report

INDEPENDENT AUDITOR'S REPORT TO PHARMIWEB 2002 LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts which comprise the balance sheet and the related notes, together with the financial statements of PharmiWeb 2002 Limited for the year ended 31 December 2014 prepared under section 396 of the Companies Act 2006.

Our report has been prepared pursuant to the requirements of section 449 of the Companies Act 2006 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of section 449 of the Companies Act 2006 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

BDO LLP

*Christopher Pooles (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Reading
United Kingdom*

29 September 2015

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

PharmiWeb 2002 Limited

Balance Sheet at 31 December 2014

Company number 04548862	Note	2014 £	2014 £	2013 £	2013 £
Fixed assets					
Tangible assets	2	89,172		88,974	
Investments	3	642		-	
			89,814		88,974
Current assets					
Debtors	4	3,055,345		2,152,537	
Cash at bank		888,757		785,259	
		3,944,102		2,937,796	
Creditors: amounts falling due within one year	5	979,559		1,271,857	
Net current assets			2,964,543		1,665,939
Total assets less current liabilities			3,054,357		1,754,913
Provisions for liabilities	6		(14,833)		(18,490)
Deferred income	7		(1,599,802)		(911,467)
Net assets			1,439,722		824,956
Capital and reserves					
Called up share capital	8		100		100
Profit and loss account	9		1,439,622		824,856
Shareholders' funds			1,439,722		824,956

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The abbreviated accounts were approved by the Board of Directors and authorised for issue on 28th September 2015.


P Hartigan
Director

The notes on pages 6 to 10 form part of these abbreviated accounts.

PharmiWeb 2002 Limited

Notes to the Abbreviated Accounts for the year ended 31 December 2014

1 Accounting policies

The abbreviated accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The following principal accounting policies have been applied.

Change in accounting policy and prior year comparatives

As a result of improvements to the company's internal time management processes, the company is now able to more fully analyse time bookings made by its employees to specific projects. Accordingly, in the current year £3,343,534 of costs have been treated as Cost of Sales as this allocation better reflects the direct nature of those costs.

A similar adjustment has been made to prior year comparatives as the allocation results in a more appropriate representation of the costs incurred in 2013. The adjustment has been calculated based on an analysis of the data that is available. This resulted in the reallocation of £2,425,951 from Administrative Expenses to Cost of Sales. There was no impact in the prior year on the profit for the year or the net assets of the company.

Preparation of consolidated financial statements

The abbreviated accounts contain information about PharmiWeb 2002 Limited as an individual company and do not contain consolidated financial information as the group that it heads is small.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax. Revenue is recognised as work on contracts progresses. Where the work undertaken by the company in respect of a project covers more than one accounting period, the revenue is calculated and disclosed in the profit and loss account based on the estimated percentage completeness of that work as at the year end date.

Tangible fixed assets and depreciation

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

Plant and machinery - 33% on cost

Investments

Investments held as fixed assets are stated at cost less any provision for impairment.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet 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.

PharmiWeb 2002 Limited

Notes to the Abbreviated Accounts for the year ended 31 December 2014 (continued)

Taxation & Deferred Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred.

Current tax is measured at amounts expected to be paid using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Operating lease commitments

Operating lease rentals are charged to the profit and loss account 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 the profit and loss account in the period to which they relate.

The assets of the scheme are independently administered separate from the funds of the company.

PharmiWeb 2002 Limited

Notes to the Abbreviated Accounts for the year ended 31 December 2014 (continued)

2	Tangible assets	Plant and machinery £
	<i>Cost</i>	
	At 1 January 2014	230,871
	Additions	45,365
		<hr/>
	At 31 December 2014	276,236
		<hr/>
	<i>Depreciation</i>	
	At 1 January 2014	141,897
	Charge for the year	45,167
		<hr/>
	At 31 December 2014	187,064
		<hr/>
	<i>Net book value</i>	
	At 31 December 2014	89,172
		<hr/>
	At 31 December 2013	88,974
		<hr/>
3	Investments	£
	<i>Cost</i>	
	At 1 January 2014	-
	Additions	642
		<hr/>
	At 31 December 2014	642
		<hr/>

The principal undertakings in which the company's interest at the year end is 20% or more are as follows:

Name	Country of Incorporation	Proportion of voting rights and ordinary share capital held	Nature of business
PharmiWeb Solutions Inc.	United States	100%	Digital marketing

The loss for PharmiWeb Solutions Inc for the year ended 31 December 2014 was £163,969 and the aggregate amount of capital and reserves as at 31 December 2014 was (£173,810). The loss was due to an accumulation of initial trading and set-up costs.

PharmiWeb 2002 Limited

Notes to the Abbreviated Accounts for the year ended 31 December 2014 (continued)

4 Debtors: amounts falling due within one year

	2014 £	2013 £
Trade debtors	2,703,474	1,899,300
Intercompany	225,948	-
Other debtors	36,605	52,558
Directors' current accounts	5,940	3,931
Prepayments and accrued income	83,378	196,748
	<u>3,055,345</u>	<u>2,152,537</u>

5 Creditors: amounts falling due within one year

	2014 £	2013 £
Trade creditors	144,565	137,990
Corporation tax	222,319	105,167
Other taxation and social security	347,671	256,335
Pension contributions	12,134	16,300
Accruals	252,870	758,065
	<u>979,559</u>	<u>1,271,857</u>

6 Provisions for liabilities

		Deferred tax £
Balance at 1 January 2014		18,490
Utilised in year		(3,657)
		<u>14,833</u>
Balance at 31 December 2014		
	2014 £	2013 £
Fixed asset timing differences	16,011	18,490
Short term timing differences	(1,178)	-
	<u>14,833</u>	<u>18,490</u>

PharmiWeb 2002 Limited

Notes to the Abbreviated Accounts for the year ended 31 December 2014 (continued)

7 Deferred income

	2014 £	2013 £
Deferred income	1,599,802	911,467

8 Share capital

	2014 Number	Allotted, issued and fully paid 2013 Number	2014 £	2013 £
Ordinary 'A' shares of 0.00001	10,000,000	10,000,000	100	100

9 Reserves

	Profit and loss account £
At 1 January 2014	824,856
Profit for the year	689,766
Dividends	(75,000)
At 31 December 2014	1,439,622

10 Commitments under operating leases

As at 31 December 2014, the company had annual commitments under non-cancellable operating leases as set out below:

	Land and Buildings	
	2014 £	2013 £
Operating lease which expires: Between two and five years	124,800	124,800

11 Loans and transactions concerning directors

At 31 December 2014, an amount of £5,940 was owed by P Hartigan (2013 - £3,931). Advances during the year amounted to £23,596 and repayments of £21,587 were made. There is no interest due on the loan to the director.

PharmiWeb 2002 Limited

Notes to the Abbreviated Accounts for the year ended 31 December 2014 (continued)

12 Ultimate controlling party

The controlling party is S Ahmed.

The company is controlled by the director S Ahmed by virtue of his majority interest in the company's issued share capital.