

**ANGLE TECHNOLOGY LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2012**

THURSDAY



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# ANGLE TECHNOLOGY LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Ian F Griffiths Andrew D W Newland
<b>Secretary</b>	Ian F Griffiths
<b>Company number</b>	02916948
<b>Registered office</b>	3 Frederick Sanger Road The Surrey Research Park Guildford Surrey GU2 7YD
<b>Web site</b>	<u><a href="http://www.ANGLEplc.com">www.ANGLEplc.com</a></u>
<b>Auditor</b>	Baker Tilly UK Audit LLP 3 <sup>rd</sup> Floor One London Square Cross Lanes Guildford Surrey GU1 1UN

# ANGLE TECHNOLOGY LIMITED

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# ANGLE TECHNOLOGY LIMITED

## **DIRECTORS' REPORT** **FOR THE YEAR ENDED 30 APRIL 2012**

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The Directors present their Report and Financial Statements for ANGLE Technology Limited, Company registration number 02916948, for the year ended 30 April 2012.

The Directors who held office as at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the company auditors are unaware; and each Director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company auditors are aware of that information.

### **Principal activity and review of the business**

The Company is a trading Company of ANGLE plc and the former holding company of the Group. The principal activities of the Company are the provision of Management services and it also holds a number of investments in ventures.

### **Management services**

The Management services business has been constrained by Government cut backs but continued to operate profitably. During the year, it made a continuing contribution to corporate overheads and a modest profit of £0.1 million (2011: £0.3 million).

Whilst some existing contracts have reached their conclusion in line with their contract terms, ANGLE has recently secured new business as part of the consortia awarded contracts for the two new major Government programmes National Manufacturing Advisory Services and Business Coaching for Growth.

### **Investments**

**Acolyte Biomedica (medical diagnostics / MRSA detection)** was sold in February 2007. The deferred consideration due in respect of the sale of the investment in Acolyte Biomedica was subject to dispute between the former Acolyte shareholders and the purchaser. The dispute was settled following the year end and the full value held in Other receivables at year end was collected in January 2013. Note 11 provides further information.

**NeuroTargets (neuropathic pain, Alzheimer's and multiple sclerosis)** has developed therapeutic molecules based on galanin, a protein used by nerve cells to communicate with each other.

NeuroTargets has, through Professor Wynick's research, had positive pre-clinical results for the treatment of multiple sclerosis (MS) and Alzheimer's disease (AD). The Company has filed patent applications in relation to the use of galanin to treat MS and AD. A patent has been granted in Australia and applications in other territories are ongoing. NeuroTargets has long term potential that requires partnering.

Additional information is provided in the ANGLE plc Annual Report and Accounts 2012 and subsequent news releases.

# **ANGLE TECHNOLOGY LIMITED**

## **DIRECTORS' REPORT (Continued) FOR THE YEAR ENDED 30 APRIL 2012**

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### **Key performance indicators**

The key performance indicators for the Company are those associated with Management services and the above investments.

- Management services – to retain existing contracts as far as possible, win new management services contracts, retain key employees and operate contracts profitably and contribute to corporate overheads.
- Investments - for NeuroTargets to secure molecular targets and then secure the necessary partnership to take these targets through clinical trials.

### **Principal risks and uncertainties**

The Directors consider that the Company is exposed to number of risks and uncertainties:

- the failure to secure sufficient new management services contracts or a public sector squeeze on existing contracts such that the operating costs of the business are not covered;
- the nature of the activities of the investments means there is considerable technical and market risk, particularly with regard to biotech, which may result in delays, increased costs or ultimately failure of one or more of the investments, which could significantly affect the overall value of the Company;
- the early stage investment market remains challenging and there may be delays in securing investment and / or corporate partnerships together with pressures on prices in portfolio companies; portfolio companies may require further support from the Company;
- the exit environment remains challenging and there may be pressures on prices and / or delays in securing cash exits,
- in the event that new funds are required there can be no guarantee that these will be available; and
- the loss of key personnel.

### **Results and dividends**

The results for the year are set out on page 6. The Directors do not recommend the payment of a dividend for the year.

### **Directors**

The following Directors have held office since 1 May 2011:

A D W Newland  
I F Griffiths

Directors' interests in shares and share options in the ultimate parent undertaking, ANGLE plc, are disclosed in the financial statements of that company for the year ended 30 April 2012. The financial statements of ANGLE plc are available from Companies House or on the website [www.angleplc.com](http://www.angleplc.com).

### **Auditor**

The auditor Baker Tilly UK Audit LLP, Chartered Accountants, has indicated its willingness to continue in office.

# ANGLE TECHNOLOGY LIMITED

## **DIRECTORS' REPORT (Continued)** **FOR THE YEAR ENDED 30 APRIL 2012**

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### **Directors' responsibilities**

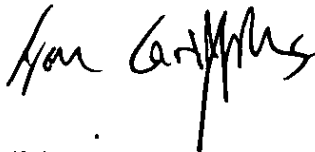
The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those financial statements, the Directors are required to:

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ make judgements and accounting estimates that are reasonable and prudent;
- ♦ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

By order of the Board



I F Griffiths  
**Director**  
30 January 2012

# **ANGLE TECHNOLOGY LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANGLE TECHNOLOGY LIMITED**

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We have audited the Financial Statements on pages 6 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

### **Respective responsibilities of directors and auditors**

As more fully explained in the Directors' Responsibilities Statement on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2012 and of its loss 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

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# ANGLE TECHNOLOGY LIMITED

## INDEPENDENT AUDITOR'S REPORT

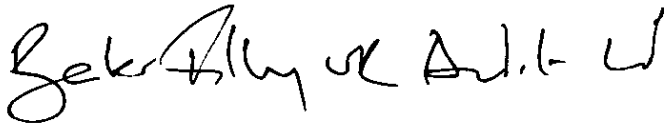
### TO THE MEMBERS OF ANGLE TECHNOLOGY LIMITED (Continued)

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#### Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Colin Roberts (Senior Statutory Auditor)  
For and on behalf of Baker Tilly UK Audit LLP, Statutory Auditor  
Chartered Accountants  
3<sup>rd</sup> Floor  
One London Square  
Cross Lanes  
Guildford  
Surrey  
GU1 1UN

31 January 2013



# ANGLE TECHNOLOGY LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 2012

		<b>2012</b>	<b>2011</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
Turnover	<b>2</b>	1,327,462	2,358,273
Operating costs	<b>3</b>	(1,235,620)	(2,085,898)
Operating profit from Management services		91,842	272,375
Provision to write off Group balances	<b>19</b>	(655,676)	(1,337,723)
<b>Operating profit / (loss)</b>		(563,834)	(1,065,348)
Profit /(loss) on increase /(decrease) in value of Other receivables	<b>11</b>	-	(860,608)
Net interest	<b>6</b>	199	753
<b>Profit / (loss) on ordinary activities before taxation</b>		(563,635)	(1,925,203)
Tax on profit / (loss) on ordinary activities	<b>7</b>	-	-
<b>Profit / (loss) for the financial year</b>	<b>16</b>	(563,635)	(1,925,203)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account

# ANGLE TECHNOLOGY LIMITED

## BALANCE SHEET AS AT 30 APRIL 2012

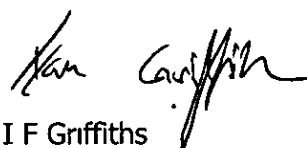
Company No: 02916948

	Note	2012 £	2011 £
<b>Fixed assets</b>			
Tangible assets	8	8,740	9,876
Investments	9	967	967
		<u>9,707</u>	<u>10,843</u>
<b>Current assets</b>			
Investments – ESOT	10	102,172	102,172
Debtors – due within one year	11	272,008	251,239
Debtors – due after one year	11	98,413	98,413
Cash at bank and in hand		176,884	180,225
		<u>649,477</u>	<u>632,049</u>
<b>Creditors:</b> amounts falling due within one year	12	<u>(504,480)</u>	<u>(233,700)</u>
<b>Net current assets / (liabilities)</b>		<u>144,997</u>	<u>398,349</u>
<b>Total assets less current liabilities</b>		<u>154,704</u>	<u>409,192</u>
<b>Creditors:</b> amounts falling due after more than one year	13	<u>(9,411,354)</u>	<u>(9,248,664)</u>
<b>Net assets / (liabilities)</b>		<u>(9,256,650)</u>	<u>(8,839,472)</u>
<b>Capital and reserves</b>			
Called up share capital	14	1,044,649	1,044,649
Share premium account	16	2,553,356	2,553,356
Capital contribution reserve	16	141,779	379,395
Profit and loss account	16	(13,366,434)	(13,186,872)
ESOT shares	16	370,000	370,000
		<u>(9,256,650)</u>	<u>(8,839,472)</u>
<b>Shareholders' funds / (deficit)</b>	17	<u>(9,256,650)</u>	<u>(8,839,472)</u>

The Financial Statements on pages 6 to 21 were approved by the Board of Directors and authorised for issue on 30 January 2013 and are signed on its behalf by.



A D W Newland  
Director



I F Griffiths  
Director

# **ANGLE TECHNOLOGY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2012**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The Financial Statements are prepared under the historical cost convention and on the going concern basis and in accordance with applicable United Kingdom accounting standards.

The Directors have, in accordance with the Companies Act 2006, departed from the standard format of the profit and loss account in presenting the Financial Statements. Profits and losses on disposals or impairments of fixed asset investments are included within operating profit as these represent a return from a principal class of business activity. Where the disposal is not entirely in cash, for example, it includes shares or an earn-out, then any subsequent change in value is outside of the Company's control and is shown below operating profit. Other material disposals of fixed assets, such as property, that are not part of the main business activities are shown below operating profit in accordance with the Companies Act 2006 and Financial Reporting Standard 3 – Reporting Financial Performance.

On the grounds the Company is a subsidiary where 90% or more of the voting rights are controlled within the Group and the results are contained in the consolidated accounts, the Company has taken advantage of the exemption conferred by Financial Reporting Standard 1 and has therefore not prepared a cash flow statement.

#### **1.2 Group accounts**

The Financial Statements present information about the Company as an individual undertaking and not about it as a group. The Company has not prepared group accounts as it is exempt from the requirement to do so by the Companies Act 2006 as it is a subsidiary undertaking of ANGLE plc, a company incorporated in Great Britain, and is included in the consolidated accounts of that company.

#### **1.3 Going concern**

The Directors of the ultimate parent company, ANGLE plc have confirmed their intention to continue to provide financial support to the Company.

The Financial Statements have been prepared on a going concern basis which assumes that the Company will be able to continue in operational existence for the foreseeable future. The validity of this assumption depends on the ultimate parent company continuing to provide the funds necessary to support and develop the Company.

If the Company were unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reduce the balance sheet values of assets to their recoverable amounts, to provide for further liabilities that might arise and to reclassify fixed assets and long term liabilities as current assets and liabilities.

The Directors have prepared and reviewed the financial projections for the 12 month period from the date of signing of these Financial Statements and based on the projected income and expenditure and financial support of the ultimate parent company, the Directors have a reasonable expectation that the Company has adequate resources to continue in business for the foreseeable future. Accordingly the going concern basis has been used in preparing the Financial Statements.

# ANGLE TECHNOLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2012

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### 1 Accounting policies (continued)

#### 1.4 Turnover

Turnover represents amounts receivable for goods and services net of value added tax. Management services revenues are recognised in proportion to the stage of completion of each project. The stage of completion takes into account the milestones achieved in relation to the project deliverables.

#### 1.5 Pensions

Pension costs are charged against profits as they fall due and represent the amount of contributions payable to employee personal pension schemes on an individual basis, which is in line with Financial Reporting Standard 17. The company has no further payment obligations once the contributions have been paid.

#### 1.6 Deferred taxation

Deferred taxation is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on tax rates (and laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted

#### 1.7 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

#### 1.8 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	33.33% Straight line
Fixtures, fittings & equipment	33.33% Straight line

#### 1.9 Fixed asset investments

Fixed asset investments are carried at the lower of pre-transaction carrying amount or cost, less provision for permanent diminution in value. Carrying values are reviewed on a regular basis by the Directors. Provisions for permanent diminution in value are based upon an assessment of events or changes in circumstances that indicate an impairment has occurred. The Company holds all equity investments exclusively as part of its investment portfolio, with a view to their disposal and the ultimate realisation of capital gains. The Directors consider that treating all investments consistently as a single asset class allows a better understanding of the Company's activities by removing the accounting variability of associate accounting methods.

All of the Company's participating interests are in companies and are referred to as "investments" throughout these Financial Statements.

# ANGLE TECHNOLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2012

### 1 Accounting policies (continued)

#### 1.10 Other receivables

Other receivables comprise the potential return from earn-outs or legal actions and are classified as current assets and shown as a debtor. Earn outs are a deferred payment conditional on the future performance of the acquired asset and are shown on the balance sheet at an estimated value. The Directors consider a number of valuation methodologies including a "balance of probabilities" and discounted cash flow in order to determine value. The earn-out is revalued based on any new information received relating to progress against plans, levels of sales and any other relevant factors. Legal actions may arise where the acquirer has not performed in accordance with the Share Purchase Agreement and, where the Directors believe there is a strong case, this is shown on the balance sheet at an estimated value of the payout. The value may be revised as future information becomes available.

#### 1.11 Share based payments

The Company's ultimate parent company ANGLE plc operates share based payment schemes for employees of the ANGLE Group which allow employees to acquire or receive shares in ANGLE plc. The fair value of options granted by ANGLE plc is recognised as an employee expense by the Company with a corresponding increase in equity. Note 1.10 of the ANGLE plc Annual Report and Accounts 2012 provides additional details on the basis for determining the valuation and charge.

#### 1.12 Employee Share Ownership Trust

The Company has an Employee Share Ownership Trust (ESOT) to assist with the obligations under share option and other employee remuneration schemes. The Company, as sponsoring entity, is deemed to have de facto control of the ESOT in accordance with UITF 38: Accounting for ESOP Trusts, and therefore accounts for this as an extension of its own business including it in the assets and liabilities of the Company to the extent that shares have not yet vested unconditionally in beneficiaries. Shares in ANGLE plc held by the ESOT are stated at cost and presented in the Balance Sheet as an investment under the heading of ESOT shares. Finance and administrative costs relating to the ESOT are charged to operating costs as incurred.

### 2 Turnover

The total turnover of the Company for the year has been primarily derived from its Management services activities. Some £0.1million (2011: £0.1 million) of the fees relate to reimbursable operating expenditure incurred on management contracts. In the prior year the Company managed a grant voucher scheme on behalf of the London Development Agency. The gross value of the vouchers paid during the year ended 30 April 2012 of £nil (2011: £0.8 million) was passed through the Company's books as both income and expenditure, however, due to revenue recognition rules this is classified as "agency" revenues and is not shown in our total revenues below.

The geographical analysis, as defined by the country or area in which the client is based is as follows:

	2012	2011
	£	£
United Kingdom	1,327,462	2,358,273

# ANGLE TECHNOLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2012

<b>3 Operating costs</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Staff costs (Note 5)	1,475,660	1,819,066
Staff costs recharged to group companies	(682,649)	(326,608)
Depreciation (Note 8)	6,369	8,731
Loss on disposal of fixed assets	210	661
Auditor's remuneration – audit	61,925	56,350
Auditor's remuneration - non-audit	9,225	17,348
Bad debt expense	(794)	4,000
Exchange (gains) / losses	(385)	(3,384)
Third party Management services contract costs	239,182	361,714
Other operating costs	126,877	148,020
	<b>1,235,620</b>	<b>2,085,898</b>

ANGLE plc and ANGLE Technology Limited employ all UK Directors and staff who provide resources to other group companies as required. Non ANGLE plc and ANGLE Technology Limited costs are recharged to other Group companies.

<b>4 Directors' emoluments</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Emoluments for qualifying services	288,421	294,788

Emoluments disclosed above include the following amounts paid to the highest paid Director:

Emoluments for qualifying services	187,693	163,495
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Pension contributions for Directors were £70,867 (2011: £148,967). Retirement benefits are accruing to Directors into employee personal pension schemes.

## **5 Employment**

### **Employment costs**

The aggregate employment costs of staff (including Directors) for the year was:

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,128,868	1,486,049
Social security costs	129,468	162,877
Other pension costs	70,867	148,967
	<b>1,329,203</b>	<b>1,797,893</b>
Employee share based payment charge (Note 15)	146,457	21,173
	<b>1,475,660</b>	<b>1,819,066</b>

# ANGLE TECHNOLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2012

### 5 Employment (continued)

The pension costs payments are made directly to individuals' personal pension plans.

#### Number of employees

The average monthly number of employees (including Directors) during the year was:

	<b>2012</b>	<b>2011</b>
	<b>Number</b>	<b>Number</b>
Executives	27	31
Administration	8	10
	<u>35</u>	<u>41</u>

### 6 Net interest

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
<b>Interest receivable</b>	269	753
<b>Interest payable</b>		
Other interest	(70)	-
	<u>199</u>	<u>753</u>

### 7 Tax on profit / (loss) on ordinary activities

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
<b>Current tax:</b>		
UK corporation tax	-	-
<b>Deferred tax:</b>		
Origination and reversal of timing differences	-	-
	<u>-</u>	<u>-</u>
<b>Tax on profit / (loss) on ordinary activities</b>	<u>-</u>	<u>-</u>

# ANGLE TECHNOLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2012

### 7 Tax on profit / (loss) on ordinary activities (continued)

<b>UK corporation tax</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Profit / (loss) on ordinary activities before tax	(563,635)	(1,925,203)
Tax on profit / (loss) on ordinary activities at 26% (2011: 28%)	(146,545)	(539,057)
Factors affecting charge:		
Capital allowances in excess of depreciation	(2,975)	(2,995)
Disallowable expenses	5,551	198
Provision against Group balances	170,476	374,563
Group loss relief	(64,585)	(70,135)
Capital transactions	-	240,970
Share based payments charge	38,078	5,929
Other tax adjustments	-	(9,473)
Current tax charge for year	-	-

### 8 Tangible fixed assets

	<b>Computer equipment</b>	<b>Fixtures, fittings &amp; equipment</b>	<b>Total</b>
<b>Cost</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 May 2011	97,091	51,328	148,419
Additions	5,443	-	5,443
Disposals	(29,579)	(1,849)	(31,428)
At 30 April 2012	72,955	49,479	122,434
<b>Depreciation</b>			
At 1 May 2011	91,103	47,440	138,543
Charge for the year	3,534	2,835	6,369
Disposals	(29,579)	(1,639)	(31,218)
At 30 April 2012	65,058	48,636	113,694
<b>Net book value</b>			
<b>At 30 April 2012</b>	<b>7,897</b>	<b>843</b>	<b>8,740</b>
At 30 April 2011	5,988	3,888	9,876



# ANGLE TECHNOLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2012

### 9 Fixed asset investments

	Shares subsidiaries £	Loans subsidiaries £	Total £
<b>Cost</b>			
At 1 May 2011 and at 30 April 2012	150,967	89,461	240,428
<b>Net book value</b>			
At 1 May 2011 and at 30 April 2012	967	-	967

In the year ended 30 April 2011 ANGLE increased the Group's holding in NeuroTargets to 65% (inclusive of the Company's holding) following the conversion of a loan, thus changing the status of NeuroTargets to subsidiary from investment.

#### Holdings of more than 20%

The Company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares Held %
<b>Subsidiaries</b>			
ANGLE Technology Ventures Limited	England & Wales	Ordinary	100
Progeny bioVentures Limited	England & Wales	Ordinary	96.5
NeuroTargets Limited <sup>(1)</sup>	England & Wales	Ordinary	55
ANGLE Technology LLC	USA	Membership Units	100

(1) The effective holdings shown are before a) the effects of any dilutive share options or warrants or convertible loans and b) additional ANGLE holdings from convertible loans or warrants within the individual investments

The principal activity of these undertakings for the last relevant financial year was as follows:

Subsidiaries	Principal activity
ANGLE Technology Ventures Limited	Establishment and growth of technology companies
Progeny bioVentures Limited	Establishment and growth of biotech companies
NeuroTargets Limited	New drug targets
ANGLE Technology LLC	US subsidiary covering all of Group's business

# ANGLE TECHNOLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2012

<b>10 Employee Share Ownership Trust</b>	<b>2012</b>	<b>2011</b>
<b>Cost</b>	<b>£</b>	<b>£</b>
At 1 May	102,172	342,115
Disposals	-	(239,943)
	<hr/>	<hr/>
At 30 April	102,172	102,172
	<hr/>	<hr/>
<b>Market value</b>		
At 30 April	69,088	28,032
	<hr/>	<hr/>

The Employee Share Ownership Trust (ESOT) held 113,259 (2011: 113,259) ANGLE plc shares at the year end. During the prior year the basis for determining the remaining cost was changed from using the market value at date of disposal to a market value based on the weighted average purchase cost. Shares purchased by the ANGLE ESOT are used (disposed) to assist in meeting the obligations under employee remuneration schemes.

The Trustee has waived its right to receive dividends on the shares held by the Trust. The purchase of the shares is funded by an interest free loan from ANGLE Technology Limited.

<b>11 Debtors</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	204,648	177,423
Prepayments and accrued income	67,360	73,816
	<hr/>	<hr/>
	272,008	251,239
	<hr/>	<hr/>
<b>Amounts falling due after more than one year:</b>		
Other receivables	98,413	98,413
	<hr/>	<hr/>

Other receivables relates to the fair value ascribed to the eventual return expected from the sale of Acolyte Biomedica. Acolyte Biomedica (medical diagnostics / MRSA detection) was sold in February 2007. ANGLE was due an earn-out however this was subject to dispute between the former Acolyte shareholders and the purchaser.

The damages awarded against 3M were limited to only US\$1.3m which on a comparable basis would equate to US\$157k for ANGLE Technology's earn-out and the value of the asset was impaired by £1,014,535 to £98,413 being the fair value based on the Court judgement. This gave rise to an adjusting post balance sheet event and the impairment was charged to the profit and loss account in the year to 30 April 2011 as the information became available prior to the signing of the accounts.

No new information became available following the conclusion of an appeal and a settlement payment based on the Court judgement was agreed and settled following the year-end.

# ANGLE TECHNOLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2012

### 12 Creditors: amounts falling due within one year

	2012 £	2011 £
Trade creditors	208,232	43,979
Other taxes and social security costs	60,353	73,948
Other creditors	47,641	8,428
Accruals and deferred income	188,254	107,345
	<u>504,480</u>	<u>233,700</u>

### 13 Creditors: amounts falling due after more than one year

	2012 £	2011 £
Amounts owed to group undertakings	9,411,354	9,248,664

ANGLE plc provides a centralised treasury function to trading subsidiaries. The amounts due to Group undertakings are interest free, unsecured and have no fixed date of repayment.

### 14 Share capital

	2012 £	2011 £
<b>Allotted, called up and fully paid</b>		
10,446,484 (2011: 10,446,484) Ordinary shares of 10p each	<u>1,044,649</u>	<u>1,044,649</u>

# ANGLE TECHNOLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2012

### 15 Share based payments

#### Share Option Scheme

All shares referred to are those of ANGLE plc. Note 20 of the ANGLE plc Annual Report and Accounts 2012 provides additional details on the terms and conditions of the share based arrangements and the basis for determining the valuation and charge.

The share based payment charge for the share option scheme and DAB scheme was £146,457 (2011: £21,173).

#### Approved and Unapproved Share Option Scheme #1 (closed 28 July 2012)

Approved and Unapproved options are not exercisable until three years after the date of grant and cease to be exercisable after seven years from the date of grant.

The movement in the number of employee share options is set out below:

	2012 Number of share options #	2012 Weighted average exercise price (p)	2011 Number of share options #	2011 Weighted average exercise price (p)
Outstanding at 1 May	1,009,628	85.8	1,720,025	99.1
During the year				
Cancelled	(981,850)	84.7	-	-
Lapsed	(26,191)	126.0	(625,000)	116.5
Forfeited	-	-	(85,397)	128.3
Outstanding at 30 April	1,587	126.0	1,009,628	85.8
Capable of being exercised at 30 April	1,587	126.0	1,009,628	85.8

Options are issued at market price, with the exception of one tranche which were issued at the placing price. The options outstanding at 30 April 2012 had a weighted average remaining contractual life of 3 months (2011: one year and eleven months).

#### EMI Share Option Scheme #1

The Company introduced an Enterprise Management Incentive (EMI) Share Option Scheme during the year. Share options are granted under a service condition and/or a non-market performance condition and/or a market performance condition. Options cease to be exercisable after ten years from the date of grant.

# ANGLE TECHNOLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2012

### 15 Share based payments (continued) EMI Share Option Scheme #1 (continued)

The movement in the number of employee share options is set out below:

	2012 Number of share options #	2012 Weighted average exercise price (p)
Outstanding at 1 May	-	-
During the year Granted	1,431,713	29.01
Outstanding at 30 April	1,431,713	29.01
Capable of being exercised at 30 April	716,019	25.75

The options outstanding at 30 April 2012 had a weighted average remaining contractual life of nine years and four months.

### Unapproved Share Option Scheme #2

The Company introduced an updated Unapproved Share Option Scheme during the year. Share options are granted under a service condition and/or a non-market performance condition and/or a market performance condition. Options cease to be exercisable after ten years from the date of grant.

The movement in the number of employee share options is set out below:

	2012 Number of share options #	2012 Weighted average exercise price (p)
Outstanding at 1 May	-	-
During the year Granted	2,334,287	64.46
Outstanding at 30 April	2,334,287	64.46
Capable of being exercised at 30 April	8,981	25.75

The options outstanding at 30 April 2012 had a weighted average remaining contractual life of nine years and six months.

# ANGLE TECHNOLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2012

### 15 Share based payments (continued)

#### Deferred Annual Bonus Scheme (closed 29 July 2011)

Bonuses under the Deferred Annual Bonus (DAB) scheme are paid partly in cash and partly in deferred shares. The cash element is accrued in the year it relates to and is included in wages and salaries. The deferred shares, comprising Mandatory and Matching shares, are deferred for three years at which point they vest. Awards are forfeited if the employee leaves the Group before the awards vest, unless the conditions under which they leave are such that they are considered to be a "good leaver"; in which case their award is released.

The movement in the number of DAB scheme shares is set out below:

	2012 Number of DAB shares #	2012 Weighted average award price (p)	2011 Number of DAB shares #	2011 Weighted average award price (p)
Interests under DAB Scheme at 1 May	224,403	22.5	411,408	25.0
During the year				
Exercised	(224,403)	22.5	(187,005)	28.0
Interests under DAB Scheme at 30 April	-	-	224,403	22.5
Capable of being exercised at 30 April	-	-	-	-

Awards were made at market price. The awards exercised in the year had a weighted average exercise price of 22.5p. The awards outstanding had a weighted average remaining contractual life of three months.

### 16 Statement of movements on reserves

	ESOT Shares £	Capital contribution reserve £	Share premium account £	Profit and loss account £
At 1 May 2011	370,000	379,395	2,553,356	(13,186,872)
Retained loss for the year	-	-	-	(563,635)
Share based payments charge	-	146,457	-	-
Share based payments release	-	(384,073)	-	384,073
At 30 April 2012	370,000	141,779	2,553,356	(13,366,434)

# ANGLE TECHNOLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2012

### 17 Reconciliation of movements in shareholders' funds

	2012 £	2011 £
Profit / (loss) for the financial year	(563,635)	(1,925,203)
Share based payments	146,457	21,173
ESOT shares	-	27,885
Opening Shareholders' funds/(deficit)	(8,839,472)	(6,963,327)
Closing Shareholders' funds/(deficit)	(9,256,650)	(8,839,472)

### 18 Guarantees and other financial commitments

The Company leases office accommodation on leases of generally less than one year with monthly rental payments and short notice periods. The Company also has a number of retainers with professional advisors which can be terminated on short notice periods.

The Company provides ongoing financial support to its controlled investments, typically on a rolling basis.

At 30 April the Company had a financial commitment to Novocellus Limited in respect of an agreement entered into with Novocellus to support its revised license agreement with ORIGIO in January 2012 whereby Novocellus would share the financial risk of the retrospective study and development of the analysis module with ORIGIO up to a maximum of £0.5m. ANGLE had agreed to provide the necessary funds for Novocellus to cover these costs. Following the year end ORIGIO was acquired by The Cooper Companies Inc (NYSE: COO). Cooper merged ORIGIO and rationalised its development activities including withdrawing from its partnership with Novocellus. Following ORIGIO's withdrawal from the agreement ANGLE has been released from this commitment.

The Company has no other contractual commitment to continue to provide funding.

### 19 Related party transactions

The Company has taken advantage of the exemption provided by FRS 8 and has not disclosed transactions entered into between two or more subsidiaries of the Group where these subsidiaries are wholly owned within the group.

During the year the Company provided Progeny bioVentures Limited with executive management and support services of £6,252 (2011: £5,566). There is an outstanding liability at the end of the year in respect of these services as follows:

	2012 £	2011 £
Amounts owed by Progeny bioVentures	1,625,976	1,607,365
Less Provision	(1,570,461)	(1,551,850)
	55,515	55,515

# ANGLE TECHNOLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2012

### 19 Related party transactions (continued)

During the year the Company provided Progeny bioVentures Limited with executive management and support services of £6,252 (2011: £5,566). There is an outstanding liability at the end of the year in respect of these services as follows:

	2012	2011
	£	£
Amounts owed by Progeny bioVentures	1,625,976	1,607,365
Less Provision	(1,570,461)	(1,551,850)
	<u>55,515</u>	<u>55,515</u>

#### Provision to write off Group balances

The provision reflects the Directors' view of existing valuation circumstances for investments and the potential impact of current adverse economic conditions on the long term value of the amounts owed by subsidiary undertakings and their ability to repay them and an investment value adjustment on the ESOT.

#### Directors' interests

The Directors have voluntarily waived part of their emoluments with effect from December 2008 to 30 April 2011.

During the year, the Directors agreed contractual reductions in salary. Andrew Newland's contractual salary and pension entitlement was reduced by 33% to a total of salary and pension of £184,000 per annum. Ian Griffiths' contractual salary entitlement was reduced by 14.3% to £100,000 per annum.

At the balance sheet date £14,745 (2011: £nil) of salary and £29,629 (2011: £8,762) of pension was due to Andrew Newland and Ian Griffiths respectively.

### 20 Control

The parent undertaking of the largest group for which group accounts are prepared and of which the company is a member is ANGLE plc, the company's ultimate holding company, which is registered in England. Copies of these group accounts are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.