

REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019
FOR
ONYX SCIENTIFIC LIMITED

ONYX SCIENTIFIC LIMITED

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FOR THE YEAR ENDED 31 MARCH 2019

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ONYX SCIENTIFIC LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2019

DIRECTORS:	Mrs D Bowser Dr D J Londesbrough N V Lane P Godha
REGISTERED OFFICE:	Units 97-98 Silverbriar Sunderland Enterprise Park East Sunderland Tyne and Wear SR5 2TQ
REGISTERED NUMBER:	03947634 (England and Wales)
AUDITORS:	Leasing Marrison Lee Limited Chartered Certified Accountants Statutory Auditors 46 Main Street Mexborough South Yorkshire S64 9DU
BANKERS:	HSBC 33 Park Row Leeds West Yorkshire LS1 1LD

ONYX SCIENTIFIC LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2019**

The directors present their report with the financial statements of the company for the year ended 31 March 2019.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2018 to the date of this report.

Mrs D Bowser
Dr D J Londesbrough
N V Lane
P Godha

STATEMENT OF 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Leasing Marrison Lee Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

ON BEHALF OF THE BOARD:


.....
P Godha - Director

Date: 21 May 2019
.....

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ONYX SCIENTIFIC LIMITED**

Opinion

We have audited the financial statements of Onyx Scientific Limited (the 'company') for the year ended 31 March 2019 which comprise the Income Statement, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note seventeen to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the 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.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ONYX SCIENTIFIC LIMITED**

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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.

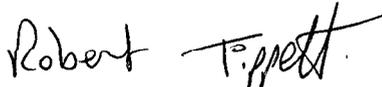
Auditors' responsibilities for the audit of the financial statements

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 a Report of the Auditors 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 Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

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 a Report of the Auditors 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.



Robert Tippett FCCA (Senior Statutory Auditor)
for and on behalf of Leasing Marrison Lee Limited
Chartered Certified Accountants
Statutory Auditors
46 Main Street
Mexborough
South Yorkshire
S64 9DU

Date: 28 May 2019

ONYX SCIENTIFIC LIMITED

**INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2019**

	Notes	2019 £	2018 £
TURNOVER	3	7,097,670	6,177,146
Cost of sales		3,038,936	2,779,617
GROSS PROFIT		4,058,734	3,397,529
Administrative expenses		2,013,194	1,841,090
		2,045,540	1,556,439
Other operating income		-	15,845
OPERATING PROFIT	5	2,045,540	1,572,284
Interest receivable and similar income		-	702
PROFIT BEFORE TAXATION		2,045,540	1,572,986
Tax on profit	6	163,553	161,095
PROFIT FOR THE FINANCIAL YEAR		1,881,987	1,411,891

The notes form part of these financial statements

ONYX SCIENTIFIC LIMITED (REGISTERED NUMBER: 03947634)

**BALANCE SHEET
31 MARCH 2019**

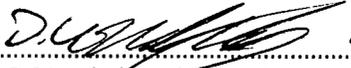
	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible assets	8	1,277,220	1,094,192
Investments	9	720,935	720,935
		<u>1,998,155</u>	<u>1,815,127</u>
CURRENT ASSETS			
Stocks		572,350	609,767
Debtors	10	1,765,407	1,081,610
Cash at bank and in hand		709,620	720,158
		<u>3,047,377</u>	<u>2,411,535</u>
CREDITORS			
Amounts falling due within one year	11	1,228,497	1,091,009
NET CURRENT ASSETS		<u>1,818,880</u>	<u>1,320,526</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,817,035</u>	<u>3,135,653</u>
PROVISIONS FOR LIABILITIES	13	137,431	104,827
NET ASSETS		<u>3,679,604</u>	<u>3,030,826</u>
CAPITAL AND RESERVES			
Called up share capital	14	368,122	368,122
Share premium		12,358	12,358
Retained earnings		3,299,124	2,650,346
SHAREHOLDERS' FUNDS		<u>3,679,604</u>	<u>3,030,826</u>

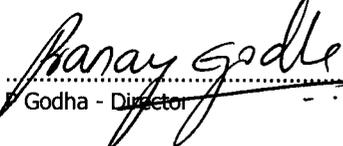
The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved and authorised for issue by the Board of Directors on 21 May 2019 and were signed on its behalf by:


.....
N V Lane - Director


.....
Mrs D Bowser - Director


.....
Dr D J Londebrough - Director


.....
Paray Godha - Director

The notes form part of these financial statements

ONYX SCIENTIFIC LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

1. STATUTORY INFORMATION

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Turnover

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

Tangible fixed assets

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

Improvements to property	- 10% on cost
Plant and machinery	- at varying rates on cost and at variable rates on reducing balance
Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

Investments in associates

Investments in associate undertakings are recognised at cost.

Research and development

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

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.

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

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

Grants

Grants relating to revenue items are credited to the Profit and Loss Account in the same accounting period as the expenditure to which the grant relates. Grants in respect of Capital items are credited to the Profit and Loss Account over the same period as the asset to which the grant relates is written off.

Stocks

Stocks and work in progress are valued at cost, determined on a first in first out basis, after making the appropriate allowance for obsolete and slow moving items.

Cost of work in progress consists of direct costs and an appropriate proportion of fixed and variable overheads.

Deferred tax

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

ONYX SCIENTIFIC LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019**

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2019	2018
United Kingdom	71.00%	82.00%
North America	10.00%	3.00%
Europe & Rest of World	19.00%	15.00%
	<u>100.00%</u>	<u>100.00%</u>

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 55 (2018 - 52).

5. OPERATING PROFIT

The operating profit is stated after charging:

	2019	2018
	£	£
Depreciation - owned assets	260,629	208,797
Auditors' remuneration	6,513	6,550
Pension costs	235,805	112,942
	<u>260,629</u>	<u>208,797</u>

In addition to being remunerated for audit work the auditors charged for payroll services in the amount of £2,541 (2018: £2,745).

6. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2019	2018
	£	£
Current tax:		
UK corporation tax	177,188	150,200
Under provision prior year	-	124,338
Over provision in prior year	(46,239)	-
Total current tax	<u>130,949</u>	<u>274,538</u>
Deferred tax	32,604	(113,443)
Tax on profit	<u>163,553</u>	<u>161,095</u>

UK corporation tax was charged at 19% in 2018.

7. DIVIDENDS

	2019	2018
	£	£
Ordinary shares of £1	<u>1,233,209</u>	<u>1,964,463</u>

ONYX SCIENTIFIC LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019**

8. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 April 2018	1,043,099	3,548,590	45,373	81,940	4,719,002
Additions	22,082	376,778	3,284	41,513	443,657
Disposals	-	(58,634)	-	-	(58,634)
At 31 March 2019	1,065,181	3,866,734	48,657	123,453	5,104,025
DEPRECIATION					
At 1 April 2018	843,902	2,692,892	36,429	51,587	3,624,810
Charge for year	36,401	206,698	3,363	14,167	260,629
Eliminated on disposal	-	(58,634)	-	-	(58,634)
At 31 March 2019	880,303	2,840,956	39,792	65,754	3,826,805
NET BOOK VALUE					
At 31 March 2019	184,878	1,025,778	8,865	57,699	1,277,220
At 31 March 2018	199,197	855,698	8,944	30,353	1,094,192

9. FIXED ASSET INVESTMENTS

	Interest in associate £
COST	
At 1 April 2018 and 31 March 2019	720,935
NET BOOK VALUE	
At 31 March 2019	720,935
At 31 March 2018	720,935

During the 2018 accounting year the Company acquired 10% common stock of Pisgah Laboratories Inc. (Pisgah) based out of North Carolina, USA. Pisgah was originally founded in the year 1981 as a contract manufacturer and developer of active pharmaceutical ingredients (APIs) and intermediates and has been a chemistry solutions provider for over three decades. This acquisition will help the Company to establish its foothold in the US market (including but not limited to) in the field of research / small volume APIs and intermediates manufacturing. Pisgah will continue to operate out of its North Carolina manufacturing facility under the Pisgah trade name.

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	1,619,957	978,444
Other debtors	28,539	28,539
Prepayments	116,911	74,627
	<u>1,765,407</u>	<u>1,081,610</u>

ONYX SCIENTIFIC LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019**

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	327,274	287,913
Corporation Tax	177,188	150,200
Social security and other taxes	52,059	46,600
VAT	85,272	60,685
Other creditors	147,624	147,640
Accrued expenses	439,080	397,971
	<u>1,228,497</u>	<u>1,091,009</u>

12. LEASING AGREEMENTS

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

	2019	2018
	£	£
Within one year	2,373	2,435
Between one and five years	151,250	151,250
	<u>153,623</u>	<u>153,685</u>

13. PROVISIONS FOR LIABILITIES

	2019	2018
	£	£
Deferred tax	<u>137,431</u>	<u>104,827</u>
		Deferred tax
		£
Balance at 1 April 2018		104,827
Accelerated capital allowances		32,604
Other		
Rate change		
Balance at 31 March 2019		<u>137,431</u>

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2019	2018
Number:	Class:	Nominal value:	£	£
368,122	Ordinary	£1	<u>368,122</u>	<u>368,122</u>

15. CAPITAL COMMITMENTS

	2019	2018
	£	£
Contracted but not provided for in the financial statements	<u>-</u>	<u>67,197</u>

ONYX SCIENTIFIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019

16. RELATED PARTY DISCLOSURES

The entire share capital of the company is owned by Ipca Laboratories (UK) Limited.

Ipca Laboratories (UK) Limited

During the year to 31 March 2019, Ipca Laboratories (UK) Limited was paid a dividend amounting to £1,233,209 (2018: £1,964,463).

At the balance sheet date there were no balances due to or by the company.

17. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities , assist with the preparation of the financial statements and payroll services.

18. ULTIMATE CONTROLLING PARTY

The company is a wholly owned subsidiary of Ipca Laboratories (UK) Limited, which is a wholly owned subsidiary of Ipca Laboratories Limited, a company listed on the Bombay stock exchange and National stock exchange of India.

ONYX SCIENTIFIC LIMITED

**TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019**

	2019		2018
	£	£	£
Sales		7,097,670	6,177,146
Cost of sales			
Opening stock	38,721		64,531
Opening work in progress	571,046		322,208
Purchases	868,341		1,049,383
Analytical and laboratory consumables	110,552		84,323
Transport and packing	56,062		49,920
General chemicals	164,024		183,099
Safety consumables	52,046		42,864
N M R consumables	180		190
G M P consumables	10,805		2,630
Solid State consumables	17,599		10,657
Wages	1,432,790		1,317,015
Social security	142,097		129,425
Pensions	78,756		57,072
Analytical services	68,268		76,067
	<u>3,611,287</u>		<u>3,389,384</u>
Closing stock	(39,594)		(38,721)
Closing work in progress	(532,757)		(571,046)
		<u>3,038,936</u>	<u>2,779,617</u>
GROSS PROFIT		4,058,734	3,397,529
Other income			
Royalties received	-		9,724
Grant	-		6,121
Interest on Taxation	-		702
			<u>16,547</u>
		<u>4,058,734</u>	<u>3,414,076</u>
Expenditure			
Directors' salaries	243,353		331,973
Directors' social security	29,857		39,838
Directors' pension contributions	150,813		43,876
Wages	220,696		209,846
Social security	23,480		22,460
Pensions	6,236		11,994
Rent	131,250		92,968
Rates and water	70,461		107,220
Insurance	54,019		49,523
Light and heat	116,242		109,587
Building services	97,634		89,849
Vehicle hire	3,147		3,513
Telephone	8,412		10,425
Post and stationery	3,209		10,529
Advertising	75,131		44,325
Motor expenses	346		656
Repairs and renewals	371,948		344,616
Computer expenses	51,796		42,608
Technical literature	1,672		425
Sundry expenses	26,230		25,833
Professional charges	43,676		35,417
Accountancy	2,541		2,745
Healthcare costs	10,149		10,058
	<u>1,742,298</u>	<u>4,058,734</u>	<u>1,640,284</u>
Carried forward			3,414,076

This page does not form part of the statutory financial statements

ONYX SCIENTIFIC LIMITED

**TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019**

	2019		2018	
	£	£	£	£
Brought forward	1,742,298	4,058,734	1,640,284	3,414,076
Recruitment expenses	2,037		2,703	
Seminars and course fees	4,446		6,152	
Auditors' remuneration	6,513		6,550	
Currency exchange differences	2,324		(29,894)	
Profit/loss on sale of tangible fixed assets	(9,360)		1,862	
Entertainment	96		744	
	<u> </u>	1,748,354	<u> </u>	1,628,401
		2,310,380		1,785,675
Finance costs				
Bank charges		4,211		3,891
		<u> </u>		<u> </u>
		2,306,169		1,781,784
Depreciation				
Improvements to property	36,401		38,669	
Plant and machinery	210,062		160,045	
Computer equipment	14,166		10,084	
	<u> </u>	260,629	<u> </u>	208,798
NET PROFIT		<u> </u>		<u> </u>
		2,045,540		1,572,986