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**INGENION MEDICAL LIMITED**

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**UNAUDITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

**INGENION MEDICAL LIMITED**  
REGISTERED NUMBER: 08664089

**BALANCE SHEET**  
AS AT 31 DECEMBER 2019

	Note	2019 \$	2018 \$
<b>Fixed assets</b>			
Intangible assets	4	1,440,545	1,195,319
Investments	5	1	1
		<u>1,440,546</u>	<u>1,195,320</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	391,453	388,571
Cash at bank and in hand	7	38,575	34,888
		<u>430,028</u>	<u>423,459</u>
Creditors: amounts falling due within one year	8	(479,967)	(580,950)
<b>Net current liabilities</b>		<u>(49,939)</u>	<u>(157,491)</u>
<b>Total assets less current liabilities</b>		<u>1,390,607</u>	<u>1,037,829</u>
Creditors: amounts falling due after more than one year	9	(450,332)	-
<b>Net assets</b>		<u>940,275</u>	<u>1,037,829</u>
<b>Capital and reserves</b>			
Called up share capital		2,787	2,787
Share premium account		2,289,151	2,289,151
Profit and loss account		(1,351,663)	(1,254,109)
		<u>940,275</u>	<u>1,037,829</u>

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**INGENION MEDICAL LIMITED**  
**REGISTERED NUMBER: 08664089**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2019**

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The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 17 June 2020.

**Alistair Taylor**  
Director

The notes on pages 3 to 8 form part of these financial statements.

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INGENION MEDICAL LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

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**1. General information**

Ingenion Medical Limited is a private company limited by shares and incorporated in England. The registered office is 64 New Cavendish Street, London, W1G 8TB.

**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.

The following principal accounting policies have been applied:

**2.2 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

**2.3 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.4 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.

**2.5 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition

and that are readily convertible to known amounts of cash with insignificant risk of change in value.

## **2.6 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

## **2.7 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

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INGENION MEDICAL LIMITED

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**2. Accounting policies (continued)**

**2.8 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is USD.

**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 resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and loss account except when deferred in other comprehensive income as qualifying cash flow hedges.

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 the Profit and loss account within 'other operating income'.

**2.9 Borrowing costs**

All borrowing costs are recognised in the Profit and loss account in the year in which they are incurred.

**2.10 Taxation**

Tax is recognised in the Profit and loss account, 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 in the countries where the Company operates and generates income.

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**INGENION MEDICAL LIMITED**


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


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**2. Accounting policies (continued)****2.11 Research and development**

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

Amortisation will only commence once commercial production has started or when the developed product or service comes into use.

**3. Employees**

The average monthly number of employees, including directors, during the year was 4 (2018 - 4).

**4. Intangible assets**

	<b>Development</b>
	<b>\$</b>
<b>Cost</b>	
At 1 January 2019	1,195,319
Additions	245,226
At 31 December 2019	<u>1,440,545</u>
<b>Net book value</b>	
At 31 December 2019	<u>1,440,545</u>
<i>At 31 December 2018</i>	<u>1,195,319</u>

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NOTES TO THE FINANCIAL STATEMENTS  
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5. Fixed asset investments

	Investments in subsidiary companies
	\$
<b>Cost or valuation</b>	
At 1 January 2019	1
At 31 December 2019	<u>1</u>
<b>Net book value</b>	
At 31 December 2019	<u>1</u>
<b><i>At 31 December 2018</i></b>	<u>1</u>



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**NOTES TO THE FINANCIAL STATEMENTS  
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**6. Debtors**

	2019	2018
	\$	\$
Amounts owed by group undertakings	370,986	378,886
Other debtors	20,467	9,683
	<u>391,453</u>	<u>388,571</u>

**7. Cash and cash equivalents**

	2019	2018
	\$	\$
Cash at bank and in hand	38,575	34,886
	<u>38,575</u>	<u>34,886</u>

**8. Creditors: Amounts falling due within one year**

	2019	2018
	\$	\$
Trade creditors	474,188	314,862
Other taxation and social security	-	1,955
Other creditors	1,979	260,333
Accruals and deferred income	3,800	3,800
	<u>480,967</u>	<u>580,950</u>



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


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**9. Creditors: Amounts falling due after more than one year**

	<b>2019</b>	<i>2018</i>
	<b>\$</b>	<b>\$</b>
10% Fixed Rate Secured Convertible Loan Notes	<b>450,332</b>	-
	<u><b>450,332</b></u>	<u>-</u>

10% Fixed Rate Convertible Loan Notes are due for redemption at the option of the Company as soon as practicable following completion of the Subsequent Funding Event by giving notice to the CLN holders.

The principal of the CLNs shall accrue interest at a non-cash interest rate of 10% per annum until such time as the CLNs are converted.

Convertible loan note holders shall be granted security over the IP & Patents of the Company up to the limit of their investment for as long as the CLN's remain outstanding and not converted.

**10. Loans**

Analysis of the maturity of loans is given below:

	<b>2019</b>	<i>2018</i>
	<b>\$</b>	<b>\$</b>
<b>Amounts falling due 1-2 years</b>		
10% Fixed Rate Secured Convertible Loan Notes	<b>450,332</b>	-
	<u><b>450,332</b></u>	<u>-</u>
	<u><b>450,332</b></u>	<u>-</u>

**11. Post balance sheet events**

Between the year end and the date of this report, Coronavirus and the COVID-19 pandemic emerged globally. For more detail regarding the directors' view of this event please refer to the Directors Report.

