

FERTILITY FOCUS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Murphy Salisbury Limited
Chartered Accountants and Statutory Auditors
15 Warwick Road
Stratford upon Avon
Warwickshire
CV37 6YW

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FOR THE YEAR ENDED 31 DECEMBER 2020

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FERTILITY FOCUS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020

DIRECTORS:

R Milnes
S Godber
Ms C H Soden
R Jones
D Pink

REGISTERED OFFICE:

Unit 12b Warwick Innovation Centre
Warwick Technology Park
Gallows Hill
Warwick
Warwickshire
CV34 6UW

REGISTERED NUMBER:

05546719 (England and Wales)

AUDITORS:

Murphy Salisbury Limited
Chartered Accountants and Statutory Auditors
15 Warwick Road
Stratford upon Avon
Warwickshire
CV37 6YW

FERTILITY FOCUS LIMITED (REGISTERED NUMBER: 05546719)**BALANCE SHEET**
31 DECEMBER 2020

		2020		2019 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	4		-		-
Tangible assets	5		11,027		4,997
Investments	6		<u>2,632</u>		<u>2,632</u>
			13,659		7,629
CURRENT ASSETS					
Stocks		169,666		117,102	
Debtors	7	762,013		533,176	
Cash at bank		<u>356,198</u>		<u>601,754</u>	
		1,287,877		1,252,032	
CREDITORS					
Amounts falling due within one year	8	<u>364,892</u>		<u>404,991</u>	
NET CURRENT ASSETS			<u>922,985</u>		<u>847,041</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			936,644		854,670
CREDITORS					
Amounts falling due after more than one year	9		<u>824,060</u>		<u>521,873</u>
NET ASSETS			<u>112,584</u>		<u>332,797</u>
CAPITAL AND RESERVES					
Called up share capital			7,501		7,414
Share premium			11,148,680		10,975,267
Other reserves			115,758		103,180
Retained earnings			<u>(11,159,355)</u>		<u>(10,753,064)</u>
			<u>112,584</u>		<u>332,797</u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 20 April 2021 and were signed on its behalf by:

S Godber - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. STATUTORY INFORMATION

Fertility Focus Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared on a going concern basis despite the loss after tax this year of £406,291 (2019: £1,056,114). As at 31 December 2020 the company has losses since trading of £11,159,355. Based on ongoing discussions with potential investors, the directors believe that the company has sufficient financial resources to enable it to continue in operational existence for the foreseeable future meeting its liabilities as they fall due. The company is reliant on the support of the directors and investors whilst developing its product and market.

The company closed a CBILS loan funding round in December 2020 which will enable expanded marketing activities, the continuation of the clinical study of the use of the OvuSense technology, and product line expansion. The board believes it has the necessary funding to continue to increase the profitability of the company through the year.

The 100% US subsidiary company, Fertility Focus Inc. generated incremental turnover of \$1,591k (£1,165k) for the year ended 31 December 2020 (2019: \$1,474k (£1,155k)) and a net loss of \$100k £73k (2019: £169k).

Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the date of financial position and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Turnover

Turnover represents net invoiced sales of goods and services, excluding value added tax

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Plant and machinery	- 25%-33.3% on cost
Computer equipment	- 33% straight line basis

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost less provision for diminution in value

Stocks

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stock. Cost includes all direct costs and an appropriate proportion of variable overheads.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

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

Pensions

The company contributes to personal pension plans and the pension charge represents the amount payable by the company to these funds in respect of the year.

Patent and trademarks

The company owns rights to the patent and trademark of Fertiloscope. Patents are valued at cost less accumulated amortisation. Amortisation is provided at 10 - 20% straight line.

Investments

Fixed asset investments are stated at cost less provision for diminution in value.

Holiday pay

Holiday pay is recognised as an expense in the period in which the service is received.

Share-based payments

Equity-settled share based payments are measured at fair value at the date of grant by reference to a recent third party approved share valuation. The fair value determined at the grant date is expensed on a straight-line basis over the term of the vesting period subject to variables within the company's scheme rules, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 10 (2019 - 8) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

4. INTANGIBLE FIXED ASSETS

	Patents and licences £
COST	
At 1 January 2020 and 31 December 2020	<u>313,826</u>
AMORTISATION	
At 1 January 2020 and 31 December 2020	<u>313,826</u>
NET BOOK VALUE	
At 31 December 2020	<u>-</u>
At 31 December 2019	<u>-</u>

5. TANGIBLE FIXED ASSETS

	Plant and machinery £	Computer equipment £	Totals £
COST			
At 1 January 2020	103,780	16,971	120,751
Additions	<u>6,300</u>	<u>4,490</u>	<u>10,790</u>
At 31 December 2020	<u>110,080</u>	<u>21,461</u>	<u>131,541</u>
DEPRECIATION			
At 1 January 2020	101,610	14,144	115,754
Charge for year	<u>2,432</u>	<u>2,328</u>	<u>4,760</u>
At 31 December 2020	<u>104,042</u>	<u>16,472</u>	<u>120,514</u>
NET BOOK VALUE			
At 31 December 2020	<u>6,038</u>	<u>4,989</u>	<u>11,027</u>
At 31 December 2019	<u>2,170</u>	<u>2,827</u>	<u>4,997</u>

6. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2020 and 31 December 2020	<u>2,632</u>
NET BOOK VALUE	
At 31 December 2020	<u>2,632</u>
At 31 December 2019	<u>2,632</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019 as restated
	£	£
Trade debtors	1,350	2,276
Amounts owed by group undertakings	589,585	262,892
Other debtors	171,078	268,008
	<u>762,013</u>	<u>533,176</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019 as restated
	£	£
Trade creditors	124,755	160,942
Taxation and social security	14,455	4,793
Other creditors	225,682	239,256
	<u>364,892</u>	<u>404,991</u>

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019 as restated
	£	£
Other creditors	<u>824,060</u>	<u>521,873</u>

Within the balance of other creditors due within one year is an amount of £28,250 (2019: £28,250) relating to creditor balances to be converted into share capital at a later date.

10. LEASING AGREEMENTS

The company had total commitments at the balance sheet date of £6,650 (2019: £14,630).

11. SECURED DEBTS

Fse Meif Gp Ltd holds a fixed and floating charge over the company and its assets.

12. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Mark Bullock FCA (Senior Statutory Auditor)
for and on behalf of Murphy Salisbury Limited

13. ULTIMATE CONTROLLING PARTY

The directors believe that there is no ultimate controlling party.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

14. SHARE-BASED PAYMENT TRANSACTIONS

The company operates share based payment schemes for its employees. The schemes are all equity settled, with no vesting requirements and lapse after 10 years.

The company also operates share based payment schemes for some of its suppliers in lieu of payment for goods and services.

As at 31 December 2020, the company has 68,696 options in existence (2019: 47,696). During the year there were no options that had been exercised and no options had lapsed.

During the year, the company recognised an expense of £12,578 (2019: £8,742) in respect of its share-based payment schemes.

The company have provided for the share based payment using the fair value at grant date, based on third party valuations.

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.