

Infinitesima Limited

Registered number: 04258410

Information for filing with the Registrar

For the year ended 30 September 2021

INFINITESIMA LIMITED
REGISTERED NUMBER: 04258410

BALANCE SHEET
AS AT 30 SEPTEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	10,620	102,861
		<u>10,620</u>	<u>102,861</u>
Current assets			
Stocks		18,700	18,700
Debtors: amounts falling due after more than one year	5	28,103	27,826
Debtors: amounts falling due within one year	5	1,117,727	921,682
Bank & cash balances		1,169,715	2,189,962
		<u>2,334,245</u>	<u>3,158,170</u>
Creditors: amounts falling due within one year	6	(1,273,197)	(862,600)
Net current assets		<u>1,061,048</u>	<u>2,295,570</u>
Total assets less current liabilities		<u>1,071,668</u>	<u>2,398,431</u>
Creditors: amounts falling due after more than one year	7	(18,975)	(2,437,951)
Net assets/(liabilities)		<u><u>1,052,693</u></u>	<u><u>(39,520)</u></u>
Capital and reserves			
Called up share capital	8	52,768	37,359
Share premium account	9	16,597,359	12,590,205
Other reserves	9	267,369	244,960
Profit and loss account	9	(15,864,803)	(12,912,044)
		<u><u>1,052,693</u></u>	<u><u>(39,520)</u></u>

INFINITESIMA LIMITED
REGISTERED NUMBER: 04258410

BALANCE SHEET (CONTINUED)
AS AT 30 SEPTEMBER 2021

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 statement of comprehensive income 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 by:

P Jenkins
Director

Date: 6 December 2021

The notes on pages 3 to 12 form part of these financial statements.

INFINITESIMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

1. General information

Infinitesima Limited (no. 04258410) is a private company limited by shares incorporated in England and Wales. Its registered office and principal place of business is 1 Hitching Court, Blacklands Way, Abingdon, Oxfordshire, OX14 1RG.

The principal activity of the company is the development and distribution of scientific instruments.

The financial statements have been presented in Pound Sterling as this is the currency of the primary economic environment in which the company operates and is rounded to the nearest pound.

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 Going concern

These financial statements have been prepared on a going concern basis. The directors, having considered the financial position of the company for a period of at least twelve months from the date of signing these financial statements, have no reason to believe that a material uncertainty exists that may cast doubt about the ability of the company to continue as a going concern.

Accordingly the directors have a reasonable expectation that the company will continue in operational existence and thus they adopt the going concern basis of accounting in preparing the financial statements.

INFINITESIMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. Accounting policies (continued)

2.3 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.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

INFINITESIMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. Accounting policies (continued)

2.5 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.

2.6 Interest income

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

2.7 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. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.9 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

INFINITESIMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. Accounting policies (continued)

2.10 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Balance Sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

2.11 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 in the countries where the Company operates and generates income.

2.12 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.

INFINITESIMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. Accounting policies (continued)

2.12 Tangible fixed assets (continued)

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:

Furniture, fittings & equipment	-	50%	straight line
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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.

2.13 Stocks

Stocks are stated at the lower of cost and net realisable value. Work in progress and finished goods include labour and attributable overheads.

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 complete and sell. The impairment loss is recognised immediately in profit or loss.

2.14 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.

2.15 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.

2.16 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.

2.17 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans

INFINITESIMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. Accounting policies (continued)

2.17 Financial instruments (continued)

and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

3. Employees

The average monthly number of employees, including directors, during the year was 30 (2020 -27).

4. Tangible fixed assets

	Furniture, fittings and equipment £
Cost or valuation	
At 1 October 2020	572,764
Additions	6,329
At 30 September 2021	<u>579,093</u>
Depreciation	
At 1 October 2020	469,903
Charge for the year on owned assets	98,570
At 30 September 2021	<u>568,473</u>
Net book value	
At 30 September 2021	<u><u>10,620</u></u>
At 30 September 2020	<u><u>102,861</u></u>

INFINITESIMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

5. Debtors

	2021 £	2020 £
Due after more than one year		
Prepayments and accrued income	28,103	27,826
	<u>28,103</u>	<u>27,826</u>
	2021 £	2020 £
Due within one year		
Trade debtors	-	260,000
Other debtors	1,046,129	632,333
Prepayments and accrued income	71,598	29,349
	<u>1,117,727</u>	<u>921,682</u>

6. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	486,744	76,613
Other taxation and social security	43,700	50,218
Other creditors	666,361	666,752
Accruals and deferred income	76,392	69,017
	<u>1,273,197</u>	<u>862,600</u>

The bank holds a debenture over all money and liabilities whatever, whenever and howsoever incurred by the company whether now or in the future.

The loan included within other creditors is unsecured and incurs interest at a rate of 5%.

INFINITESIMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

7. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Other loans	-	2,400,000
Accruals and deferred income	18,975	37,951
	<u>18,975</u>	<u>2,437,951</u>

Other loans in existence at 30 September 2020 were capitalised on 26 March 2021 following a share issue by the company.

8. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
7,718,263 (2020 -7,718,263) Ordinary shares of £0.001 each	7,718	7,718
45,049,906 (2020 -29,641,361) A Ordinary shares of £0.001 each	45,050	29,641
	<u>52,768</u>	<u>37,359</u>

On 26 March 2021, 15,408,545 A Ordinary Shares were issued at a premium for total consideration of £4,022,563.

9. Reserves

Share premium account

Share premium represents the amount above the nominal value received for issue share capital, less transaction costs.

Other reserves

Other reserves are in relation to the Share Option Reserve which is an undistributable reserve and consists of the movement arising on share options granted and share options exercised.

INFINITESIMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

10. Share based payments

The company operates an employee share option plan, under which 8,971,986 options (2020 : 8,363,789) have been granted to 36 (2020 : 33) individuals at an exercise price equal to an agreed price of the company's shares on the date of the grant.

Options grant the holder the option to subscribe to shares in the company. Options will vest provided the employee remains appointed by the company during the vesting period.

The fair value of the share options granted during the year was determined using the Black-Scholes model. The model is internationally recognised as being appropriate to value employee share schemes of a similar nature to this scheme.

The total share-based payment charge for the year was £22,409 (2020 : £12,801).

Details of the share options outstanding during the year are as follows, presented in GBP:

	Weighted average exercise price (pence) 2021	Number 2021	Weighted average exercise price (pence) 2020	Number 2020
Outstanding at the beginning of the year	0.10	6,573,813	0.10	6,300,572
Granted during the year	0.10	608,197	0.10	545,168
Exercised during the year		-		-
Expired during the year	0.10	(231,804)	0.10	(271,927)
Outstanding at the end of the year		6,950,206		6,573,813

	2021	2020
Option pricing model used	Black Scholes	Black Scholes
Weighted average share price (pence)	0.10	0.10
Exercise price (pence)	0.10	0.10
Weighted average contractual life (years)	10	10
Expected volatility	20%	20%
Expected dividend growth rate	0%	0%
Risk-free interest rate	3%	3%

INFINITESIMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

11. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £60,479 (2020: £53,830). Contributions totalling £16,361 (2020: £16,752) were payable to the fund at the balance sheet date and are included in creditors.

12. Commitments under operating leases

At 30 September 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Total commitments under operating leases	184,135	337,802
	<u>184,135</u>	<u>337,802</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.