

COMPANY REGISTRATION NUMBER 07071914

**ABCELLUTE HOLDINGS LIMITED**  
**FINANCIAL STATEMENTS**  
**30 SEPTEMBER 2010**



**HEBBLETHWAITES**

Chartered Accountants & Statutory Auditor  
2 Westbrook Court  
Sharrow Vale Road  
Sheffield  
S11 8YZ

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# **ABCELLUTE HOLDINGS LIMITED**

## **FINANCIAL STATEMENTS**

**PERIOD FROM 10 NOVEMBER 2009 TO 30 SEPTEMBER 2010**

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**ABCELLUTE HOLDINGS LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

**The board of directors**

Mr G B Black (Resigned 10 February 2011)  
Dr B J N Griffiths  
Dr D J F Griffiths  
Dr P J Evans (Resigned 3 June 2010)  
Dr D A A Owen (Resigned 20 September 2010)

**Registered office**

Cardiff Medicentre  
Heath Park  
Cardiff  
CF14 4UJ

**Auditor**

Hebblethwaites  
Chartered Accountants  
& Statutory Auditor  
2 Westbrook Court  
Sharrow Vale Road  
Sheffield  
S11 8YZ

# **ABCELLUTE HOLDINGS LIMITED**

## **THE DIRECTORS' REPORT**

### **PERIOD FROM 10 NOVEMBER 2009 TO 30 SEPTEMBER 2010**

The directors present their report and the financial statements of the company for the period from 10 November 2009 to 30 September 2010

#### **PRINCIPAL ACTIVITIES**

The principal activity of the company during the period was that of a holding company. The company was incorporated on 10 November 2009 as the holding company for Abcellute Limited and Abcellute Tissue Bank, a company limited by guarantee. The activities of the subsidiary companies relate to the development and marketing of a technique which extends the life of human and other cells for biomedical research.

#### **DIRECTORS**

The directors who served the company during the period were as follows:

Mr G B Black  
Dr B J N Griffiths  
Dr D J F Griffiths  
Dr P J Evans  
Dr D A A Owen

Dr P J Evans resigned as a director on 3 June 2010  
Dr D A A Owen resigned as a director on 20 September 2010  
Mr S A Gall was appointed as a director on 24 March 2011  
Mr G B Black resigned as a director on 10 February 2011

#### **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 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.

# ABCELLUTE HOLDINGS LIMITED

## THE DIRECTORS' REPORT *(continued)*

### PERIOD FROM 10 NOVEMBER 2009 TO 30 SEPTEMBER 2010

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

#### AUDITOR

Hebblethwaites are deemed to be re-appointed under section 487(2) of the Companies Act 2006

#### SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Registered office  
Cardiff Medicentre  
Heath Park  
Cardiff  
CF14 4UJ

Signed by order of the directors



M. S. A. Gall

Director

Approved by the directors on

26 July 2011.

# **ABCELLUTE HOLDINGS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ABCELLUTE HOLDINGS LIMITED**

### **PERIOD FROM 10 NOVEMBER 2009 TO 30 SEPTEMBER 2010**

We have audited the financial statements of Abcellute Holdings Limited for the period from 10 November 2009 to 30 September 2010 on pages 6 to 10. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

#### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 to 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 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**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements.

#### **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 September 2010 and of its loss for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **EMPHASIS OF MATTER - GOING CONCERN**

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The company incurred a net loss of £84,860 during the period ended 30 September 2010 and at that date, the company's total liabilities exceeded its total assets by £83,943. These conditions along with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include any adjustments that would result if the company was unable to continue as a going concern.

**ABCELLUTE HOLDINGS LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF**  
**ABCELLUTE HOLDINGS LIMITED** *(continued)*

**PERIOD FROM 10 NOVEMBER 2009 TO 30 SEPTEMBER 2010**

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

**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, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime



MR R W MURDOCH (Senior Statutory Auditor)  
For and on behalf of  
HEBBLETHWAITES  
Chartered Accountants  
& Statutory Auditor

2 Westbrook Court  
Sharrow Vale Road  
Sheffield  
S11 8YZ

**27.7.2011**

**ABCELLUTE HOLDINGS LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**PERIOD FROM 10 NOVEMBER 2009 TO 30 SEPTEMBER 2010**

	Note	Period from 10 Nov 09 to 30 Sep 10 £
<b>TURNOVER</b>		—
Administrative expenses		<u>53,515</u>
<b>OPERATING LOSS</b>	2	(53,515)
Interest payable and similar charges		<u>31,345</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>(84,860)</u>
<b>LOSS FOR THE FINANCIAL PERIOD</b>		<u>(84,860)</u>

The notes on pages 8 to 10 form part of these financial statements



# ABCELLUTE HOLDINGS LIMITED

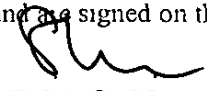
## BALANCE SHEET

30 SEPTEMBER 2010

	Note	£	30 Sep 10 £
<b>FIXED ASSETS</b>			
Investments	3		917
<b>CURRENT ASSETS</b>			
Debtors	4	416,576	
<b>CREDITORS: Amounts falling due within one year</b>	5	<u>41,192</u>	
<b>NET CURRENT ASSETS</b>			<u>375,384</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>376,301</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	6		<u>460,244</u>
			<u>(83,943)</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	8		917
Profit and loss account			<u>(84,860)</u>
<b>DEFICIT</b>			<u>(83,943)</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the directors and authorised for issue on **26.7.2011**, and are signed on their behalf by

  
MR S A GALL

Company Registration Number 07071914

The notes on pages 8 to 10 form part of these financial statements

# **ABCELLUTE HOLDINGS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**PERIOD FROM 10 NOVEMBER 2009 TO 30 SEPTEMBER 2010**

### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

#### **Going concern**

The company recorded a loss for the period and has net liabilities of £83,943 at 30 September 2010. The directors have assessed the balance sheet and likely future cash flows of the company at the date of approving the financial statements.

The company meets its day to day working capital requirements through a current account with a subsidiary company. The continuing operations of the group depend on securing additional financial investment.

The directors have a reasonable expectation that the company will generate sufficient sales to bring the company to profitability and that the company has access to adequate resources for the foreseeable future. Accordingly, they continue to adopt the going concern basis in the preparation of the financial statements.

#### **Consolidation**

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts.

#### **Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

### **2. OPERATING LOSS**

Operating loss is stated after charging

	<b>Period from 10 Nov 09 to 30 Sep 10 £</b>
Directors' remuneration	<b>16,188</b>
Auditor's fees	<b><u>2,850</u></b>

# ABCELLUTE HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**PERIOD FROM 10 NOVEMBER 2009 TO 30 SEPTEMBER 2010**

### 3. INVESTMENTS

	Shares in subsidiary companies £
<b>COST</b>	
Additions	917
At 30 September 2010	<u>917</u>
<b>NET BOOK VALUE</b>	
At 30 September 2010	<u>917</u>

The company owns 100% of the 'A' ordinary share capital of Abcellute Limited and is the guarantor of Abcellute Tissue Bank, a company limited by guarantee

	30 Sep 10 £
<b>Aggregate capital and reserves</b>	
Abcellute Limited	(370,177)
Abcellute Tissue Bank	(19,892)
<b>Profit and (loss) for the year</b>	
Abcellute Limited	(194,607)
Abcellute Tissue Bank	(19,892)

Under the provision of the Companies Act 2006 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity

### 4. DEBTORS

	30 Sep 10 £
Amounts owed by group undertakings	<u>416,576</u>

The debtors above include the following amounts falling due after more than one year

	30 Sep 10 £
Amounts owed by group undertakings	<u>416,576</u>

The company does not have a separate bank account and all transactions are dealt with through the current account with Abcellute Limited, a subsidiary of Abcellute Holdings Limited. The debtor at 30 September 2010 is not required to be repaid within one year.

### 5. CREDITORS: Amounts falling due within one year

	30 Sep 10 £
Other creditors	<u>41,192</u>

# ABCELLUTE HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 10 NOVEMBER 2009 TO 30 SEPTEMBER 2010

### 6. CREDITORS: Amounts falling due after more than one year

	30 Sep 10
	£
Convertible loans	<u>460,244</u>

Convertible loan notes were transferred from Abcellute Limited and comprise

	30 Sep 10
	£
10% convertible secured loan notes issued 17 December 2008	109,000
Directors convertible unsecured loan notes issued 17 December 2008	16,244
10% convertible secured loan notes issued 20 August 2009	15,000
Directors convertible unsecured loan notes issued 20 August 2009	5,000
10% convertible secured loan notes issued 9 November 2009	15,000
10% convertible secured loan notes issued 21 December 2009	220,000
26% convertible secured loan notes issued 2 July 2010	<u>80,000</u>
	<u>460,244</u>

The loan notes are convertible on the earlier date of three years from the date of the agreement or disposal of the company, at the lower of £7 88 per ordinary share and the agreed share price at a subsequent funding round

### 7. RELATED PARTY TRANSACTIONS

The company is controlled by three institutional shareholders, directors, former directors and several business angel investors. There is no ultimate controlling interest in the share capital of the company.

Fusion IP Cardiff Limited, a shareholder of the company, has provided management services to the company amounting to £17,700.

### 8. SHARE CAPITAL

**Allotted, called up and fully paid:**

	No	£
91,709 Ordinary shares of £0 01 each	<u>91,709</u>	<u>917</u>

During the year 91,709 ordinary shares of £0 01 each were issued at par in exchange for shares in Abcellute Limited.

As part of the group restructuring, share options have been transferred from Abcellute Limited to Abcellute Holdings Limited during the year. Share options have been granted for 15,488 shares, including 11,382 exercisable at any date at a subscription price of £0 01, 471 exercisable at any date at a subscription price of £8 12 and 3,635 exercisable between 12 January 2005 and 12 January 2017 at a subscription price of £12 24. Directors' options, included above, are 4,000 share options at £0 01 for Mr G B Black, 2,521 share options at £0 01 and 471 at £8 12 for Dr P J Evans and 2,627 share options at £0 01 for Dr B J N Griffiths.