

PHELIX RESEARCH AND DEVELOPMENT

England & Wales · Charity number 1156666

Details

Other names PHELIX

Status Registered

Legal form Charitable company

Company number [08820009](#)

Registered 2014-04-14

Register [View on the Charity Commission register](#)

Contact

Address 37 Langton Street
London
SW10 0JL

Phone 02073524597

Email contact@phelix.org.uk

Website www.phelix.org.uk

Activities

Objects: TO PROTECT AND PROMOTE THE HEALTH OF THE PUBLIC IN PARTICULAR BY RESEARCH INTO THE NATURE, CASES, DIAGNOSIS, PREVENTION, TREATMENT AND CURE OF CHRONIC INFECTION DISEASES, INCLUDING THE DEVELOPMENT OF FINDINGS OF RESEARCH INTO PRACTICAL APPLICATIONS FOR THE PREVENTION TREATMENT AND CURE OF CHRONIC INFECTION DISEASES AND IN FURTHERANCE OF THAT PRIMARY OBJECTIVE, TO PROVIDE INFORMATION AND RAISE PUBLIC UNDERSTANDING OF SUCH MATTERS; AND TO SUPPORT THE RESEARCH ON BACTERIOPHAGES FOR BACTERIAL INFECTIONS IN A CHRONIC PHASE AND TO DEVELOP THERAPEUTIC PROGRAMS BASED ON BACTERIOPHAGES.

Activities: THE MAIN OBJECTIVE IS TO RESEARCH THE NATURE, CASES, DIAGNOSES, PREVENTION, TREATMENT AND CURE OF INFECTIOUS DISEASES CAUSING THE MAIN NEURO DEGENERATIVE CONDITIONS. THE CHARITY CURRENTLY SUPPORTS RESEARCH ON BACTERIOPHAGES FOR CHRONIC INFECTIONS. IT INCLUDES THE RESEARCH AND DEVELOPMENT OF DIAGNOSTIC TESTS, PREVENTION TREATMENTS AND ULTIMATELY, THE CURE OF ANTIBIOTIC RESISTANT INFECTIOUS DISEASES

Classification

- **How:** Sponsors Or Undertakes Research
- **What:** The Advancement Of Health Or Saving Of Lives
- **Who:** The General Public/mankind

Geography

- Kensington And Chelsea

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£47,314	£78,663	-	-
2023-12-31	£38,570	£41,229	-	-
2022-12-31	£60,205	£80,501	-	-
2021-12-31	£95,193	£95,918	-	-
2020-12-31	£96,064	£114,043	-	-

Trustees

Name	Role	Appointed
DR LOUIS CHARLES TEULIERES		2014-03-20
FRANCOIS-XAVIER LOUVET		2014-03-20

PHELIX RESEARCH AND DEVELOPMENT

England & Wales - Charity number 1156666

Accounts

Phelix Research and Development
(A company limited by guarantee)

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Address and Registered Office:
37 Langton Street, Chelsea, London, SW10 0JL

Charity No:
1156666

Company Limited by Guarantee No:
08820009

Phelix Research and Development (a company limited by guarantee)

**Financial Statements
For the Year Ended 31 December 2024**

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Phelix Research and Development (a company limited by guarantee)

Legal and administrative information

Reference and administrative details

Charity number: 1156666

Company number: 08820009

Registered Office and
principal operational
address: 37 Langton Street, Chelsea, London, SW10 0JL

Directors and trustees

Trustees: Mr Francois-Xavier Louvet
Dr Louis Charles Teulieres

Independent Examiner

Alpha Accountants (London) Ltd, 585A Fulham Road, London, SW6 5UA

Phelix Research and Development (a company limited by guarantee)

The Trustees present their report together with the financial statements for the year ended 31 December 2024.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objects as stated in its Articles of Association are:

"To protect and promote the health of the public in particular by research into the nature, cases, diagnosis, prevention, treatment and cure of chronic infection diseases, including the development of findings of research into practical applications for the prevention, treatment and cure of chronic infection diseases and in furtherance of that primary objective, to support information and raise public understanding of such matters, and to support the research on bacteriophages for bacterial infections in a chronic phase and to develop therapeutic programs based on bacteriophages."

Phelix Research & Development (Phelix R&D) is a medical research charity. The charity works hand in hand with Phelix France, registered in France as an 'Association d'Intérêt Général'.

Its team is a strong co-partnership of healthcare professionals (practitioners, immunologists and university researchers, amongst them Leicester University) and volunteers, working together to reach the charity's key objectives.

The overall aim is to develop phage-based diagnostic and treatment of Lyme disease. To-date, we have developed a novel phage-based diagnostic method targeting Lyme Borrelia strains. This novel diagnostic method showed higher sensitivity compared to the current diagnostic methods. With further development, our phage-based method could have the power to distinguish between active and non-active Lyme infection and offer a promise of early Lyme diagnostics.

In addition to our pioneer work in Lyme diagnostics, we have also developed our pipelines of methodologies in isolation and identification of phages that specifically infect Lyme Borrelia strains, and we are currently actively screening for phages. Once we identify phages, we will test the efficacy of these phages in killing Borrelia strain, and develop them towards therapeutics.

Activity update

Phelix R&D Activity in 2024:

RedLab sold 1,377 tests in 2024 versus 1,292 tests sold in 2023. They have managed to stabilise the sharp decline of 26% YoY observed in 2023 versus 2022.

The annual income from the sale of the phage-based test was €56,363.40 for the year 2024: invoices 20 to 23 for RedLab. The payment of the 2% royalties to the University of Leicester was €9,688.32 (including VAT of €1,614.72). Invoice number 2230138497 from the University of Leicester.

Phelix R&D negotiated with the University of Leicester to reduce its contribution to the research. The charity contributed to the funding in 2024, amounting to £41,421.09, using a pro rata basis, while the amount paid by the charity to the university (based on invoices) was £45,447.99 (Invoice number 2230133596 and number 2230136304), noting that these two invoices cover funding from 1st December 2023 until 16th May 2025. On that point, the original agreement stated that the Charity would finance the research at the University of Leicester, initially for a period from September 1, 2023, to March 31, 2024; it was subsequently amended to run from September 1, 2023, to May 15, 2025.

Schedule of the new funding, hence the pro rata temporis cost for 2024:

Total amount payable to Leicester:

Staff costs	£64,895.57
Consumables	£26,000.00
Total	£90,895.57

Payment Schedule

Date of Payment	Amount
On signature of contract	£26,447.97
1st of December 2023	£26,447.97
1st of June 2024	£18,999.82
1st of December 2024	18,999.81

The Charity paid those amounts, not on the dates specified on the schedule, but more on when we had the funds in our bank accounts (as agreed with the University of Leicester)

The research primarily focused on understanding why the traditional Borrelia strain (BB31) is less prevalent in Europe than in the US.

We have noticed that in late Lyme infection cases (95% of the tests sold), patients do not show any further infection with Borrelia burgdorferi sensu lato, while still showing positive tests for Borrelia Myamotoi.

Phelix Research and Development (a company limited by guarantee)

The University of Leicester continued to develop new primers for Bartonella strains.

Phelix R&D worked in partnership with the University of Leicester to publish a research paper titled 'Successful diagnosis and treatment of Borrelia miyamotoi in a patient with joint and muscle pains, ME/CFS and cognitive dysfunction following tick bites: a case report' <https://drive.google.com/file/d/1VyyrmWF3yyN1gChpucnFy976NJPoEtIB/view>

To date, Phelix R&D in collaboration with the University of Leicester has published four articles in professional scientific reviews.

Phelix R&D and Red Lab attended the ILDS conference in San Antonio in November 2024. They presented Phelix R&D's research to medical professionals and a panel of university researchers.

Public benefit

The trustees can confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission. Significant activities that we undertook during the year that demonstrate public benefit are set out above.

FINANCIAL REVIEW

Financial position

During the year, the charity received income totalling £47,314 and incurred expenditure of £79,863, giving a net deficit position of £32,549.

Phelix R&D recognised income of £45,001 from RedLab Belgium from the commercialisation of the Phage based test for the year 2023.

Reserves policy

Whilst the trustees are aware of the need to build reserves for a sustainable future. This is not considered necessary at this time due to the support of the trustees.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is governed by its Memorandum and Articles of Association and constitutes a company limited by guarantee, as defined by the Companies Act 2016.

Recruitment and appointment of new trustees

Trustees are appointed or removed or retire by resolution of the trustees at board meeting or the Annual General Meeting.

Organisational structure

The Board of Trustees administers the company. The Board meets quarterly.

Induction and training of new trustees

Trustees are fully briefed on their legal obligations under charity and company law. Trustees are also urged to make use of the training and advice available on the Charity Commission website.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Independent Examiner

Alpha Accountants (London) Ltd offer themselves for appointment as independent examiner in accordance with Section 492 of The Companies Act 2006.

François-Xavier Louvet

François-Xavier Louvet (Sep 30, 2025 11:10:29 GMT+1)

Mr François-Xavier Louvet

ON BEHALF OF THE TRUSTEES

**Phelix Research and Development (a company limited by guarantee)
Independent Examiner's Report to the trustee**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2024.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Haralambos Hambi (Senior statutory auditor)
for and on behalf of Alpha Accountants (London) Limited, Statutory Auditor
585A Fulham Road
London
SW6 5UA

Date 30/9/2025.

Phelix Research and Development (a company limited by guarantee)
Statement of Financial Activities for the year ended 31 December 2024

	<u>Notes</u>	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total funds Year ended 31 December 2024</u>	<u>Total funds Year ended 31 December 2023</u>
		£.....	£.....	£.....	£.....
Income and expenditure					
Incoming resources					
Donations and legacies		-	-	-	44
Research		47,314	-	47,314	45,001
Total incoming resources		<u>47,314</u>	<u>-</u>	<u>47,314</u>	<u>45,045</u>
Resources expended					
Direct charitable expenditure	3,4	78,663		78,663	41,390
Total resources expended		<u>78,663</u>	<u>-</u>	<u>78,663</u>	<u>41,390</u>
Net movement in funds		(31,349)		(31,349)	3,655
Balances brought forward at 1 January 2024		(344,104)		(344,104)	(347,759)
Balances carried forward at 31 December 2024		<u>(375,453)</u>		<u>(375,453)</u>	<u>(344,104)</u>

The accounting policies and notes on pages 9 to 11 form part of these financial statements

There were no recognised gains or losses other than those shown in the Statement of Financial Activities for the period.

Phelix Research and Development (a company limited by guarantee)
Balance Sheet for the year ended 31 December 2024

	<u>Notes</u>	<u>2024</u>		<u>2023</u>	
		£	£	£	£
FIXED ASSETS	5		6,564		8,753
CURRENT ASSETS					
Debtors	6	20,963		18,766	
Cash at bank and in hand		4,579		47,612	
		<u>25,542</u>		<u>66,378</u>	
CREDITORS					
Amounts falling due within one year	7	29,913		38,570	
NET CURRENT ASSETS			<u>(4,371)</u>		<u>27,808</u>
Total assets less current liabilities			<u>993</u>		<u>36,561</u>
CREDITORS: Amounts falling due after more than one year	8		377,646		380,665
NET ASSETS			<u>(375,453)</u>		<u>(344,104)</u>
FUNDS					
Unrestricted income funds					
General funds	10	(375,453)		(344,104)	
Designated funds		-		-	
TOTAL FUNDS			<u>(375,453)</u>		<u>(344,104)</u>

The company was entitled to exemption from audit under s477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

Mr Francois-Xavier Louvet

François-Xavier Louvet

François-Xavier Louvet (Sep 30, 2025 11:10:29 GMT+1)

The notes on pages 9 to 11 form part of these financial statements.

Phelix Research and Development (a company limited by guarantee)
Notes to the accounts for the year ended 31 December 2024

1. Statutory Information

Phelix Research and Development is a registered charity and private company limited by guarantee having no share capital. Member have agreed to contribute £10 in the event of winding up.

The company is incorporated in the United Kingdom and its registered office is 37 Langton Street, Chelsea, London, SW10 0JL.

The nature of the company's operations and principal activities is disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the company's functional currency, and rounded to the nearest pound.

2. Accounting policies

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards and follow the recommendations in the Statement of Recommended Practice: Accounting and Reporting by Charities SORP (FRS102). They have been prepared under the historical cost convention.

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

(a) Incoming resources

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

(b) Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category.

Charitable expenditure comprises the costs incurred in the delivery of its activities and services.

Governance costs include those associated with meeting the constitutional and statutory requirements of the charity and include the audit fee and costs linked to the strategic management of the charity.

(c) Intangible assets

Intangible assets acquired separately from a business are capitalised at cost.

Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment. Intangible assets are amortised on a straight line basis over their estimated useful life. The carrying value of intangible assets is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

The useful economic lives of intangible assets are as follows:

Patents and license – Over 10 years

(d) Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All other exchange differences are dealt with in the statement of financial activities.

(e) Preparation of accounts on a going concern

After careful consideration of the charity's current financial situation, with due regard to ongoing support of the Trustee, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operation for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the accounts and there are no material uncertainties about the charity's ability to continue.

(f) Public benefit

The charity is a public benefit entity.

Phelix Research and Development (a company limited by guarantee)
Notes to the accounts for the year ended 31 December 2024

3. Charitable Activities Cost

	Direct Costs (see Note 4)	support costs	Total 2024	Total 2023
	£	£	£	£
Research	78,521	142	78,663	41,390
	<u>78,521</u>	<u>142</u>	<u>78,663</u>	<u>41,390</u>

4. Direct Costs of charitable activities

	<u>2024</u>	<u>2023</u>
	£	£
Fees to Leicester University	72,481	36,741
Legal and professional fees	750	218
Governance costs	2,016	948
Foreign currency (gain)/ loss	(3)	413
Website Maintenance	1,088	720
Depreciation	2,189	2,189
	<u>78,521</u>	<u>41,229</u>

5. Intangible assets

	<u>Patent and Licenses</u>	<u>Total</u>
	£	£
Cost		
At 31 December 2023 and 2024	21,887	21,887
Depreciation		
At 1 January 2024	13,134	13,134
Charge for the year	2,189	2,189
At 31 December 2024	<u>15,323</u>	<u>15,323</u>
Net book value		
At 31 December 2024	<u>6,564</u>	<u>6,564</u>
Net book value		
At 31 December 2023	<u>8,753</u>	<u>8,753</u>

Capital commitments

There were no capital commitments authorised or contracted for at the balance sheet date.

6. Debtors

	<u>2024</u>	<u>2023</u>
	£	£
Trade Debtors	11,857	-
Accrued income	7,412	18,766
Other Debtors	1,694	-
	<u>20,963</u>	<u>18,766</u>

The above amounts are due within one year of the balance sheet date.
Other Debtors was short-term borrowing made to Phelix France.

Phelix Research and Development (a company limited by guarantee)
Notes to the accounts for the year ended 31 December 2024

7. Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade Creditors	1,080	-
Accruals and deferred income	28,833	38,570
	<u>29,913</u>	<u>38,570</u>

8. Creditors: amount falling due after more than one year

	2024	2023
	£	£
Loan from trustee	311,305	311,305
Other loan	66,341	69,360
	<u>377,646</u>	<u>380,665</u>

The loan from trustee has a term of six years and provides funding facilities to the charity to undertake its research work. The loan is interest free and will only be repayable after the charity secures sufficient independent funding.

The additional loan has a term of four years and also provides funding facilities to the charity to carry out its research work. The loan is interest free and will only be repayable if revenue is generated from licensing its patent.

9. Related Parties Transaction

There were no related party transactions for the year ended 31 December 2024 that require disclosure, other than the loan from trustee as disclosed in note 8 and note 6.

10. Unrestricted and designated funds

	Designated funds	Other Unrestricted funds	Total Unrestricted funds
	£	£	£
Balances brought forward at 1 January 2024	-	(344,104)	(344,104)
(Deficit)/Surplus in the year	-	(31,349)	(31,549)
Balances carried forward at 31 December 2024	<u>-</u>	<u>(375,453)</u>	<u>(375,453)</u>

PHELIX RESEARCH AND DEVELOPMENT

England & Wales - Charity number 1156666

Accounts

REGISTERED COMPANY NUMBER: 08820009 (England and Wales)
REGISTERED CHARITY NUMBER: 1156666

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023
FOR
PHELIX RESEARCH AND DEVELOPMENT**

MHA (trading name of MacIntyre Hudson LLP)
Limited liability partnership in England & Wales
Registered number OC312313
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

PHELIX RESEARCH AND DEVELOPMENT
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FOR THE YEAR ENDED 31 DECEMBER 2023

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PHELIX RESEARCH AND DEVELOPMENT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objects as stated in its Articles of Association are:

"To protect and promote the health of the public in particular by research into the nature, cases, diagnosis, prevention, treatment and cure of chronic infection diseases, including the development of findings of research into practical applications for the prevention, treatment and cure of chronic infection diseases and in furtherance of that primary objective, to support information and raise public understanding of such matters, and to support the research on bacteriophages for bacterial infections in a chronic phase and to develop therapeutic programs based on bacteriophages."

Phelix Research & Development (Phelix R&D) is a medical research charity. The charity works hand in hand with Phelix France, registered in France as an 'Association d'Intérêt Général'.

Its team is a strong co-partnership of healthcare professionals (practitioners, immunologists and university researchers, amongst them Leicester University) and volunteers, working together to reach the charity's key objectives.

The overall aim is to develop phage-based diagnostic and treatment of Lyme disease. To-date, we have developed a novel phage-based diagnostic method targeting Lyme Borrelia strains. This novel diagnostic method showed higher sensitivity compared to the current diagnostic methods. With further development, our phage-based method could have the power to distinguish between active and non-active Lyme infection and offer a promise of early Lyme diagnostics.

In addition to our pioneer work in Lyme diagnostics, we have also developed our pipelines of methodologies in isolation and identification of phages that specifically infect Lyme Borrelia strains, and we are currently actively screening for phages. Once we identify phages, we will test the efficacy of these phages in killing Borrelia strain, and develop them towards therapeutics.

Activity update

Phelix R&D Activity in 2023:

- RedLab sold 1,292 rests in 2023 versus 1,750 in 2022, a drop of 26% YoY.
- Phelix R&D negotiated with the University of Leicester to reduce its contribution to the research. The University found some internal resources to fund itself for the first half of 2023, while the Charity financed the research for the second half of 2023.
- The research primarily focused on understanding why the traditional Borrelia strain (BB31) is less prevalent in Europe than in the US.
- The University of Leicester kept developing new primers for Bartonella strains.
- The University of Leicester, in collaboration with Red Laboratories, focused on implementing a series of triplicate qPCR assays for Borrelia burgdorferi sensu lato.

Phelix R&D worked in partnership with the University of Leicester to publish a research paper titled 'Combining Citizen Science and Molecular Diagnostic Methods to Investigate the Prevalence of Borrelia burgdorferi s.l. and Borrelia miyamotoi in Tick Pools Across Great Britain': <https://pubmed.ncbi.nlm.nih.gov/37180256/>

The University of Leicester, Phelix R&D, and Red Laboratories have finalized and published a research article in the European Society of Medicine: Overcoming the Challenges of Lyme Disease Diagnosis: The Role of Phage-based Testing: <https://esmed.org/MRA/mra/article/view/4650>

Phelix R&D and Red Lab attended the ILDS conference in Boston in October 2023. They presented Phelix R&D's research to medical professionals and a panel of university researchers.

OBJECTIVES AND ACTIVITIES

Public benefit

The trustees can confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission. Significant activities that we undertook during the year that demonstrate public benefit are set out above.

PHELIX RESEARCH AND DEVELOPMENT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

FINANCIAL REVIEW

Financial position

During the year, the charity received income totalling £45,045 and incurred expenditure of £41,390, giving a net surplus position of £3,655.

Phelix R&D recognised income of £45,001 from RedLab Belgium from the commercialisation of the Phage based test for the year 2023.

Reserves policy

Whilst the trustees are aware of the need to build reserves for a sustainable future. This is not considered necessary at this time due to the support of the trustees.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is governed by its Memorandum and Articles of Association and constitutes a company limited by guarantee, as defined by the Companies Act 2016.

Recruitment and appointment of new trustees

Trustees are appointed or removed or retire by resolution of the trustees at board meeting or the Annual General Meeting.

Organisational structure

The Board of Trustees administers the company. The Board meets quarterly.

Induction and training of new trustees

Trustees are fully briefed on their legal obligations under charity and company law. Trustees are also urged to make use of the training and advice available on the Charity Commission website.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

08820009 (England and Wales)

Registered Charity number

1156666

Registered office

37 Langton Street
Chelsea
LONDON
Greater London
SW10 0JL

Trustees

Mr F A G C Louvet
Dr L C Teulieres

Independent Examiner

MHA (trading name of MacIntyre Hudson LLP)
Limited liability partnership in England & Wales
Registered number OC312313
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Approved by order of the board of trustees on 19 December 2024 and signed on its behalf by:

PHELIX RESEARCH AND DEVELOPMENT
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

Mr F A G C Louvet - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF PHELIX RESEARCH AND DEVELOPMENT

Independent examiner's report to the trustees of Phelix Research and Development ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Julia Mortimer

MHA (trading name of MacIntyre Hudson LLP)
Limited liability partnership in England & Wales
Registered number OC312313
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

19 December 2024

PHELIX RESEARCH AND DEVELOPMENT

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2023**

		2023 Unrestricted fund £	2022 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies		44	21
Charitable activities			
Research		45,001	60,184
Total		<u>45,045</u>	<u>60,205</u>
EXPENDITURE ON			
Charitable activities	3		
Research		41,390	80,501
NET INCOME/(EXPENDITURE)		3,655	(20,296)
RECONCILIATION OF FUNDS			
Total funds brought forward		(347,759)	(327,463)
TOTAL FUNDS CARRIED FORWARD		<u>(344,104)</u>	<u>(347,759)</u>

The notes form part of these financial statements

PHELIX RESEARCH AND DEVELOPMENT

**BALANCE SHEET
31 DECEMBER 2023**

		2023 Unrestricted fund £	2022 Total funds £
FIXED ASSETS	Notes		
Intangible assets	8	8,753	10,942
CURRENT ASSETS			
Debtors	9	18,766	25,786
Cash at bank		47,612	52,290
		<u>66,378</u>	<u>78,076</u>
CREDITORS			
Amounts falling due within one year	10	(38,570)	(54,531)
		<u>27,808</u>	<u>23,545</u>
NET CURRENT ASSETS			
		36,561	34,487
CREDITORS			
Amounts falling due after more than one year	11	(380,665)	(382,246)
		<u>(344,104)</u>	<u>(347,759)</u>
NET ASSETS			
FUNDS	12		
Unrestricted funds		(344,104)	(347,759)
TOTAL FUNDS		<u>(344,104)</u>	<u>(347,759)</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 19 December 2024 and were signed on its behalf by:

Mr F A G C Louvet - Trustee

The notes form part of these financial statements

1. STATUTORY INFORMATION

Phelix Research and Development is a registered charity and private company limited by guarantee having no share capital. Members have agreed to contribute £10 in the event of a winding up.

The company is incorporated in the United Kingdom and its registered office is 37 Langton Street, Chelsea, London, SW10 0JL

The nature of the company's operations and principal activities is disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the company's functional currency, and rounded to the nearest pound.

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 S1A Update Bulletin 1) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

There have been no material departures from the Financial Reporting Standard 102 1A.

Going concern

The charity has the ongoing support of the trustees.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Intangible assets

Intangible assets acquired separately from a business are capitalised at cost.

Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment. Intangible assets are amortised on a straight line basis over their estimated useful life. The carrying value of intangible assets is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

The useful economic lives of intangible assets are as follows:

Patents - 10 years

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

PHELIX RESEARCH AND DEVELOPMENT

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

2. ACCOUNTING POLICIES - continued

Fund accounting

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

3. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 4) £	Support costs £	Totals £
Research	41,229	161	41,390

4. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023 £	2022 £
Fees to Leicester University	36,741	73,660
Legal & professional fees	218	780
Governance costs	948	1,374
Foreign currency (gain)/losses	413	1,751
Website Maintenance	720	609
Depreciation	2,189	2,189
	<u>41,229</u>	<u>80,363</u>

5. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023 £	2022 £
Patents and licences amortisation	2,189	2,189
Independent examination	864	864

6. TRUSTEES' REMUNERATION AND BENEFITS

There was no trustees' remuneration or other benefits for the year ended 31 December 2023 or for the period ended 31 December 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2023 or for the period ended 31 December 2022.

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

All income and expenditure in the period to 31 December 2023 was unrestricted.

8. INTANGIBLE FIXED ASSETS

	Patents and licences £
COST	
At 1 January 2023 and 31 December 2023	21,887
AMORTISATION	
At 1 January 2023	10,945
Charge for year	2,189
At 31 December 2023	13,134
NET BOOK VALUE	
At 31 December 2023	8,753
At 31 December 2022	10,942

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Accrued income	18,766	25,786

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Accruals and deferred income	38,570	54,531

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023 £	2022 £
Loan from trustee	311,305	311,305
Other loans	69,360	70,941
	380,665	382,246

The loan from trustee has a term of six years and provides funding facilities to the charity to undertake its research work. The loan is interest free and will only be repayable after the charity secures sufficient independent funding.

The additional loan has a term of four years and also provides funding facilities to the charity to carry out its research work. The loan is interest free and will only be repayable if revenue is generated from licensing its patents.

12. MOVEMENT IN FUNDS

	At 1/1/23 £	Net movement in funds £	At 31/12/23 £
Unrestricted funds			
General fund	(347,759)	3,655	(344,104)
TOTAL FUNDS	(347,759)	3,655	(344,104)

12. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	45,045	(41,390)	3,655
TOTAL FUNDS	<u>45,045</u>	<u>(41,390)</u>	<u>3,655</u>

Comparatives for movement in funds

	At 1/1/22 £	Net movement in funds £	At 31/12/22 £
Unrestricted funds			
General fund	(327,463)	(20,296)	(347,759)
TOTAL FUNDS	<u>(327,463)</u>	<u>(20,296)</u>	<u>(347,759)</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	60,205	(80,501)	(20,296)
TOTAL FUNDS	<u>60,205</u>	<u>(80,501)</u>	<u>(20,296)</u>

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2023 that require disclosure, other than the loan from trustee as disclosed in note 11.

PHELIX RESEARCH AND DEVELOPMENT

England & Wales - Charity number 1156666

Accounts

REGISTERED COMPANY NUMBER: 08820009 (England and Wales)
REGISTERED CHARITY NUMBER: 1156666

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
FOR
PHELIX RESEARCH AND DEVELOPMENT

MHA (trading name of MacIntyre Hudson LLP)
Limited liability partnership in England & Wales
Registered number OC312313
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

PHELIX RESEARCH AND DEVELOPMENT

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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PHELIX RESEARCH AND DEVELOPMENT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objects as stated in its Articles of Association are:

"To protect and promote the health of the public in particular by research into the nature, cases, diagnosis, prevention, treatment and cure of chronic infection diseases, including the development of findings of research into practical applications for the prevention, treatment and cure of chronic infection diseases and in furtherance of that primary objective, to support information and raise public understanding of such matters, and to support the research on bacteriophages for bacterial infections in a chronic phase and to develop therapeutic programs based on bacteriophages."

Phelix Research & Development (Phelix R&D) is a medical research charity. The charity works hand in hand with Phelix France, registered in France as an 'Association d'Intérêt Général'.

Its team is a strong co-partnership of healthcare professionals (practitioners, immunologists and university researchers, amongst them Leicester University) and volunteers, working together to reach the charity's key objectives.

The overall aim is to develop phage-based diagnostic and treatment of Lyme disease. To-date, we have developed a novel phage-based diagnostic method targeting Lyme Borrelia strains. This novel diagnostic method showed higher sensitivity compared to the current diagnostic methods. With further development, our phage-based method could have the power to distinguish between active and non-active Lyme infection and offer a promise of early Lyme diagnostics.

In addition to our pioneer work in Lyme diagnostics, we have also developed our pipelines of methodologies in isolation and identification of phages that specifically infect Lyme Borrelia strains, and we are currently actively screening for phages. Once we identify phages, we will test the efficacy of these phages in killing Borrelia strain, and develop them towards therapeutics.

Activity update

Activity in 2022:

- Improving the sensitivity of the Phage Based borrelia test with our partner in Belgium, RedLab, who are in charge of the commercialisation of the Test.
- Exploring new technologies in order to automate the DNA extraction from biological samples.
- University of Leicester and Phelix Research and Development: Trying to redesign a Phage Based test for *Bartonella* sp. as the previous test did not show promising sensitivity.
- University of Leicester and Phelix Research and Development: working on the next research paper on *Borrelia Miyamotoi*.
- Finalising the documents for the filing of the Patent of the Borrelia phage based test: UK, USA, EU (Patent attorney Murgitroyd law firm).

OBJECTIVES AND ACTIVITIES

Public benefit

The trustees can confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission. Significant activities that we undertook during the year that demonstrate public benefit are set out above.

FINANCIAL REVIEW

Financial position

During the year, the charity received income totalling £60,205 and incurred expenditure of £80,501, giving a net loss position of £20,296

Phelix R&D recognised income of £52,908 from RedLab Belgium from the commercialisation of the Phage based test for the year 2022.

PHÉLIX RESEARCH AND DEVELOPMENT

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

FINANCIAL REVIEW

Reserves policy

Whilst the trustees are aware of the need to build reserves for a sustainable future, this is not considered necessary at this time due to the support of the trustees.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is governed by its Memorandum and Articles of Association and constitutes a company limited by guarantee, as defined by the Companies Act 2016.

Recruitment and appointment of new trustees

Trustees are appointed or removed or retire by resolution of the trustees at board meeting or the Annual General Meeting.

Organisational structure

The Board of Trustees administers the company. The Board meets quarterly.

Induction and training of new trustees

Trustees are fully briefed on their legal obligations under charity and company law. Trustees are also urged to make use of the training and advice available on the Charity Commission website.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

08820009 (England and Wales)

Registered Charity number

1156666

Registered office

37 Langton Street
Chelsea
LONDON
Greater London
SW10 0JL

Trustees

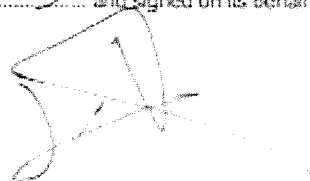
Mr F A C C Louvet
Dr L C Teulieres

Independent Examiner

MHA (trading name of MacIntyre Hudson LLP)
Limited liability partnership in England & Wales
Registered number OC312313
Eiffel House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Approved by order of the board of trustees on 16/11/2023 and signed on its behalf by:

François Xavier Louvet



PHELIX RESEARCH AND DEVELOPMENT
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

Mr F A G C Louvet - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
PHELIX RESEARCH AND DEVELOPMENT**

Independent examiner's report to the trustees of Phelix Research and Development ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Julia Mortimer

MHA (trading name of MacIntyre Hudson LLP)
Limited liability partnership in England & Wales
Registered number OC312313
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Date: 22 Nov 2023

PHELIX RESEARCH AND DEVELOPMENT

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022

		2022 Unrestricted fund £	2021 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies		21	55
Charitable activities			
Research		60,184	90,243
Other income		-	4,895
Total		<u>60,205</u>	<u>95,193</u>
EXPENDITURE ON			
Charitable activities	3		
Research		<u>80,501</u>	<u>95,918</u>
NET INCOME/(EXPENDITURE)		(20,296)	(725)
RECONCILIATION OF FUNDS			
Total funds brought forward		(327,463)	(326,738)
TOTAL FUNDS CARRIED FORWARD		<u>(347,759)</u>	<u>(327,463)</u>

The notes form part of these financial statements

PHELIX RESEARCH AND DEVELOPMENT

BALANCE SHEET
31 DECEMBER 2022

	Notes	2022 Unrestricted fund £	2021 Total funds £
FIXED ASSETS			
Intangible assets	8	10,542	13,131
CURRENT ASSETS			
Debtors	9	25,786	18,510
Cash at bank		52,290	41,112
		<u>78,076</u>	<u>59,622</u>
CREDITORS			
Amounts falling due within one year	10	(54,531)	(21,724)
		<u>23,545</u>	<u>37,898</u>
NET CURRENT ASSETS			
		<u>34,487</u>	<u>51,029</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS			
Amounts falling due after more than one year	11	(362,246)	(378,492)
		<u>(347,759)</u>	<u>(327,463)</u>
NET ASSETS			
FUNDS			
Unrestricted funds	12	(347,759)	(327,463)
		<u>(347,759)</u>	<u>(327,463)</u>
TOTAL FUNDS			
		<u>(347,759)</u>	<u>(327,463)</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.


The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 16/11/2023 and were signed on its behalf by:


Mr F A G C Louvet - Trustee

The notes form part of these financial statements

PHELIX RESEARCH AND DEVELOPMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. STATUTORY INFORMATION

Phelix Research and Development is a registered charity and private company limited by guarantee having no share capital. Members have agreed to contribute £10 in the event of a winding up.

The company is incorporated in the United Kingdom and its registered office is 37 Langton Street, Chelsea, London, SW10 0JL

The nature of the company's operations and principal activities is disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the company's functional currency, and rounded to the nearest pound.

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 S1A Update Bulletin 1) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

There have been no material departures from the Financial Reporting Standard 102 1A.

Going concern

The charity has the ongoing support of the trustees.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Intangible assets

Intangible assets acquired separately from a business are capitalised at cost.

Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment. Intangible assets are amortised on a straight line basis over their estimated useful life. The carrying value of intangible assets is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

The useful economic lives of intangible assets are as follows:

Patents - 10 years

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

PHELIX RESEARCH AND DEVELOPMENT

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

2. ACCOUNTING POLICIES - continued

Fund accounting

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

3. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 4) £	Support costs £	Totals £
Research	<u>80,363</u>	<u>138</u>	<u>80,501</u>

4. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022 £	2021 £
Fees to Leicester University	73,660	90,146
Legal & professional fees	780	3,250
Governance costs	1,374	780
Foreign currency (gain)/losses	1,751	(1,139)
Website Maintenance	609	629
Depreciation	<u>2,189</u>	<u>2,189</u>
	<u>80,363</u>	<u>95,855</u>

5. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Patents and licences amortisation	2,189	2,189
Independent examination	<u>864</u>	<u>780</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There was no trustees' remuneration or other benefits for the year ended 31 December 2022 or for the period ended 31 December 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2022 or for the period ended 31 December 2021.

PHELIX RESEARCH AND DEVELOPMENT

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

All income and expenditure in the period to 31 December 2022 was unrestricted.

8. INTANGIBLE FIXED ASSETS

	Patents and licences £
COST	
At 1 January 2022 and 31 December 2022	21,887
AMORTISATION	
At 1 January 2022	8,756
Charge for year	2,189
At 31 December 2022	10,945
NET BOOK VALUE	
At 31 December 2022	10,942
At 31 December 2021	13,131

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Accrued income	25,786	18,510

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Accruals and deferred income	54,531	21,724

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022 £	2021 £
Loan from trustee	311,305	311,305
Other loans	70,941	67,187
	382,246	378,492

The loan from trustee has a term of six years and provides funding facilities to the charity to undertake its research work. The loan is interest free and will only be repayable after the charity secures sufficient independent funding.

The additional loan has a term of four years and also provides funding facilities to the charity to carry out its research work. The loan is interest free and will only be repayable if revenue is generated from licensing its patents.

PHELIX RESEARCH AND DEVELOPMENT

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

12. MOVEMENT IN FUNDS

	At 1/1/22 £	Net movement in funds £	At 31/12/22 £
Unrestricted funds			
General fund	(327,463)	(20,296)	(347,759)
TOTAL FUNDS	<u>(327,463)</u>	<u>(20,296)</u>	<u>(347,759)</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	60,205	(80,501)	(20,296)
TOTAL FUNDS	<u>60,205</u>	<u>(80,501)</u>	<u>(20,296)</u>

Comparatives for movement in funds

	At 1/1/21 £	Net movement in funds £	At 31/12/21 £
Unrestricted funds			
General fund	(326,738)	(725)	(327,463)
TOTAL FUNDS	<u>(326,738)</u>	<u>(725)</u>	<u>(327,463)</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	95,193	(95,918)	(725)
TOTAL FUNDS	<u>95,193</u>	<u>(95,918)</u>	<u>(725)</u>

PHELIX RESEARCH AND DEVELOPMENT

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2022 that require disclosure, other than the loan from trustee as disclosed in note 11.

PHELIX RESEARCH AND DEVELOPMENT

England & Wales - Charity number 1156666

Accounts

REGISTERED COMPANY NUMBER: 08820009 (England and Wales)
REGISTERED CHARITY NUMBER: 1156666

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
PHELIX RESEARCH AND DEVELOPMENT**

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

PHELIX RESEARCH AND DEVELOPMENT

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

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PHELIX RESEARCH AND DEVELOPMENT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objects as stated in its Articles of Association are:

"To protect and promote the health of the public in particular by research into the nature, cases, diagnosis, prevention, treatment and cure of chronic infection diseases, including the development of findings of research into practical applications for the prevention, treatment and cure of chronic infection diseases and in furtherance of that primary objective, to support information and raise public understanding of such matters, and to support the research on bacteriophages for bacterial infections in a chronic phase and to develop therapeutic programs based on bacteriophages."

Phelix Research & Development (Phelix R&D) is a medical research charity. The charity works hand in hand with Phelix France, registered in France as an 'Association d'Intérêt Général'.

Its team is a strong co-partnership of healthcare professionals (practitioners, immunologists and university researchers, amongst them Leicester University) and volunteers, working together to reach the charity's key objectives.

The overall aim is to develop phage-based diagnostic and treatment of Lyme disease. To-date, we have developed a novel phage-based diagnostic method targeting Lyme Borrelia strains. This novel diagnostic method showed higher sensitivity compared to the current diagnostic methods. With further development, our phage-based method could have the power to distinguish between active and non-active Lyme infection and offer a promise of early Lyme diagnostics.

In addition to our pioneer work in Lyme diagnostics, we have also developed our pipelines of methodologies in isolation and identification of phages that specifically infect Lyme Borrelia strains, and we are currently actively screening for phages. Once we identify phages, we will test the efficacy of these phages in killing Borrelia strain, and develop them towards therapeutics.

Activity update

Currently, the charity is focussed on supporting research surrounding bacteriophage viruses and their potential uses in chronic infection. Could bacteriophages provide an alternative to antibiotics, providing a solution to the problem of increasing antibiotic resistance, one of the largest threats to global health?

Before reaching this stage, research is required in the development of new and more sensitive tests for such chronic infections.

The genus of bacteria identified as a target for research being carried out by the Phelix team initially is called Borrelia spp. Many of the species within this genus are commonly known to be carried by ticks and lice and can cause Lyme disease, if spread to humans.

Simultaneously, work is being done to give further insight into the pathology and physiology of major neurodegenerative conditions, specifically neuroborreliosis, autism spectrum disorder and Alzheimer's disease. This investigation is to provide a firm basis for Phelix's future research into the relationship between chronic infection and neurodegeneration.

In the year 2021, the charity and the University of Leicester have been focusing on improving the specificity and the sensitivity of the diagnostic test we designed.

Our agreement with Red Laboratories in Belgium helped us to gain some returns from our joint patent in order to finance the research.

The charity did also some interesting work on improving our Bartonella Sp. Test.

In the year 2021, the University of Leicester published its first article in a professional journal about our research.

OBJECTIVES AND ACTIVITIES

Public benefit

The trustees can confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission. Significant activities that we undertook during the year that demonstrate public benefit are set out above.

PHELIX RESEARCH AND DEVELOPMENT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

FINANCIAL REVIEW

Financial position

During the year, the charity received income totalling £95,193 and incurred expenditure of £95,918, giving a net loss position of £725.

Phelix R&D recognised income of £90,243 from RedLab Belgium from the commercialisation of the Phage based test for the year 2021.

Reserves policy

Whilst the trustees are aware of the need to build reserves for a sustainable future. This is not considered necessary at this time due to the support of the trustees.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is governed by its Memorandum and Articles of Association and constitutes a company limited by guarantee, as defined by the Companies Act 2016.

Recruitment and appointment of new trustees

Trustees are appointed or removed or retire by resolution of the trustees at board meeting or the Annual General Meeting.

Organisational structure

The Board of Trustees administers the company. The Board meets quarterly.

Induction and training of new trustees

Trustees are fully briefed on their legal obligations under charity and company law. Trustees are also urged to make use of the training and advice available on the Charity Commission website.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

08820009 (England and Wales)

Registered Charity number

1156666

Registered office

37 Langton Street
Chelsea
LONDON
SW10 0JL

Trustees

Mr F A G C Louvet
Dr L C Teulieres

Independent Examiner

Watts Gregory LLP
Chartered Accountants
Elfed House, Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

Approved by order of the Board of Trustees on 28/02/2023 and signed on its behalf by:


.....
Mr F A G C Louvet Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
PHELIX RESEARCH AND DEVELOPMENT**

Independent examiner's report to the trustees of Phelix Research and Development ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Julia Mortimer FCCA
Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

2 March 2023

PHELIX RESEARCH AND DEVELOPMENT

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021

		2021 Unrestricted fund £	2020 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies		55	21
Charitable activities			
Research		90,243	94,943
Other income		<u>4,895</u>	<u>1,100</u>
Total		<u>95,193</u>	<u>96,064</u>
EXPENDITURE ON			
Charitable activities	3		
Research		<u>95,918</u>	<u>114,043</u>
NET INCOME/(EXPENDITURE)		(725)	(17,979)
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>(326,738)</u>	<u>(308,759)</u>
TOTAL FUNDS CARRIED FORWARD		<u>(327,463)</u>	<u>(326,738)</u>

The notes form part of these financial statements

PHELIX RESEARCH AND DEVELOPMENT

**BALANCE SHEET
31 DECEMBER 2021**

	Notes	2021 Unrestricted fund £	2020 Total funds £
FIXED ASSETS			
Intangible assets	8	13,131	15,320
CURRENT ASSETS			
Debtors	9	18,510	23,985
Cash at bank		<u>41,112</u>	<u>37,333</u>
		59,622	61,318
CREDITORS			
Amounts falling due within one year	10	(21,724)	(20,116)
NET CURRENT ASSETS		<u>37,898</u>	<u>41,202</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		51,029	56,522
CREDITORS			
Amounts falling due after more than one year	11	(378,492)	(383,260)
NET ASSETS		<u>(327,463)</u>	<u>(326,738)</u>
FUNDS	12		
Unrestricted funds		<u>(327,463)</u>	<u>(326,738)</u>
TOTAL FUNDS		<u>(327,463)</u>	<u>(326,738)</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 28/01/2023 and were signed on its behalf by:


Mr F A G C Louvet - Trustee

The notes form part of these financial statements

1. STATUTORY INFORMATION

Phelix Research and Development is a registered charity and private company limited by guarantee having no share capital. Members have agreed to contribute £10 in the event of a winding up.

The company is incorporated in the United Kingdom and its registered office is 37 Langton Street, Chelsea, London, SW10 0JL

The nature of the company's operations and principal activities is disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the company's functional currency, and rounded to the nearest pound.

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 S1A Update Bulletin 1) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

There have been no material departures from the Financial Reporting Standard 102 1A, except in relation to investment property noted below.

Going concern

The charity has the ongoing support of the trustees.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Intangible assets

Intangible assets acquired separately from a business are capitalised at cost.

Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment. Intangible assets are amortised on a straight line basis over their estimated useful life. The carrying value of intangible assets is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

The useful economic lives of intangible assets are as follows:

Patents - 10 years

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

2. ACCOUNTING POLICIES - continued

Fund accounting

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

3. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 4) £	Support costs £	Totals £
Research	<u>95,855</u>	<u>63</u>	<u>95,918</u>

4. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Fees to Leicester University	90,146	105,374
Legal & professional fees	3,250	553
Governance costs	780	780
Foreign currency gains/losses	(1,139)	5,118
Website Maintenance	629	-
Depreciation	<u>2,189</u>	<u>2,189</u>
	<u>95,855</u>	<u>114,014</u>

5. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Patents and licences amortisation	2,189	2,189
Independent examination	<u>780</u>	<u>780</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There was no trustees' remuneration or other benefits for the year ended 31 December 2021 or for the period ended 31 December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2021 or for the period ended 31 December 2020.

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

All income and expenditure in the period to 31 December 2020 was unrestricted.

PHELIX RESEARCH AND DEVELOPMENT

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

8. INTANGIBLE FIXED ASSETS

	Patents and licences £
COST	
At 1 January 2021 and 31 December 2021	<u>21,887</u>
AMORTISATION	
At 1 January 2021	6,567
Charge for year	<u>2,189</u>
At 31 December 2021	<u>8,756</u>
NET BOOK VALUE	
At 31 December 2021	<u>13,131</u>
At 31 December 2020	<u>15,320</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Accrued income	<u>18,510</u>	<u>23,985</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Accruals and deferred income	<u>21,724</u>	<u>20,116</u>

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £	2020 £
Loan from trustee	311,305	311,305
Other loans	<u>67,187</u>	<u>71,955</u>
	<u>378,492</u>	<u>383,260</u>

The loan from trustee has a term of six years and provides funding facilities to the charity to undertake its research work. The loan is interest free and will only be repayable after the charity secures sufficient independent funding.

The additional loan has a term of four years and also provides funding facilities to the charity to carry out its research work. The loan is interest free and will only be repayable if revenue is generated from licensing its patents.

12. MOVEMENT IN FUNDS

	At 1/1/21 £	Net movement in funds £	At 31/12/21 £
Unrestricted funds			
General fund	(326,738)	(725)	(327,463)
TOTAL FUNDS	<u>(326,738)</u>	<u>(725)</u>	<u>(327,463)</u>

PHELIX RESEARCH AND DEVELOPMENT

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

12. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	95,193	(95,918)	(725)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>95,193</u>	<u>(95,918)</u>	<u>(725)</u>

Comparatives for movement in funds

	At 1/1/20 £	Net movement in funds £	At 31/12/20 £
Unrestricted funds			
General fund	(308,759)	(17,979)	(326,738)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>(308,759)</u>	<u>(17,979)</u>	<u>(326,738)</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	96,064	(114,043)	(17,979)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>96,064</u>	<u>(114,043)</u>	<u>(17,979)</u>

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2021 that require disclosure, other than the loan from trustee as disclosed in note 11.

PHELIX RESEARCH AND DEVELOPMENT

England & Wales - Charity number 1156666

Accounts

REGISTERED COMPANY NUMBER: 08820009 (England and Wales)
REGISTERED CHARITY NUMBER: 1156666

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
PHELIX RESEARCH AND DEVELOPMENT**

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
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County of Cardiff
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PHELIX RESEARCH AND DEVELOPMENT
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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PHELIX RESEARCH AND DEVELOPMENT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2019. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objects as stated in its Articles of Association are:

"To protect and promote the health of the public in particular by research into the nature, cases, diagnosis, prevention, treatment and cure of chronic infection diseases, including the development of findings of research into practical applications for the prevention, treatment and cure of chronic infection diseases and in furtherance of that primary objective, to support information and raise public understanding of such matters, and to support the research on bacteriophages for bacterial infections in a chronic phase and to develop therapeutic programs based on bacteriophages."

Phelix Research & Development (Phelix R&D) is a medical research charity. The charity works hand in hand with Phelix France, registered in France as an 'Association d'Intérêt Général'.

Its team is a strong co-partnership of healthcare professionals (practitioners, immunologists and university researchers, amongst them Leicester University) and volunteers, working together to reach the charity's key objectives.

The overall aim is to develop phage-based diagnostic and treatment of Lyme disease. To-date, we have developed a novel phage-based diagnostic method targeting Lyme Borrelia strains. This novel diagnostic method showed higher sensitivity compared to the current diagnostic methods. With further development, our phage-based method could have the power to distinguish between active and non-active Lyme infection and offer a promise of early Lyme diagnostics.

In addition to our pioneer work in Lyme diagnostics, we have also developed our pipelines of methodologies in isolation and identification of phages that specifically infect Lyme Borrelia strains, and we are currently actively screening for phages. Once we identify phages, we will test the efficacy of these phages in killing Borrelia strain, and develop them towards therapeutics.

Activity update

- Due to the successive lockdowns in 2020, limited research was done.
- We did not attend any conferences.
- Commercialisation of the Borrelia Phage based test in partnership with Red laboratories in Belgium - Brussels: <https://redlabs.be/phelix-phage-borrelia/>
- Publication in 'Frontiers in Microbiology' of the article describing and detailing our research on the development of a new technology to detect Borrelia infections. <https://www.frontiersin.org/articles/10.3389/fmicb.2021.651217/full>
- Collaboration with the Bay Are Lyme Foundation on a study of North American Lyme patients.
- Launch with our partner, Red Laboratories, of a test using Phage technology for Rickettsial infections.
- Continuation of research for the development of a more generic and less expensive test to detect borrelia / Lyme infections.
- Study in partnership with Red Laboratories on more than 100 Ticks to better understand the epidemiology of so-called Lyme bacteria.
- We are continuing unabatedly the work of transferring Phage technology to detect so-called Bartonella infections.

OBJECTIVES AND ACTIVITIES

Public benefit

The trustees can confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission. Significant activities that we undertook during the year that demonstrate public benefit are set out above.

PHELIX RESEARCH AND DEVELOPMENT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

FINANCIAL REVIEW

Financial position

During the year, the charity received income totalling £96,064 and incurred expenditure of £114,043, giving a net loss position of £17,979.

François- Xavier Louvet, founding trustee, increased the notional loan facility agreement with 0% interest by £25,000.

Phelix R&D received £94,943. from RedLab Belgium from the commercialisation of the Phage based test for the year 2020.

Reserves policy

Whilst the trustees are aware of the need to build reserves for a sustainable future. This is not considered necessary at this time due to the support of the trustees.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is governed by its Memorandum and Articles of Association and constitutes a company limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

Trustees are appointed or removed or retire by resolution of the trustees at board meeting or the Annual General Meeting.

Organisational structure

The Board of Trustees administers the company. The Board meets quarterly.

Induction and training of new trustees

Trustees are fully briefed on their legal obligations under charity and company law. Trustees are also urged to make use of the training and advice available on the Charity Commission website.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

08820009 (England and Wales)

Registered Charity number

1156666

Registered office

37 Langton Street
Chelsea
LONDON
SW10 0JL

Trustees

Mr F A G C Louvet
Dr L C Teulieres

Independent Examiner

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

PHELIX RESEARCH AND DEVELOPMENT
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

Approved by order of the Board of Trustees on and signed on its behalf by:

.....
Mr F A G C Louvet - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
PHELIX RESEARCH AND DEVELOPMENT**

Independent examiner's report to the trustees of Phelix Research and Development ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2020.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Julia Mortimer
Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Date:

PHELIX RESEARCH AND DEVELOPMENT

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020

		2020 Unrestricted fund £	2019 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies		21	34,665
Charitable activities			
Research		94,943	28,785
Other income		<u>1,100</u>	<u>-</u>
Total		96,064	63,450
EXPENDITURE ON			
Charitable activities	3		
Research		114,043	59,534
		<u> </u>	<u> </u>
NET INCOME/(EXPENDITURE)		(17,979)	3,916
RECONCILIATION OF FUNDS			
Total funds brought forward		(308,759)	(312,675)
		<u> </u>	<u> </u>
TOTAL FUNDS CARRIED FORWARD		<u>(326,738)</u>	<u>(308,759)</u>

The notes form part of these financial statements

PHELIX RESEARCH AND DEVELOPMENT

**BALANCE SHEET
31 DECEMBER 2020**

		2020 Unrestricted fund £	2019 Total funds £
FIXED ASSETS	Notes		
Intangible assets	8	15,320	17,509
CURRENT ASSETS			
Debtors	9	23,985	-
Cash at bank		<u>37,333</u>	<u>28,815</u>
		61,318	28,815
CREDITORS			
Amounts falling due within one year	10	(20,116)	(780)
		<u>41,202</u>	<u>28,035</u>
NET CURRENT ASSETS			
		<u>41,202</u>	<u>28,035</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		56,522	45,544
CREDITORS			
Amounts falling due after more than one year	11	(383,260)	(354,303)
		<u>(326,738)</u>	<u>(308,759)</u>
NET ASSETS			
		<u>(326,738)</u>	<u>(308,759)</u>
FUNDS	12		
Unrestricted funds		<u>(326,738)</u>	<u>(308,759)</u>
TOTAL FUNDS		<u>(326,738)</u>	<u>(308,759)</u>

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

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

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
Mr F A G C Louvet - Trustee

The notes form part of these financial statements

1. STATUTORY INFORMATION

Phelix Research and Development is a registered charity and private company limited by guarantee having no share capital. Members have agreed to contribute £10 in the event of a winding up.

The company is incorporated in the United Kingdom and its registered office is 37 Langton Street, Chelsea, London, SW10 0JL

The nature of the company's operations and principal activities is disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the company's functional currency, and rounded to the nearest pound.

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 S1A Update Bulletin 1) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

There have been no material departures from the Financial Reporting Standard 102 1A, except in relation to investment property noted below.

Going concern

The charity has the ongoing support of the trustees.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Intangible assets

Intangible assets acquired separately from a business are capitalised at cost.

Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment. Intangible assets are amortised on a straight line basis over their estimated useful life. The carrying value of intangible assets is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

The useful economic lives of intangible assets are as follows:

Patents - 10 years

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

2. ACCOUNTING POLICIES - continued

Fund accounting

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

3. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 4) £	Support costs £	Totals £
Research	<u>114,014</u>	<u>29</u>	<u>114,043</u>

4. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2020 £	2019 £
Fees to Leicester University	105,374	59,766
Legal & professional fees	553	556
Governance costs	780	780
Foreign currency gains/losses	5,118	(3,757)
Patents and licences amortisation	<u>2,189</u>	<u>2,189</u>
	<u>114,014</u>	<u>59,534</u>

5. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2020 £	2019 £
Patents and licences amortisation	2,189	2,189
Independent examination fees	<u>780</u>	<u>780</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There was no trustees' remuneration or other benefits for the year ended 31 December 2020 or for the period ended 31 December 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2020 or for the period ended 31 December 2019.

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

All expenditure in the year to 31 December 2019 was unrestricted.

PHELIX RESEARCH AND DEVELOPMENT

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

8. INTANGIBLE FIXED ASSETS

	Patents and licences £
COST	
At 1 January 2020 and 31 December 2020	<u>21,887</u>
AMORTISATION	
At 1 January 2020	4,378
Charge for year	<u>2,189</u>
At 31 December 2020	<u>6,567</u>
NET BOOK VALUE	
At 31 December 2020	<u>15,320</u>
At 31 December 2019	<u>17,509</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Accrued income	<u>23,985</u>	<u>-</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Accruals and deferred income	<u>20,116</u>	<u>780</u>

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020 £	2019 £
Loan from trustee	311,305	286,305
Other loans	<u>71,955</u>	<u>67,998</u>
	<u>383,260</u>	<u>354,303</u>

The loan from trustee has a term of six years and provides funding facilities to the charity to undertake its research work. The loan is interest free and will only be repayable after the charity secures sufficient independent funding.

The additional loan has a term of four years and also provides funding facilities to the charity to carry out its research work. The loan is interest free and will only be repayable if revenue is generated from licensing its patents.

12. MOVEMENT IN FUNDS

	At 1/1/20 £	Net movement in funds £	At 31/12/20 £
Unrestricted funds			
General fund	(308,759)	(17,979)	(326,738)
TOTAL FUNDS	<u>(308,759)</u>	<u>(17,979)</u>	<u>(326,738)</u>

12. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	96,064	(114,043)	(17,979)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>96,064</u>	<u>(114,043)</u>	<u>(17,979)</u>

Comparatives for movement in funds

	At 1/1/19 £	Net movement in funds £	At 31/12/19 £
Unrestricted funds			
General fund	(312,675)	3,916	(308,759)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>(312,675)</u>	<u>3,916</u>	<u>(308,759)</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	63,450	(59,534)	3,916
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>63,450</u>	<u>(59,534)</u>	<u>3,916</u>

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2020 or year ended 31 December 2019 that require disclosure, other than the loan from trustee as disclosed in note 11.