

Company Registration No. 8458974

Promexus Limited

STATUTORY FINANCIAL STATEMENTS

for the period ended

31 July 2015

TUESDAY



A50D9QUA

A21

09/02/2016

#29

COMPANIES HOUSE

Promexus Limited

CONTENTS

Directors' report	2
Statement of directors' responsibilities in respect of the Directors' Report and the financial statements	3
Independent Auditor's Report	4
Profit and loss account	5
Balance sheet	6
Statement of Reconciliation of Movement in Shareholder's Funds	7
Notes	8

Promexus Limited

DIRECTORS' REPORT

The directors submit their report and the financial statements of Promexus Limited for the period ended 31 July 2015.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of establishing the biotherapeutic opportunities of Affimers, a novel protein scaffold based on the human protease inhibitor, Stefin A.

REVIEW OF THE BUSINESS

The Company's operations, trade and assets were transferred to its immediate parent undertaking, Avacta Life Sciences Limited, on 13 May 2015 and, accordingly, the Company's operations have all been reported as discontinued within these financial statements.

RESULTS AND DIVIDENDS

The loss for the period after taxation was £16,952 (2014: loss £125,981). The directors do not recommend the payment of a dividend (2014: £nil).

DIRECTORS

The directors who served the company during the year and to the date of this report were:

DAM Smith

TJ Sykes (resigned 9 December 2015)

RCA Slater (appointed 9 December 2015)

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that he or she ought to have taken to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

RE-APPOINTMENT OF AUDITOR

A resolution for the re-appointment of KPMG LLP will be proposed at the forthcoming Annual General Meeting to be held on 25 January 2016.

By order of the board



RCA Slater
Director

08 January 2016

Registered office:
Unit 651
Street 5
Thorp Arch Estate
Wetherby
LS23 7FZ

Promexus Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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:

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROMEXUS LIMITED

We have audited the financial statements of Promexus Limited for the year ended 31 July 2015, set out on pages 5 to 12. 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 auditor's 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 auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 3, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the 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 July 2015 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.

Other matter -Prior period financial statements

In forming our opinion on the financial statements, which is not modified, we note that the prior period financial statements were not audited. Consequently, International Standards on Auditing (UK and Ireland) require the auditor to state that the corresponding figures contained within these financial statements are unaudited.

Opinion on other matter prescribed by the Companies Act 2006

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

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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



John Pass, Senior Statutory Auditor

For and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

1 Sovereign Square

Sovereign Street

Leeds

LS1 4DA

08 January 2016

Promexus Limited
PROFIT AND LOSS ACCOUNT
for the period ended 31 July 2015

	<i>Notes</i>	2015 £	2014 £
Administrative expenses		(424,017)	(134,251)
Other operating income		10,651	8,270
		<hr/>	<hr/>
OPERATING LOSS	2	(413,366)	(125,981)
		<hr/>	<hr/>
Profit on sale of trade and assets		385,000	-
		<hr/>	<hr/>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(28,366)	(125,981)
Taxation	4	11,414	-
		<hr/>	<hr/>
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(16,952)	(125,981)
		<hr/> <hr/>	<hr/> <hr/>

The loss for the year arises from the Company's discontinued operations.

No separate statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account.

The notes on pages 8 to 12 form part of these financial statements.

Promexus Limited

Company Registration No. 8458974

BALANCE SHEET

at 31 July 2015

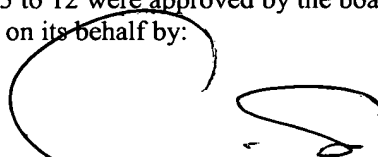
	<i>Notes</i>	2015 £	2014 £
FIXED ASSETS			
Tangible assets	5	-	1,462
CURRENT ASSETS			
Debtors	6	429,067	2,700
Cash at bank and in hand		15,000	13,536
		<u>444,067</u>	<u>16,236</u>
CREDITORS: Amounts falling due within one year	7	(546,273)	(138,861)
NET CURRENT LIABILITIES		<u>(102,206)</u>	<u>(122,625)</u>
Net liabilities		<u>(102,206)</u>	<u>(121,163)</u>
CAPITAL AND RESERVES			
Called up share capital	8	100	100
Profit and loss account	9	(102,306)	(121,263)
EQUITY SHAREHOLDER'S DEFICIT		<u>(102,206)</u>	<u>(121,163)</u>

The notes on pages 8 to 12 form part of these financial statements.

The financial statements on pages 5 to 12 were approved by the board of directors and authorised for issue on 08 January 2016 and are signed on its behalf by:



DAM Smith
Director



RCA Slater
Director

Promexus Limited

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS for the year ended 31 July 2015

	2015 £	2014 £
Loss for the financial period	(16,952)	(125,981)
Share based payment charges	35,909	4,718
	<u> </u>	<u> </u>
NET INCREASE/(REDUCTION) IN SHAREHOLDER'S FUNDS	18,957	(121,263)
Opening shareholder's funds	(121,163)	100
	<u> </u>	<u> </u>
CLOSING SHAREHOLDER'S DEFICIT	(102,206)	(121,163)
	<u> </u>	<u> </u>
REPRESENTED BY:		
Equity interests	(102,206)	(121,163)
	<u> </u>	<u> </u>

The notes on pages 8 to 12 form part of these financial statements.

Promexus Limited

ACCOUNTING POLICIES

1 ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

BASIS OF PREPARATION

The financial statements have been prepared on the basis that the company will continue to be able to trade as a going concern which assumes the ongoing support of Avacta Group plc.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that its parent company includes the company in its own published financial statements.

As the company is a wholly owned subsidiary of Avacta Group plc the company has taken advantage of the exception contained within FRS 8 and has not disclosed transactions with entities that form part of the group. The consolidated financial statements of Avacta Group plc can be obtained from the registered office as detailed on page 2.

TURNOVER

Turnover represents the right to consideration for goods and services provided, net of value added tax. Income is recognised when all of the significant risks and rewards of ownership have been transferred to the customer.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at historical cost. Depreciation is provided at rates calculated to write off cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures and fittings	-	10 - 20% per annum straight line
Laboratory equipment	-	20 - 33% per annum straight line

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

RESEARCH AND DEVELOPMENT

Expenditure on research and developments is written off to the profit and loss account in the year in which it is incurred unless it is capital in nature whereby it is deferred and released to the profit and loss account to match the life of the related asset.

PENSION

Contributions to money purchase pension schemes are charged to the profit and loss account as they fall due.

Promexus Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 July 2015

2	OPERATING LOSS	2015	2014
		£	£
	Operating loss is stated after charging:		
	Depreciation of tangible fixed assets	2	31
		<u> </u>	<u> </u>

Auditor's remuneration is paid by the parent undertaking, Avacta Group plc.

3	EMPLOYEES	2015	2014
		No.	No.
	The average monthly number of persons (including directors) employed by the company during the period was:		
	Office and management	4	2
		<u> </u>	<u> </u>

		2015	2014
		£	£
	Staff costs for above persons:		
	Wages and salaries	119,790	9,524
	Social security costs	14,334	1,223
	Pension Costs	2,042	-
	Share based payment charges	35,909	4,718
		<u> </u>	<u> </u>
		172,075	15,465
		<u> </u>	<u> </u>

None of the directors of the Company were remunerated by the company and the remaining directors by the Company's ultimate parent undertaking, Avacta Group plc. Copies of the report and accounts of that company are available from the registered office as detailed on page 2.

Promexus Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 July 2015

4 TAXATION

	2015 £	2014 £
Corporation tax:		
Current tax	(5,000)	-
Prior year	(6,414)	-
	<u> </u>	<u> </u>
Current tax (credit) for the period	(11,414)	-
	<u> </u>	<u> </u>

Factors affecting the tax charge for the period:

The tax charge assessed for the period is higher than the standard rate of corporation tax in the UK of 20.7%. The differences are explained below:

	Year ended 31 July 2015 £	Year ended 31 July 2014 £
Loss on ordinary activities before tax	(28,366)	(125,981)
	<u> </u>	<u> </u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.7% (2014: 22.3%)	(5,872)	(28,094)
Effects of:		
Depreciation in excess of capital allowances	399	7
Losses carried forward	85,168	28,087
Research and development credit	(11,414)	-
Profit on sale of trade and assets	(79,695)	-
	<u> </u>	<u> </u>
Current tax (credit) for the period	(11,414)	-
	<u> </u>	<u> </u>

There is no liability to corporation tax in the year. There is a deferred tax asset due to trading losses in this and prior financial years of approximately £113,000 (2014: £28,000). This asset has not been recognised as the profit which would utilise these losses cannot be forecast with sufficient reliability.

Promexus Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 July 2015

5	TANGIBLE FIXED ASSETS		<i>Fixtures fittings and equipment</i>
			£
	<i>Cost</i>		
	At 1 August 2014		1,493
	Additions		21,548
	Transfers to group companies		(23,041)
	At 31 July 2015		-
	<i>Depreciation</i>		
	At 1 August 2014		31
	Charged for the period		1,929
	Transfers to group companies		(1,960)
	At 31 July 2015		-
	<i>Net book value</i>		
	At 31 July 2015		-
	At 1 August 2014		1,462
6	DEBTORS	2015	2014
		£	£
	Other taxes and social security	12	2,600
	Corporation tax	11,414	-
	Other debtors	200	-
	Amounts owed by fellow subsidiary undertakings	417,441	100
		429,067	2,700
7	CREDITORS: Amounts falling due within one year	2015	2014
		£	£
	Trade creditors	-	17,988
	Other taxation and social security	-	2,920
	Accruals and deferred income	-	1,730
	Amounts owed to ultimate parent undertaking	546,273	115,817
	Amounts owed to fellow subsidiary undertakings	-	406
		546,273	138,861

Promexus Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 July 2015

8	SHARE CAPITAL	2015	2014
		£	£
	Allotted, issued and fully paid: 100 Ordinary shares of £1 each	100	100
		<hr/>	<hr/>
9	PROFIT AND LOSS ACCOUNT		£
	At 1 August 2014		(121,263)
	Loss for the year		(16,952)
	Share based payment charges		35,909
			<hr/>
	Balance at 31 July 2015		(102,306)
			<hr/>

10 ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is Avacta Group plc, a company registered in England and Wales. Copies of the report and accounts of that company are available from the registered office as set out on page 2.

The immediate parent undertaking is Avacta Life Sciences Limited, a company registered in England and Wales. Copies of the report and accounts of that company are available from the registered office as set out on page 2.