

**Stablepharma Limited**  
**Annual Report and Financial Statements**  
**Year Ended 31 January 2021**  
Registration number: 07925414

WEDNESDAY



\*AAFJG0Q1\*

A17

20/10/2021

#174

COMPANIES HOUSE

# **Stablepharma Limited**

## **Contents**

Company Information	1
Balance Sheet	2
Notes to the Financial Statements	3 to 10

# **Stablepharma Limited**

## **Company Information**

**Directors** Dr B J Roser  
Mr M C Powell  
Mr N E Child  
Mr C P Goddard  
Mr N J Mayall  
Mr O Tuncer  
Mr R J Shepherd

**Company secretary** Ms N J Smith

**Registered office** Stablepharma Limited  
Ground Floor  
90 Victoria Street  
Bristol  
BS1 6DP

**Auditors** PKF Francis Clark  
Statutory Auditor  
Ground Floor  
90 Victoria Street  
Bristol  
BS1 6DP

# Stablepharma Limited

## Balance Sheet

31 January 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Intangible assets	4	233,251	252,847
Tangible assets	5	<u>4,283</u>	<u>88</u>
		<u>237,534</u>	<u>252,935</u>
<b>Current assets</b>			
Debtors	6	286,860	192,473
Cash at bank and in hand		<u>638,891</u>	<u>1,040,161</u>
		925,751	1,232,634
<b>Creditors: Amounts falling due within one year</b>	7	<u>(38,412)</u>	<u>(46,106)</u>
<b>Net current assets</b>		<u>887,339</u>	<u>1,186,528</u>
<b>Net assets</b>		<u>1,124,873</u>	<u>1,439,463</u>
<b>Capital and reserves</b>			
Called up share capital	8	6,960	6,960
Share premium reserve		1,898,207	1,898,207
Share option reserve		610,948	610,948
Profit and loss account		<u>(1,391,242)</u>	<u>(1,076,652)</u>
Shareholders' funds		<u>1,124,873</u>	<u>1,439,463</u>

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 13/10/21 and signed on its behalf by:



Mr N E Child  
Director

Company Registration Number: 07925414

# **Stablepharma Limited**

## **Notes to the Financial Statements**

**Year Ended 31 January 2021**

### **1 General information**

The company is a private company limited by share capital, incorporated in England & Wales.

The address of its registered office is:

Stablepharma Limited  
Ground Floor  
90 Victoria Street  
Bristol  
BS1 6DP

The principal place of business is:

4 Queen Street  
Bath  
BA1 1HE

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. There are no material departures from FRS 102.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### **Going concern**

The preparation of the financial statements requires the directors to make a number of estimates, including an assessment of the appropriateness of the going concern basis of preparation of the financial statements. This assessment includes a review of the future economic environment and the company's future prospects and performance. The business is within its research and development phase and consequently is pre-revenue. The Directors have prepared budgets and post year end expenditure has been in line with this. Following the year end the Company has raised £1,986,244 via the issue of equity and has also obtained further finance from Innovate UK. Therefore, based upon the expected levels of expenditure, the Company has sufficient cash head room for a minimum of 12 months from the date of approval of these accounts. Consequently, the Board has concluded that the financial statements should be prepared on a going concern basis.

# **Stablepharma Limited**

## **Notes to the Financial Statements**

### **Year Ended 31 January 2021**

#### **Key judgements and sources of estimation uncertainty**

In the application of the Company's accounting policies management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key judgement that has a significant effect on the financial statements is in respect of the capitalisation of intangible assets. This has been assessed against FRS 102 to ensure there is probable that the expected future economic benefits will flow to the entity.

The key estimates that have a significant effect on the financial statements are in respect of useful economic life of intangible assets, the value of these are 2021: £233,251 (2020: £252,847). The useful life has been set out in note 2.

#### **Government grants**

Government grants are accounted for under the accruals method. These are credited to the profit and loss account when the company is entitled to the income.

#### **Foreign currency transactions and balances**

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

#### **Tax**

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised on all timing differences at the balance sheet date unless indicated below. Timing differences are differences between taxable profits and the results as stated in the profit and loss account and other comprehensive income. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

# **Stablepharma Limited**

## **Notes to the Financial Statements**

### **Year Ended 31 January 2021**

#### **Tangible assets**

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### **Depreciation**

Depreciation is charged so as to write off the cost of assets, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Computer and office equipment	25% straight line
Plant and machinery	25% straight line

#### **Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

#### **Amortisation**

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Patents	10 years straight line
Development	3 years straight line

#### **Share based payments**

The company operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the entity. The fair value of the employee services received is measured by reference to the estimated fair value at the grant date of equity instruments granted and is recognised as an expense over the vesting period. The estimated fair value of the option granted is calculated using the Black Scholes option pricing model. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

A share-based compensation plan is also operated for consultancy services received. This is measured at the fair value of the services provided.

The equity element of the plan is credited to share option reserve.

# **Stablepharma Limited**

## **Notes to the Financial Statements**

### **Year Ended 31 January 2021**

#### **Financial instruments**

##### ***Classification***

The company holds the following financial instruments:

- Short term other debtors and trade creditors; and
- Cash and bank balances.

All financial instruments are classified as basic.

##### ***Recognition and measurement***

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

#### **3 Staff numbers**

The average number of persons employed by the company during the year, was 8 (2020 - 8).



# Stablepharma Limited

## Notes to the Financial Statements

Year Ended 31 January 2021

### 4 Intangible assets

	Development costs £	Patents £	Total £
<b>Cost or valuation</b>			
At 1 February 2020	85,273	186,193	271,466
Additions	-	30,497	30,497
At 31 January 2021	85,273	216,690	301,963
<b>Amortisation</b>			
At 1 February 2020	-	18,619	18,619
Amortisation charge	28,424	21,669	50,093
At 31 January 2021	28,424	40,288	68,712
<b>Carrying amount</b>			
At 31 January 2021	56,849	176,402	233,251
At 31 January 2020	85,273	167,574	252,847

### 5 Tangible assets

	Computer and office equipment £	Plant and machinery £	Total £
<b>Cost or valuation</b>			
At 1 February 2020	1,071	-	1,071
Additions	2,264	2,374	4,638
Disposals	(965)	-	(965)
At 31 January 2021	2,370	2,374	4,744
<b>Depreciation</b>			
At 1 February 2020	983	-	983
Charge for the year	443	-	443
Eliminated on disposal	(965)	-	(965)
At 31 January 2021	461	-	461
<b>Carrying amount</b>			
At 31 January 2021	1,909	2,374	4,283
At 31 January 2020	88	-	88

# Stablepharma Limited

## Notes to the Financial Statements

Year Ended 31 January 2021

### 6 Debtors

	2021 £	2020 £
Prepayments	2,351	1,166
Other debtors	284,509	191,307
	<u>286,860</u>	<u>192,473</u>

### 7 Creditors

Creditors: amounts falling due within one year

	2021 £	2020 £
Due within one year		
Trade creditors	11,070	27,031
Taxation and social security	2,445	778
Accruals and deferred income	24,897	18,297
	<u>38,412</u>	<u>46,106</u>

### 8 Share capital

Allotted, called up and fully paid shares

	No.	2021 £	No.	2020 £
Ordinary of £0.0001 each	<u>69,599,267</u>	<u>6,960</u>	<u>69,599,267</u>	<u>6,960</u>

## **Stablepharma Limited**

### **Notes to the Financial Statements**

#### **Year Ended 31 January 2021**

##### **9 Related party transactions**

At 31 January 2021 the balance owed from N Child was £627 (2020: £524). No interest was paid on this balance. In the year share options were granted of £nil (2020: £84,365).

During the year the Company made purchases from O Tuncer (Director) of £25,156. During the year Stablepharma Limited repaid £25,156. At 31 January 2021 the balance owed to O Tuncer was £nil (2020: £nil). In the year share options were granted of £nil (2020: £35,800).

During the year the Company made purchases from R Shepherd (Director) of £24,124. During the year Stablepharma Limited repaid £23,124. At 31 January 2021 the balance owed to R Shepherd was £1,000 (2020: £nil). No interest was paid on this balance. In the year share options were granted of £nil (2020: £74,000).

During the year the Company made purchases from B Roser (Director) of £3,742. During the year Stablepharma Limited repaid £3,742. At 31 January 2021 the balance owed to B Roser was £nil (2020: £nil). In the year share options were granted of £nil (2020: £210,600).

During the year the Company made purchases from N Mayall (Director) of £3,000. During the year Stablepharma Limited repaid £3,000. At 31 January 2021 the balance owed to N Mayall was £nil (2020: £nil).

During the year share options were granted to M Powell (Director) of £nil (2020: £127,000).

During the year the Company made purchases from Pen Adventures LLP (related company through common director) of £78,500. During the year Stablepharma Limited repaid £78,500. At 31 January 2021 the balance owed to Pen Adventures LLP was £nil (2020: £nil). In the year share options were granted of £nil (2020: £6,000).

##### **10 Share-based payments**

The company introduced an unapproved share based remuneration scheme in 2020 for certain employees and consultants. Under the scheme the board of directors can grant options over shares in the company to employees of, or consultants to the company.

Options are granted with a fixed exercise price for the reporting date given the restricted market for the shares. The contractual life of an option is 15 years from the grant date.

The expense recognised in the year for share based payment plan in respect of consultants' services received is £nil (2020: £589,197). All of which related to equity-settled share based payment transactions.

The share-based remuneration expense totals £nil (2019: £21,751) and is calculated using the black scholes model.

# Stablepharma Limited

## Notes to the Financial Statements

### Year Ended 31 January 2021

	2021 Number	2021 Exercise price <i>Pence</i>	2020 Number	2020 Exercise price <i>Pence</i>
Outstanding at 1 February	4,251,558	14.37	-	-
Granted	-	-	4,251,558	14.37
Outstanding at 31 January	4,251,558	14.37	4,251,558	14.37

Equity-settled	2021	2020
<i>Option pricing model used</i>	<i>Black-Scholes</i>	<i>Black-Scholes</i>
Weighted average share price at grant date (pence)	-	£0.1437
Exercise price (pence)	-	£0.1437
Weighted average contractual life (years)	-	15
Expected volatility	-	50%
Expected dividend growth rate	-	0%
Risk-free interest rate	-	3%

#### 11 Audit report

The Independent Auditors' Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report was Paul Putnam, who signed for and on behalf of PKF Francis Clark on 15 October 2021