

ASCEND LABORATORIES (UK) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

ASCEND LABORATORIES (UK) LIMITED

COMPANY INFORMATION

Directors	Mr Amit Ghare Mr Manish Narang Mr Amit Kumar Mr Alok Verma
Registered number	09164483
Registered office	Elsley Court 20-22 Great Titchfield Street London W1W 8BE
Independent auditor	SRLV Audit Limited Chartered Accountants & Statutory Auditor Elsley Court 20-22 Great Titchfield Street London W1W 8BE

ASCEND LABORATORIES (UK) LIMITED

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ASCEND LABORATORIES (UK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The directors present their report and the financial statements for the year ended 31 March 2022.

Principal activity

The company's principal activity is that of pharmaceutical distribution.

Results and dividends

The profit for the year, after taxation, amounted to £57,327 (2021 - £58,610).

Directors

The directors who served during the year were:

Mr Amit Ghare
Mr Manish Narang
Mr Amit Kumar
Mr Alok Verma

Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Under section 487(2) of the Companies Act 2006, SRLV Audit Limited will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

Small company regime

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 25 April 2022 and signed on its behalf.



Mr Amit Kumar
Director

ASCEND LABORATORIES (UK) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Section 1A of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ASCEND LABORATORIES (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASCEND LABORATORIES (UK) LIMITED

Opinion

We have audited the financial statements of Ascend Laboratories (UK) Limited (the 'company') for the year ended 31 March 2022, which comprise the profit and loss account, the balance sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Section 1A of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

ASCEND LABORATORIES (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASCEND LABORATORIES (UK) LIMITED

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

ASCEND LABORATORIES (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASCEND LABORATORIES (UK) LIMITED

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the entity's industry and sector, control environment, business performance and management incentives;
- the results of our specific enquiries of management and those charged with governance about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: revenue recognition and the valuation of stock. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override of controls.

We also obtained an understanding of the legal and regulatory frameworks in which the company operates, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

ASCEND LABORATORIES (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASCEND LABORATORIES (UK) LIMITED

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Whilst the procedures above describe the extent to which our procedures are capable of detecting irregularities, including fraud, there are inherent limitations in these audit procedures. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, misrepresentation or through collusion. We are not responsible for preventing irregularities, including fraud, or non-compliance with laws and regulations and cannot be expected to detect all irregularities or non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Richard Gilbert (Senior Statutory Auditor)

for and on behalf of
SRLV Audit Limited

Chartered Accountants
Statutory Auditor

Elsley Court
20-22 Great Titchfield Street
London
W1W 8BE

25 April 2022

ASCEND LABORATORIES (UK) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Turnover	2,654,882	3,239,076
Cost of sales	(2,460,858)	(3,039,173)
Gross profit	194,024	199,903
Administrative expenses	(139,262)	(145,014)
Operating profit	54,762	54,889
Interest receivable and similar income	14,676	17,080
Profit before tax	69,438	71,969
Tax on profit	(12,111)	(13,359)
Profit for the financial year	57,327	58,610

There was no other comprehensive income for 2021 (2020 - £NIL).

ASCEND LABORATORIES (UK) LIMITED
REGISTERED NUMBER:09164483

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	6	1,229	544
		1,229	544
Current assets			
Stocks	7	1,232,313	1,419,857
Debtors: amounts falling due within one year	8	1,247,639	1,410,264
Cash at bank and in hand	9	1,513,808	1,909,926
		3,993,760	4,740,047
Creditors: amounts falling due within one year	10	(3,304,841)	(4,107,770)
Net current assets		688,919	632,277
Total assets less current liabilities		690,148	632,821
Net assets		690,148	632,821
Capital and reserves			
Called up share capital	11	250,000	250,000
Profit and loss account		440,148	382,821
		690,148	632,821

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 April 2022.



Mr Amit Kumar
 Director

The notes on pages 9 to 13 form part of these financial statements.

ASCEND LABORATORIES (UK) LIMITED

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

1. General information

Ascend Laboratories (UK) Limited is a pharmaceutical distributor.

The company is a private company limited by shares and is registered in England and Wales, registration number 09164483. The address of its registered office is Elsley Court, 20-22 Great Titchfield Street, London, W1W 8BE.

The address of its principal place of business is 4th Floor, Cavendish House, 369 Burnt Oak Broadway, Edgware, HA8 5AW, United Kingdom.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.3 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is pound sterling.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

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

ASCEND LABORATORIES (UK) LIMITED

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

2. Accounting policies (continued)

2.4 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

2.5 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.6 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Computer equipment	- 3 years
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to sell. Cost is based on the cost of purchase on a moving average price basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to sell. The impairment loss is recognised immediately in profit or loss.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

ASCEND LABORATORIES (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.10 Cash

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.11 Creditors

Short term creditors are measured at the transaction price.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The company establishes a provision for slow moving inventory. When determining the provision, the directors consider factors such as the amount of the inventory holding and subsequent sales.

4. Employees

The average monthly number of employees, including directors, during the year was 5 (2021 - 5).

5. Directors' remuneration

	2022	2021
	£	£
Directors' emoluments	5,000	5,000

ASCEND LABORATORIES (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

6. Tangible fixed assets

	Computer equipment £
Cost	
At 1 April 2021	1,243
Additions	807
At 31 March 2022	2,050
Depreciation	
At 1 April 2021	699
Charge for the year	122
At 31 March 2022	821
Net book value	
At 31 March 2022	1,229
At 31 March 2021	544

7. Stocks

	2022 £	2021 £
Traded goods and goods for resale	1,232,313	1,419,857

8. Debtors

	2022 £	2021 £
Trade debtors	511,017	656,865
Amounts owed by group undertakings	578,001	596,185
Other debtors	7,591	91
Amount receivable from shareholder	150,000	150,000
Prepayments and accrued income	1,030	7,123
	1,247,639	1,410,264

The amount receivable from shareholder pertains to £150,000 (2021 - £150,000) of issued share capital not yet called by the directors (see note 11).

ASCEND LABORATORIES (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

9. Cash

	2022	2021
	£	£
Cash at bank and in hand	1,513,808	1,909,926

10. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	34,772	27,073
Amounts owed to group undertakings	3,132,276	3,959,429
Corporation tax	5,324	3,393
Other taxation and social security	103,822	89,895
Accruals and deferred income	28,647	27,980
	3,304,841	4,107,770

11. Share capital

	2022	2021
	£	£
Allotted and partly paid		
250,000 Ordinary shares of £1 each	250,000	250,000

At the balance sheet date, the company's 250,000 issued ordinary £1 shares have been partly paid to the amount of £100,000. The directors have not called for the balance to be paid and at the date of signature of these financial statements, £150,000 remains unpaid and included within debtors due within one year.

There is a single class of ordinary share. There are no restrictions on the distribution of dividends and the repayment of capital.

12. Related party transactions

The company has not disclosed transactions with wholly owned group companies in accordance with FRS 102, Section 1A paragraph 1AC.35.

The parent of the smallest group, of which the company is a member and for which group accounts are prepared, is Alkem Laboratories Limited. Its registered office is Alkem House, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, Maharashtra, India.

ASCEND LABORATORIES (UK) LIMITED

DETAILED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

ASCEND LABORATORIES (UK) LIMITED

DETAILED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Turnover	2,654,882	3,239,076
Cost of sales	(2,460,858)	(3,039,173)
Gross profit	194,024	199,903
Less: overheads		
Administration expenses	(139,262)	(145,014)
Operating profit	54,762	54,889
Interest income and similar income	14,676	17,080
Tax on profit on ordinary activities	(12,111)	(13,359)
Profit for the year	57,327	58,610

ASCEND LABORATORIES (UK) LIMITED

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022**

	2022	2021
	£	£
Turnover		
Sales	2,654,882	3,239,076
	<u><u>2,654,882</u></u>	<u><u>3,239,076</u></u>
	2022	2021
	£	£
Cost of sales		
Opening stocks - finished goods	1,419,857	562,537
Closing stocks - finished goods	(1,232,313)	(1,419,857)
Purchases - finished goods	1,925,076	3,543,678
Commissions payable	60,774	55,082
Carriage and import duty	1,931	180
Goods storage	114,339	93,330
Legal and professional	86,428	79,579
Logistic fees	38,519	34,319
Advertising and promotion	-	1,500
Quality control	46,247	88,825
	<u><u>2,460,858</u></u>	<u><u>3,039,173</u></u>

ASCEND LABORATORIES (UK) LIMITED**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022**

	2022	2021
	£	£
Administration expenses		
Directors salaries	5,000	5,000
Staff salaries	80,000	75,000
Staff national insurance	5,819	5,138
Staff welfare	1,032	-
Hotels, travel and subsistence	4,064	281
Printing and stationery	20	124
Postage	-	12
Telephone and fax	939	784
Computer costs	262	3,139
Legal and professional	24,743	16,001
Auditors' remuneration	11,500	9,357
Bank charges	1,618	1,641
Difference on foreign exchange	1,777	28,009
Sundry expenses	-	17
Rent	2,000	-
Cleaning	-	27
Insurances	366	329
Depreciation - computer equipment	122	155
	139,262	145,014
	£	£
Interest receivable and similar income		
Other interest income	14,676	17,080
