

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.

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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/1VyyrmWF3vyN1gChpucnFy976NJPoEtIB/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 Francois-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</u> <u>Funds</u>	<u>Restricted</u> <u>Funds</u>	<u>Total funds</u> <u>Year ended</u> <u>31 December</u> <u>2024</u>	<u>Total funds</u> <u>Year ended</u> <u>31 December</u> <u>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></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.

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

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.

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>