

Company Registration No. 08553682 (England and Wales)

REACTA BIOTECH LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019
PAGES FOR FILING WITH REGISTRAR

REACTA BIOTECH LIMITED

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REACTA BIOTECH LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	3		90,421		83,350
Current assets					
Stocks		35,661		37,270	
Debtors	4	129,614		381,297	
Cash at bank and in hand		13,647		5,976	
		<u>178,922</u>		<u>424,543</u>	
Creditors: amounts falling due within one year	5	<u>(618,669)</u>		<u>(406,170)</u>	
Net current (liabilities)/assets			<u>(439,747)</u>		<u>18,373</u>
Total assets less current liabilities			<u>(349,326)</u>		<u>101,723</u>
Creditors: amounts falling due after more than one year	6		<u>(230,749)</u>		<u>-</u>
Net (liabilities)/assets			<u><u>(580,075)</u></u>		<u><u>101,723</u></u>
Capital and reserves					
Called up share capital	8		612		570
Share premium account			2,274,479		2,043,056
Profit and loss reserves			<u>(2,855,166)</u>		<u>(1,941,903)</u>
Total equity			<u><u>(580,075)</u></u>		<u><u>101,723</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

REACTA BIOTECH LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2019

The financial statements were approved by the board of directors and authorised for issue on 19 May 2020 and are signed on its behalf by:

A A Woodcock
Director

Company Registration No. 08553682

REACTA BIOTECH LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 January 2018		361	1,197,783	(1,157,443)	40,701
Year ended 31 December 2018:					
Loss and total comprehensive income for the year		-	-	(784,460)	(784,460)
Issue of share capital	8	209	845,273	-	845,482
Balance at 31 December 2018		570	2,043,056	(1,941,903)	101,723
Year ended 31 December 2019:					
Loss and total comprehensive income for the year		-	-	(913,263)	(913,263)
Issue of share capital	8	42	231,423	-	231,465
Balance at 31 December 2019		612	2,274,479	(2,855,166)	(580,075)

REACTA BIOTECH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

Reacta Biotech Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 2 Newtech Square, Deeside Industrial Park, Deeside, CH5 2NT.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Leasehold	20% straight line
Fixtures, fittings & equipment	15% straight line
Plant & machinery	15% straight line
Computer equipment	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

REACTA BIOTECH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

1.6 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

REACTA BIOTECH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 11 (2018 - 5).

REACTA BIOTECH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

3 Tangible fixed assets

	Land and buildings Leasehold	Fixtures, fittings & equipment	Plant & machinery	Computer equipment	Total
	£	£	£	£	£
Cost					
At 1 January 2019	17,624	356	61,435	19,167	98,582
Additions	-	633	17,408	7,641	25,682
At 31 December 2019	17,624	989	78,843	26,808	124,264
Depreciation and impairment					
At 1 January 2019	1,788	24	10,411	3,009	15,232
Depreciation charged in the year	3,525	76	10,066	4,944	18,611
At 31 December 2019	5,313	100	20,477	7,953	33,843
Carrying amount					
At 31 December 2019	12,311	889	58,366	18,855	90,421
At 31 December 2018	15,836	332	51,024	16,158	83,350

4 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	1,436	159,414
Other debtors	128,178	221,883
	129,614	381,297

5 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	441,179	279,736
Taxation and social security	17,697	13,619
Other creditors	159,793	112,815
	618,669	406,170

6 Creditors: amounts falling due after more than one year

	2019 £	2018 £
Bank loans and overdrafts	230,749	-

REACTA BIOTECH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

7 Post balance sheet event note

On 9 April 2020 the company made a further issue of new ordinary shares for cash which raised further equity funding amounting to £945,000. At the same time two existing loans amounting to £475,000 were converted into new ordinary shares thus increasing total equity by £1,420,000.

8 Called up share capital

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
547,920 ordinary shares of 0.1p each	548	506
63,550 ordinary A shares of 0.1p each	64	64
	<hr/>	<hr/>
	612	570
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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.