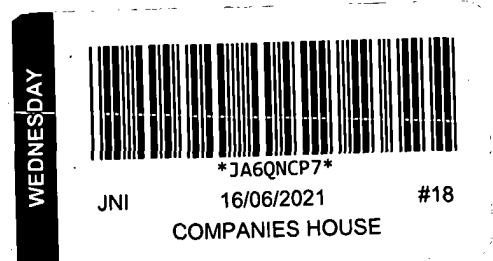
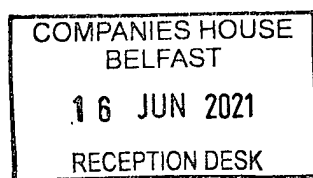


**Almac Group (UK) Limited**  
**Annual report and financial statements**  
**for the year ended 30 September 2020**



# Almac Group (UK) Limited

## Annual report and financial statements for the year ended 30 September 2020

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## Directors and advisers

### Directors

A D Armstrong  
C Hayburn  
S Campbell  
K Stephens (resigned 2 January 2020)  
N Harkin

### Company secretary

C Hayburn

### Registered office

Almac House  
20 Seagoe Industrial Estate  
Craigavon  
BT63 5QD

### Solicitors

Pinsent Masons LLP  
Arnott House  
12-16 Bridge Street  
Belfast  
BT1 1LS

### Bankers

Danske Bank  
11 Donegall Square West  
Belfast  
BT1 6JS

### Independent auditors

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Waterfront Plaza  
8 Laganbank Road  
Belfast  
BT1 3LR

**Strategic report for the year ended 30 September 2020**

The directors present their strategic report on the company for the year ended 30 September 2020.

**Principal activities**

Almac Group (UK) Limited is a private limited company incorporated and domiciled in Northern Ireland. The registered address is detailed on page 1. The principal activities of the company are acting as an intermediate holding company within the Almac Group. It holds investments in other group companies.

**Review of business and future developments**

The company has incurred a loss for the year which is in line with expectations. The directors are satisfied with the position of the company at the year end. The company may incur losses in future years due to its support of other group companies, however it will continue to be supported by Almac Group Limited.

**Principal risks and uncertainties**

The management of the business and the execution of the company's strategy are subject to a number of risks including the competitive market conditions. Further discussion of these risks and uncertainties, in the context of the group as a whole, is provided in the annual report of the parent undertaking, Almac Group Limited, of which Almac Group (UK) Limited is a wholly owned subsidiary.

**Key performance indicators**

The directors manage the company's operations on a divisional basis. For this reason, the company's directors believe that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business of the company. Commentary on the group's performance is provided in the financial statements of Almac Group Limited.

**Environment**

The company recognises its corporate responsibility to carry out its operations whilst minimising environmental impacts. The directors' continued aim is to comply with all applicable environmental legislation, prevent pollution and reduce waste wherever possible.

**Health and safety**

The company is committed to achieving the highest practicable standards in health and safety management and strives to make all sites and offices safe environments for employees and customers alike.

**Human resources**

People are the company's most important resource. Retention of key staff is critical, and the company has invested in employment training and development.

**Performance and position**

The loss for the year is £2,610 (2019: £1,209) and its net assets are £90,004,411 (2019: £90,007,021). At the balance sheet date, the company's positive net asset position remained consistent with prior year and in line with expectations.

**Covid 19**

The Covid 19 pandemic has brought disruption to the operations of many businesses including the company. It has also led to an unprecedented level of market volatility and economic uncertainty. These events and conditions have been considered in the preparation of these financial statements, where management has exercised its judgement in the process of applying the company's accounting policies. There are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

The carrying amounts of the Company's non-financial and financial assets have been assessed to determine whether there is any objective evidence or indication that these assets may be impaired, taking into consideration the conditions existing at the balance sheet date including the impact of the Covid 19 pandemic. There is no material adverse financial impact arising from the assessments carried out by the management.

## Strategic report for the year ended 30 September 2020 (continued)

## Covid 19 (continued)

As the global Covid 19 situation remains fluid at the date these financial statements were authorised for issue, the company cannot reasonably ascertain the full extent of the probable impact of the Covid 19 disruptions on its operating and financial performance for the financial year ending 30 September 2021.

## S172

In accordance with section 172 of the Companies Act 2006 (the Act), each of the company's directors (both individually and collectively) act in a way in which they actively promote the success of the company for the benefit of its members as a whole and the company's wider role in the community. The company's directors take account of, among other matters, the requirements set out in section 172(1) (a) – (f) of the Companies Act 2006 including:

- (a) the likely consequences of any decision in the long term;
- (b) the interests of the company's employees;
- (c) the need to foster the company's business relationships with suppliers, customers and others;
- (d) the impact of the company's operations on the community and the environment;
- (e) the desirability of the company maintaining a reputation for high standards of business conduct; and
- (f) the need to act fairly between members of the company.

The directors of the company acknowledge that the long- and short-term success of the company is dependent upon their engagement with all of its stakeholders including the company's employees, customers, suppliers, regulators, our parent company and the wider community. The directors are mindful that this engagement is required in order to make informed decisions at board level. As part of the Almac Group, the directors of the company promote and observe their duty under section 172 (1) of the Act, in part, through engagement with and use of the wider governance structure provided by its parent company, Almac Group Limited.

## Engagement with Stakeholders

The below table sets out the steps taken by the directors of the company to engage with each of the aforementioned groups, the purpose / aim of that engagement, and the results and benefits of the engagements.

Stakeholder Group	Engagement
<b>Employees</b>  The directors recognise that in order to provide continued long-term success for the company and its stakeholders, the company must provide a happy, balanced and safe work environment. People are Almac's core asset. Individually and collectively people are critical to the success of our vision. We recognize excellence and acknowledge that to empower our employees, we need to invest in their continuous development.	<ol style="list-style-type: none"> <li>Each business unit within Almac hosts monthly Employee Forums whereby employees can directly raise any concerns or issues through nominated representatives with senior management and the directors. Meeting minutes are shared Group-wide and follow up actions are allocated to the relevant Departments in the company.</li> <li>Almac grants a range of special recognition awards to employees who demonstrate a commitment to the goals and vision of Almac. These awards include ACE Awards ("Almac Celebrates Excellence") and Long Service Awards.</li> <li>In 2020 Almac made discretionary payments as a direct and tangible response to the valued and committed service of our employees as essential workers through the Covid-19 pandemic.</li> <li>The directors arrange a yearly "fun day" across all Almac sites in recognition of our employee's contribution and in acknowledgement of the importance of positive employee relationships. The fun day did not take place in 2020 due to the Covid-19 pandemic; however, the directors intend to arrange it again in the future when safe to do so.</li> <li>Almac operates a Performance Management Programme (PUMP) which facilitates direct and meaningful engagement between employees and line managers. Yearly training goals are set and analysed annually to ensure continued employee progression and one-to-one communication on development.</li> <li>The directors appointed a dedicated Pastoral Care Manager to maintain a Pastoral Care Service for employee personal wellbeing. Employees can reach out 24/7 on a confidential basis to discuss any wellbeing issues.</li> </ol>

## Strategic report for the year ended 30 September 2020 (continued)

### Engagement with Stakeholders (continued)

Stakeholder Group	Engagement
<p><b>Customers</b></p> <p>Almac Group provides services to over 600 companies in the pharmaceutical industry. The directors are mindful of the need to actively deliver the company's unique culture of delivering exceptional service solutions for its customers in a manner which is mutually beneficial whilst maintaining a reputation for high standards of business conduct. We are committed to understanding and exceeding our customers' needs and expectations. We build relationships based on integrity, responsiveness and excellent communication.</p>	<ol style="list-style-type: none"> <li>Customer surveys are carried out by dedicated teams in Almac HR / Marketing Departments Almac to ensure that Almac's service offering is constantly evolving and stays consistent with our customers' long-term requirements and expectations.</li> <li>Almac, through dedicated Quality Assurance Departments across its divisions, facilitates on-site client audits of its worldwide facilities to ensure that customers are confident that Almac performs its services in accordance with all laws and regulatory requirements. In 2020, Almac ensured that remote / online audits were offered to clients to ensure Customer onsite audits and remote audits during the Covid-19 pandemic.</li> <li>In 2020, the Directors approved, and Almac's Central Marketing Department carried out a brand awareness survey to ensure that Almac's corporate message to its current and prospective customers is consistent with Almac's long term strategic goals and to receive detailed feedback from these valued customers.</li> <li>Almac's Corporate and Legal Affairs Department works very closely with all customers to ensure that the key corporate policies of Almac and its customers (such as anti-bribery, modern slavery, sustainability and environmental policies) are aligned. Almac engages with its customers' Legal Teams on its customers' own policies and, where appropriate, these policies are included in underlying legal agreements with Customers.</li> <li>The Directors, through engagement with its own Business Development and Project Teams have established a detailed Project Governance Structure which ensures frequent and meaningful engagement with customers on a more operational / project management level in respect of specific work packages and projects. The individual project governance structure can vary from Customer to Customer however at a high level this includes regular project meetings and KPI reporting.</li> </ol>
<p><b>Suppliers</b></p> <p>The directors of the company recognise that the company's supply chain is an extension of the company's own business. Accordingly, the company aims to maintain a positive and strong relationship with its suppliers and to ensure sufficient controls are in place to ensure the company can continue to provide customer service at a very high level.</p>	<ol style="list-style-type: none"> <li>The directors recognise that suppliers to Almac are an extension of Almac's own service offering to its customers. Almac has a culture of fostering long term, quality and cost effective relationships with its suppliers and this is reflected in Almac's extensive Procurement Departments for its business units, each with its own detailed SOPs relevant to its service offering and each of which reports into a Central Procurement Department.</li> <li>Almac carries out regular and appropriately detailed audits and inspections of the broad range of suppliers to Almac. Where necessary, Almac works closely with suppliers to ensure all remedial actions are implemented quickly.</li> <li>Almac's Corporate and Legal Affairs Department works very closely with the legal teams of its suppliers to ensure that Almac's global policies and policies (such as modern slavery, anti-bribery) are acknowledged and accepted by its suppliers.</li> </ol>

# Strategic report for the year ended 30 September 2020 (continued)

## Engagement with Stakeholders (continued)

Stakeholder Group	Engagement
<p><i>Community</i></p> <p>Almac is part of the wider community and the directors are conscious that the actions of Almac have a bearing on the community and environment. Almac is committed to minimising its impact on the environment and supporting the community through long term commitments and initiatives.</p>	<ol style="list-style-type: none"> <li>1. The Directors established the Almac Charity Committee, which implements the charitable goals of Almac each year. In addition to discretionary donations to charities chosen by employees and directors, the Charity Committee also supports applications for funding from employees undertaking individual fundraising activities. In 2020, Almac donated funds to local and international charities in recognition of their invaluable impact and in line with our charity and community policies.</li> <li>2. Almac maintains and continually reviews environmental and sustainability policies. Almac has undertaken to meet significant environmental goals including a commitment to monitor and minimise single-use plastics both within its supply chain and for internal use as far as is practicably possible. Almac Group promotes the use of recycled material throughout its business ensuring employees are encouraged to reduce, reuse and recycle all material.</li> <li>3. Almac completes an annual Global HSE Annual Report to demonstrate our approach to minimising risk and ensuring the health and safety of our employees, clients and visitors. In addition, we share details of our waste management and energy usage across our facilities.</li> <li>4. The directors are committed to the fundamental issues facing society. In May 2020, Almac's CEO reaffirmed the Board's continued commitment to diversity, non-discrimination and equal opportunity (and its pre-existing underlying policies) in a video message distributed to employees.</li> </ol>
<p><i>Regulators</i></p> <p>The company operates in a highly regulated industry and the directors are mindful of the strict legal and regulatory requirements in relation to which the company must comply.</p>	<p>Each business unit within Almac engages in an open and cooperative way with all of the regulatory bodies, statutory authorities and all other local and international government agencies which governs its respective area of business. Almac is audited and certified as required by law with MHRA, FDA, HPRA and other agencies. Almac has dedicated Quality Assurance Departments to ensure compliance, and such compliance is reported directly to the Board.</p>
<p><i>Parent Company – Almac Group</i></p> <p>The company is a subsidiary of Almac Group Limited and is integrated within the overall governance structure of the Almac Group.</p>	<p>The directors ensure constant engagement between the company and Almac Group Limited on the basis that many of the stakeholder considerations are captured at a Group level. The Almac Group has a robust Group-wide governance framework which includes quarterly board meetings with the directors of Almac Group Limited to report on the performance and goals of the company and to ensure that the company remains fully integrated and committed to the underlying values and policies of the Almac Group.</p>

## Going concern

The directors of Almac Group Limited have prepared cash flow forecasts for the group for a period of at least twelve months from the date of signing of this report and confirm that adequate funding has been committed by Almac Group Limited, the company's ultimate parent, to support the company's operations and planned growth over this period. The directors have received confirmation that Almac Group Limited intend to support the company for at least one year after these financial statements are signed. Consequently, the directors have prepared these financial statements on a going concern basis.

This report was approved by the board and signed on its behalf.

N Harkin  
Director  
15 January 2021



**Directors' report for the year ended 30 September 2020**

The directors present their annual report and the audited financial statements of the company for the year ended 30 September 2020. Information included on stakeholder engagement is included in the strategic report and included in this report by cross reference.

**Future developments**

The section on future developments, which is detailed in the strategic report, is included in this report by cross reference.

**Financial risk management**

The company operates within the competitive conditions of its marketplace. Regarding credit risk, it is standard company policy to perform appropriate credit checks on all potential customers before contracts are entered into. Further commentary is provided in note 2.

**Dividends**

The directors do not recommend payment of a final dividend (2019: £nil).

**Directors**

The directors who served during the year and up to the date of approval of the financial statements are shown on page 1.

**Directors' indemnities**

The Directors have the benefit of an indemnity, which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

**Employees**

The company systematically provides employees with all information on matters of concern to them, consulting them or their representatives regularly, so that their views can be taken into account when making decisions that are likely to affect their interests. Employee involvement in the company is encouraged, as achieving a common awareness on the part of all employees of the financial and economic factors affecting the company plays a major role in objectives.

The company is committed to employment policies, which follow best practice based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status. The company gives full and fair considerations to applications for employment from disabled persons, having regard to their particular aptitudes and abilities. Appropriate arrangements are made for the continued employment and training, career development and promotion of disabled persons employed by the company. If members of staff become disabled the company continues employment, either in the same or an alternative position with appropriate retraining being given if necessary.

**Research and development activities**

The company and its subsidiaries are strongly committed to research and development activities in the area of clinical diagnostics in order to secure and enhance market position. No research and development expenditure was incurred by the company in the year (2019: £nil). Expenditure incurred by subsidiaries totalled £677,769 (2019: £1,722,148), which is stated after deduction of £522,860 (2019: £631,669) of research and development tax credits. Expenditure is expensed as incurred and no development expenditure was incurred by company or subsidiaries during the year (2019: £nil).

**Statement of disclosure of information to auditors**

So far as each of the directors in office at the date of approval of these financial statements is aware:

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



**Directors' report for the year ended 30 September 2020 (continued)**

**Independent auditors**

The independent auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office, and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

This report was approved by the board and signed on its behalf.

A handwritten signature in black ink, appearing to read 'N Harkin', followed by a horizontal line.

N Harkin

**Director**

15 January 2021

**Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 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.

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.

N Harkin  
Director

15 January 2021



# Almac Group (UK) Limited

## *Independent auditors' report to the members of Almac Group (UK) Limited*

### **Report on the audit of the financial statements**

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#### **Opinion**

In our opinion, Almac Group (UK) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2020 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 30 September 2020; the income statement, the cash flow statement, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

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#### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

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## Almac Group (UK) Limited

### ***Independent auditors' report to the members of Almac Group (UK) Limited (continued)***

#### *Strategic Report and Directors' report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' report for the year ended 30 September 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' report.

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#### **Responsibilities for the financial statements and the audit**

##### *Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of directors' responsibilities set out on page 8, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

##### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

##### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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## **Other required reporting**

### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

  
 Kevin MacAllister (Senior Statutory Auditor)  
 for and on behalf of PricewaterhouseCoopers LLP  
 Chartered Accountants and Statutory Auditors  
 Belfast  
 20 January 2021

**Income statement for the year ended 30 September 2020**

	Note	2020 £	2019 £
<b>Continuing operations</b>			
Administrative expenses	4	(6,975)	(6,124)
<b>Operating loss</b>		<b>(6,975)</b>	<b>(6,124)</b>
Finance income	5	4,365	4,915
<b>Loss before income tax</b>		<b>(2,610)</b>	<b>(1,209)</b>
Income tax expense	7	-	-
<b>Loss for the financial year</b>		<b>(2,610)</b>	<b>(1,209)</b>

The notes on pages 15 to 23 are an integral part of the financial statements.

There is no other comprehensive income for the year (2019: £nil).

**Statement of changes in equity for the year ended 30 September 2020**

<b>Company</b>	<b>Share capital £</b>	<b>Share premium £</b>	<b>Accumulated losses £</b>	<b>Total equity £</b>
At 1 October 2018	10	102,060,667	(12,052,447)	90,008,230
Loss for the financial year	-	-	(1,209)	(1,209)
At 30 September 2019 and at 1 October 2019	10	102,060,667	(12,053,656)	90,007,021
Loss for the financial year	-	-	(2,610)	(2,610)
<b>At 30 September 2020</b>	<b>10</b>	<b>102,060,667</b>	<b>(12,056,266)</b>	<b>90,004,411</b>

The notes on pages 15 to 23 are an integral part of the financial statements.

## Balance sheet as at 30 September 2020

	Note	2020 £	2019 £
<b>Assets</b>			
<b>Non-current assets</b>			
Investment in subsidiaries	8	91,068,438	91,068,438
<b>Total non-current assets</b>		<b>91,068,438</b>	<b>91,068,438</b>
<b>Current assets</b>			
Trade and other receivables	9	100	-
<b>Total current assets</b>		<b>100</b>	<b>-</b>
<b>Total assets</b>		<b>91,068,538</b>	<b>91,068,438</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	10	1,064,127	1,061,417
<b>Total current liabilities</b>		<b>1,064,127</b>	<b>1,061,417</b>
<b>Total liabilities</b>		<b>1,064,127</b>	<b>1,061,417</b>
<b>Equity</b>			
Share capital	11	10	10
Share premium		102,060,667	102,060,667
Accumulated losses		(12,056,266)	(12,053,656)
<b>Total equity</b>		<b>90,004,411</b>	<b>90,007,021</b>
<b>Total equity and liabilities</b>		<b>91,068,538</b>	<b>91,068,438</b>

The notes on pages 15 to 23 are an integral part of the financial statements.

The financial statements on pages 11 to 23 were authorised for issue by the board of directors on 15 January 2021 and were signed on their behalf by:



A D Armstrong (Director)



S Campbell (Director)

**Cash flow statement for the year ended 30 September 2020**

	Note	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Cash used in operations	12	(4,365)	(4,915)
<b>Net cash used in operating activities</b>		<b>(4,365)</b>	<b>(4,915)</b>
<b>Cash flows from investing activities</b>			
Interest receivable		4,365	4,915
<b>Net cash generated from investing activities</b>		<b>4,365</b>	<b>4,915</b>
<b>Net movement in cash, cash equivalents and bank overdrafts</b>		<b>-</b>	<b>-</b>
Cash, cash equivalents and bank overdrafts at beginning of the year		-	-
<b>Cash, cash equivalents and bank overdrafts at end of the year</b>		<b>-</b>	<b>-</b>

The notes on pages 15 to 23 are an integral part of the financial statements.



## Notes to the financial statements for the year ended 30 September 2020

### 1 Accounting policies

#### General information

The company's principal activity during the year was that of an intermediate holding company within the Almac Group. The financial statements are presented in UK pound sterling. The company is a private limited company by shares incorporated and domiciled in the United Kingdom and registered in Northern Ireland. The company's registered address is detailed on page 1. The financial statements were approved by the board of directors on 15 January 2021.

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Basis of preparation

The financial statements have been prepared on a going concern basis and in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. Management has concluded that there are no critical assumptions, estimates or judgements involving a high degree of judgement or complexity which require further disclosure. The company's accounting policies are detailed below.

#### Going concern

The directors of Almac Group Limited have prepared cash flow forecasts for the group for a period of at least twelve months from the date of signing of this report and confirm that adequate funding has been committed by Almac Group Limited, the Company's ultimate parent, to support the company's operations and planned growth over this period. The directors have received confirmation that Almac Group Limited intend to support the company for at least one year after these financial statements are signed. Consequently, the directors have prepared these financial statements on a going concern basis.

#### New standards, amendments and interpretations effective in the year to 30 September 2020

The accounting policies set out below are those that the company has adopted in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 for the year ended 30 September 2020.

No standards have been adopted by the company for the first time during the financial year beginning on or after 1 October 2019 that have had a material impact on the company.

#### Standards, amendments and interpretations that are not yet effective and have not been adopted early by the company

The following new standards, new interpretations, and amendments to standards and interpretations that are not yet effective and have not been adopted early by the company:

- IFRS 17 Insurance Contracts (effective 1 January 2021)
- Amendment to IFRS 3 Business Combinations (effective 1 January 2020)
- Amendments to IAS 1 and IAS 8 Definition of material (effective 1 January 2020)
- Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7) (effective 1 January 2020)
- Interest Rate Benchmark Reform – phase 2 (Amendments to IFRS 9, IAS 39 and IFRS 7) (effective 1 January 2021)
- Amendments to IFRS 16, 'leases' – Covid 19 related rent concessions (effective 1 June 2020)
- A number of narrow-scope amendments to IFRS 3, IAS 16, IAS 17 and some annual improvements on IFRS 1, IFRS 9, IAS 41 and IFRS 16 (effective 1 January 2022)
- Amendments to IAS 1, Presentation of financial statements on classification of liabilities (effective 1 January 2022)

The introduction of these new standards, interpretations and amendments is not expected to have a material impact on the company.

**Notes to the financial statements for the year ended 30 September 2020 (continued)****1 Accounting policies (continued)****Basis of consolidation**

The company has taken advantage of the exemption conferred under Companies Act 2006 Section 400 from preparing group financial statements. The financial statements therefore present information about the company as an individual undertaking and not about it as a group.

**Investment in subsidiaries**

Investments in subsidiaries are held as non-current assets and are recorded at cost, which is the fair value of the consideration paid, less any provision for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

**Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one party and a financial liability or equity instrument of another party. Financial assets of the company include cash and cash equivalents, trade and other receivables, and favourable derivative financial instruments. Financial liabilities of the company include trade and other payables, borrowings and unfavourable derivative financial instruments.

*Initial recognition and measurement*

Financial assets and liabilities are recognised in the statement of financial position when the company becomes a party to the contractual obligations of the instrument.

The company classifies its financial assets in the following measurement categories:

- i) Those to be measured at amortised costs; and
- ii) Those to be measured subsequently at fair value (either through other comprehensive income or through profit and loss).

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows. The company reclassifies its financial assets when and only when its business model for managing those assets changes.

At initial recognition, the company measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Financial liabilities are classified as financial liabilities at fair value through profit or loss, other financial liabilities at amortised cost or as derivatives. Financial liabilities are recognised at fair value plus, in the case of financial instruments not at fair value through profit and loss (i.e. loans and receivables and other financial liabilities), transaction costs that are directly attributable to the acquisition or issue of the financial liability. Transaction costs directly attributable to financial liabilities which are measured at fair value (i.e. fair value through profit and loss or derivatives) are recognised in the income statement as incurred.

*Subsequent measurement*

Subsequent to recognition, financial assets and liabilities are measured according to the category to which they are classified.

**Notes to the financial statements for the year ended 30 September 2020 (continued)****1 Accounting policies (continued)****Financial instruments (continued)***(a) Financial assets*

Subsequent measurement of financial assets depends on the company's business model for managing those financial assets and the cash flow characteristics of those financial assets. The company only has financial assets classified at amortised cost. These assets are those held for contractual collection of cash flows, where those cash flows represent solely payments of principal and interest and are held at amortised cost. Any gains or losses arising on derecognition is recognised directly in profit or loss.

*(b) Financial liabilities at fair value through profit and loss*

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or it is designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the income statement.

*(c) Other financial liabilities*

Trade and other payables and borrowings (including amounts due to related parties) are classified as other financial liabilities and are initially measured at fair value, net of transaction costs and subsequently measured at amortised cost using the effective interest rate method (see below).

*Effective interest method*

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income and expenses over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as fair value through profit or loss.

*Derecognition*

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the income statement.

*Impairment of a financial asset*

The company assesses on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost. For trade receivables the company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from the initial recognition of the receivables. For other receivables the company applies the three-stage model to determine expected credit losses.

**Notes to the financial statements for the year ended 30 September 2020 (continued)****1 Accounting policies (continued)****Financial instruments (continued)***Fair value of financial instruments*

Fair value amounts disclosed in these financial statements represent the company's estimate of the price at which a financial instrument could be exchanged in an arm's length market transaction between knowledgeable, willing parties who are under no compulsion to act. They are point-in-time estimates that may change in subsequent reporting periods due to market conditions or other factors. Fair value is determined by reference to quoted prices in the most advantageous active market for that instrument to which the company has immediate access. However, where there is no active market for the company's financial instruments, the company determines fair value based on internal or external valuation models, such as stochastic models, option-pricing models and discounted cash flow models. These calculations represent management's best estimates based on a range of methods and assumptions. Since they are based on estimates the fair values may not be realised in an actual sale or immediate settlement of the instruments.

*Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

**Impairment of non-financial assets**

Non-financial assets not ready to use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash flows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

**Cash and cash equivalents**

In the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, and bank overdrafts. In the group balance sheet, bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

**Trade and other payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less. If not they are presented as non-current liabilities. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**Foreign currency translation**

The financial statements are presented in UK pound sterling, which is the company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation whose items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or cost'. All other foreign exchange gains and losses are presented in the income statement within administrative expenses.

## Notes to the financial statements for the year ended 30 September 2020 (continued)

## 1 Accounting policies (continued)

## Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

## Critical judgements and accounting estimates

There are no critical judgements in applying the company's accounting policies and there are no estimates and assumptions that would have a material impact on the financial statements

## 2 Financial risk management

## Financial risk factors

The company's operations expose it to a variety of financial risks that include market risk (including price risk and interest rate risk), credit risk and liquidity risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring the foregoing risks.

## (a) Market risk

## (i) Price risk

The company is not exposed to commodity price risk as a result of its operations nor is the company exposed to equity securities price risk as it holds no listed or other equity investments.

## (ii) Interest rate risk

Interest bearing assets consist of loans to related parties. Borrowings at variable rates expose the company to cash flow interest rate risk. Borrowings at fixed rates expose the company to fair value interest rate risk. Interest rates are monitored on a regular basis with reference to movements in global interest rates and the potential impact upon the group's cost of borrowing. If average interest rates over the period had increased/decreased by 1% with all other variables held constant, the financial statements would have been impacted as follows:

	2020		2019	
	Impact on post-tax loss £'000	Impact on equity £'000	Impact on post-tax loss £'000	Impact on equity £'000
Interest rates increase by 1%	2	2	2	2
Interest rates decrease by 1%	(2)	(2)	(2)	(2)

## (b) Credit risk

The company's credit risk arises from amounts owed by group undertakings. The directors continually monitor the level of outstanding debt to ensure that the company's risk is managed appropriately.

## (c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Management monitors rolling forecasts of the group's liquidity reserve on the basis of expected cash flow. In addition, the group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these; monitoring balance sheet liquidity ratios against internal and external regulatory requirements; and maintaining debt financing plans.

**Notes to the financial statements for the year ended 30 September 2020 (continued)****3 Capital risk management**

The company is a subsidiary of Almac Group Limited, whose objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns to shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. For further details, refer to the report and financial statements for Almac Group Limited.

**4 Administrative expenses**

	2020	2019
	£	£
Other expenses	6,975	6,124

**Services provided by the company's auditors and its associates**

During the year the company obtained the following services from the company's auditors and its associates:

	2020	2019
	£	£
Fees payable to the company's auditors for the audit of parent company	4,886	4,105
Fees payable to the company's auditors for tax compliance services	1,999	1,905
	6,885	6,010

**5 Finance income**

	2020	2019
	£	£
Interest income:		
Interest receivable from group undertakings	4,365	4,915
<b>Finance income</b>	<b>4,365</b>	<b>4,915</b>

**6 Employees and directors**

Directors' remuneration is borne by other group undertakings. The directors do not believe it is practicable to apportion this amount between their services as directors of the company and their services as directors of fellow group undertakings. Directors remuneration is disclosed in the financial statements of the ultimate parent undertaking. There were no key members of management during the year or during the previous year other than the company's directors.

**7 Income tax expense**

The income tax expense for the year ended 30 September 2020 is £nil (2019: £nil). The tax on the company's loss before income tax differs from (2019: differs from) the theoretical amount that would arise using the weighted average tax rate applicable to losses of the company as follows:

	2019	2018
	£	£
<b>Loss before income tax</b>	<b>(2,610)</b>	<b>(1,209)</b>
Loss before income tax at the UK standard rate of 19% (2019: 19%)	(496)	(200)
Effects of:		
Transfer pricing adjustments	(5,947)	(6,810)
Effects of group relief	6,443	7,040
<b>Income tax expense</b>	<b>-</b>	<b>-</b>

## Notes to the financial statements for the year ended 30 September 2020 (continued)

## 8 Investment in subsidiaries

	£
<b>Cost</b>	
At 1 October 2018, 30 September 2019, 1 October 2019 and 30 September 2020	104,048,749
<b>Provisions for impairment</b>	
At 1 October 2018, 30 September 2019, 1 October 2019 and 30 September 2020	12,980,311
<b>Net book amount</b>	
At 1 October 2018, 30 September 2019, 1 October 2019 and 30 September 2020	91,068,438

Investments in subsidiary undertakings are recorded at cost, which is the fair value of the consideration paid, less any provisions for impairment.

The subsidiaries of the company at 30 September 2020 and were:

Name	Country of incorporation	Nature of business	Registered office	Proportion of ordinary shares held
Almac Sciences Limited	Northern Ireland	Provision of custom chemical synthesis services	Almac House 20 Seagoe Industrial Estate, Craigavon BT63 5QD	100%
Almac Sciences (Scotland) Limited*	Scotland	Provision of custom chemical synthesis services	4th Floor Saltine Court 20 Castle Terrace Edinburgh Lothian, EH1 2EN	100%
Arran Chemical Company Limited*	Republic of Ireland	Provision of custom chemical synthesis services	Unit 1-3 Monksland Industrial Estate Athlone, County Roscommon N37 DN24	100%
Ventureland Limited*	Republic of Ireland	Dormant company	Unit 1-3 Monksland Industrial Estate Athlone, County Roscommon N37 DN24	100%
Almac Diagnostic Services Limited (formerly Almac Diagnostics Limited)	Northern Ireland	Development of cancer diagnostics and microarray based data analysis	Almac House 20 Seagoe Industrial Estate, Craigavon BT63 5QD	99%
Almac Clinical Services Limited	Northern Ireland	Provision of services to pharmaceutical and biotechnology companies	Almac House 20 Seagoe Industrial Estate, Craigavon BT63 5QD	100%
Almac Pharma Services Limited	Northern Ireland	Manufacture of pharmaceutical products	Almac House 20 Seagoe Industrial Estate, Craigavon BT63 5QD	100%
Almac Clinical Technologies Limited	Northern Ireland	Provision of services and management of clinical trials drug supply to customers in the pharmaceutical sector	Almac House 20 Seagoe Industrial Estate, Craigavon BT63 5QD	100%
Novis Pharma Limited	Northern Ireland	Dormant company	Almac House 20 Seagoe Industrial Estate, Craigavon BT63 5QD	100%

## Notes to the financial statements for the year ended 30 September 2020 (continued)

## 8 Investment in subsidiaries (continued)

Name	Country of incorporation	Nature of business	Registered office	Proportion of ordinary shares held
Quchem Limited	Northern Ireland	Dormant company	Almac House 20 Seagoe Industrial Estate, Craigavon BT63 5QD	100%
Almac Diagnostics (2004) Limited	Northern Ireland	Dormant company	Almac House 20 Seagoe Industrial Estate, Craigavon BT63 5QD	100%
Almac Trustees Limited	Northern Ireland	Holding company	Almac House 20 Seagoe Industrial Estate, Craigavon BT63 5QD	100%
Napsco Limited*	Northern Ireland	Dormant company	Almac House 20 Seagoe Industrial Estate, Craigavon BT63 5QD	100%
CTS Analytical Limited*	Northern Ireland	Dormant company	Almac House 20 Seagoe Industrial Estate, Craigavon BT63 5QD	100%
Syngal Limited*	Northern Ireland	Dormant company	Almac House 20 Seagoe Industrial Estate, Craigavon BT63 5QD	100%

\*Investment held by a subsidiary undertaking and therefore an indirect holding.

A floating charge is held over all investments in subsidiaries.

## 9 Trade and other receivables

	2020	2019
	£	£
Other receivables	100	-

For the purposes of IFRS 9 “Financial instruments” the financial assets noted above are classified as measured at amortised cost.

## 10 Trade and other payables

	2020	2019
	£	£
Amounts owed to group undertakings	1,057,135	1,055,031
Other creditors	-	356
Accruals	6,992	6,030
	1,064,127	1,061,417

The fair values of trade and other payables are not materially different from their carrying values as the impact of discounting is not significant.

There is no material difference between the amounts shown above and the total contractual undiscounted cash flows of trade and other payables. For the purposes of IFRS 9 “Financial instruments” the financial liabilities noted above are classified as measured at amortised cost.



## Notes to the financial statements for the year ended 30 September 2020 (continued)

**11 Share capital**

	2020	2019
Allotted and fully paid	£	£
10 (2018: 10) Ordinary shares of £1 each (2019: £1 each)	10	10

**12 Cash used in operations**

	2020	2019
	£	£
Loss before income tax	(2,610)	(1,209)
<b>Adjustments for:</b>		
Interest receivable	(4,365)	(4,915)
Movement in trade and other payables	2,710	1,209
Movement in trade and other receivables	(100)	
<b>Net cash used in operations</b>	<b>(4,365)</b>	<b>(4,915)</b>

**13 Contingent liabilities**

The company is party to an unlimited inter-company cross company guarantee in relation to group banking facilities in the United Kingdom.

**14 Ultimate controlling party and related party transactions**

The immediate and ultimate parent undertaking and the only group of undertakings of which the company is a member, and for which group financial statements are prepared, is Almac Group Limited, a company incorporated in Northern Ireland. The registered office of Almac Group Limited is Almac House, 20 Seagoe Industrial Estate, Craigavon, BT63 5QD. Copies of the group financial statements are available from Companies Registry, Second Floor, The Linenhall, 32-38 Linenhall Street, Belfast, BT2 8BG.

At the balance sheet date, the ultimate controlling parties are A D Armstrong, S Campbell and C Hayburn.

*Related party transactions*

Companies within Almac Group Limited are related parties of Almac Group (UK) Limited.

Transactions entered into during the year and year end balances with companies within Almac Group Limited were as follows:

	2020	2019
Company	£	£
Amounts owed to group undertakings	(1,057,135)	(1,055,031)
Interest received from group undertakings	4,365	4,915

Details of amounts owed to group undertakings are disclosed in note 10. Details of interest receivable on balances are held in note 5.