

Company Registration No. 09812865 (England and Wales)

**ABLATUS THERAPEUTICS LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
**PAGES FOR FILING WITH REGISTRAR**

# ABLATUS THERAPEUTICS LIMITED

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# ABLATUS THERAPEUTICS LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Intangible assets	3		945,173		817,111
Tangible assets	4		2,162		4,865
			<u>947,335</u>		<u>821,976</u>
<b>Current assets</b>					
Debtors	5	108,157		35,897	
Cash at bank and in hand		396,403		205,092	
		<u>504,560</u>		<u>240,989</u>	
<b>Creditors: amounts falling due within one year</b>	6	(156,634)		(58,320)	
<b>Net current assets</b>			<u>347,926</u>		<u>182,669</u>
<b>Total assets less current liabilities</b>			<u>1,295,261</u>		<u>1,004,645</u>
<b>Provisions for liabilities</b>			(411)		(882)
<b>Net assets</b>			<u><u>1,294,850</u></u>		<u><u>1,003,763</u></u>
<b>Capital and reserves</b>					
Called up share capital			30		25
Share premium account			2,491,585		1,725,337
Other reserves			24,516		-
Profit and loss reserves			(1,221,281)		(721,599)
<b>Total equity</b>			<u><u>1,294,850</u></u>		<u><u>1,003,763</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 2020 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.

# **ABLATUS THERAPEUTICS LIMITED**

## **BALANCE SHEET (CONTINUED)**

***AS AT 31 DECEMBER 2020***

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The financial statements were approved by the board of directors and authorised for issue on 24 May 2021 and are signed on its behalf by:

Mr W D Allan

**Director**

**Company Registration No. 09812865**

# **ABLATUS THERAPEUTICS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **1 Accounting policies**

#### **Company information**

Ablatus Therapeutics Limited is a private company, limited by shares, incorporates and domiciled in England and Wales, registration number 09812865. The registered office address is 30 Broad Street, Great Cambourne, Cambridge, England, CB23 6JU. The company was incorporated on 7 October 2015 in the United Kingdom and Ireland. The principal activity of the entity is research and development of medical devices.

#### **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 Going concern**

The Directors have prepared financial forecasts to project the Company's financial and working capital requirements for at least the next twelve months from the date of approval of the financial statements.

The forecasts show that additional external investment is required regularly throughout the next twelve months in order to provide the Company with sufficient working capital to meet its obligations as and when they fall due. The Directors have no reason to believe that such investment will not be made available when needed, based on the fact the Company has raised in excess of £700k in equity during the course of 2020, was awarded an Innovate UK grant of over £1 m in August 2020 (to be provided over a two year period) and that active discussions with current and potential investors are ongoing.

However, in the absence of formal agreements and unconditional commitments from third parties to provide such investment, there can be no certainty on the availability, timing or quantum of this funding as at the date of approval of the financial statements. This creates a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern.

Notwithstanding these uncertainties, the Directors' expectation is that in light of the aforementioned positive discussions with current and potential investors, the Company's recent track record of equity fundraising, a strong existing cash position and the ability to manage working capital flows to reduce any adverse short term shortfalls, there is considered to be a sufficiently reasonable expectation that the Company will be able to continue as a going concern for at least the next twelve months from the date of approval of the financial statements. The Directors therefore continue to adopt the going concern basis in their preparation.

#### **1.3 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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

# ABLATUS THERAPEUTICS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

(Continued)

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

#### 1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

#### 1.5 Intangible fixed assets other than goodwill

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation is charged on intangible assets once the relevant asset is considered ready for use.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Development costs

Maximum of 10 years

Internally developed assets are recognised only if all of the following conditions are met:

- As asset is created that can be separately identified;
- It is probable that the asset created will generate future economic benefits;
- The development cost of the asset can be measured reliably;
- The technical feasibility to make the asset available for use or sale can be demonstrated;
- Sufficient technical and financial resources are available to complete development of the asset; and
- There is an intention to complete the intangible asset for use or sale.

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 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.

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.

#### 1.6 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.

# ABLATUS THERAPEUTICS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

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:

Lab equipment	3 years straight line
Fixtures and fittings	3 years straight line
Office equipment	3 years 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.

#### 1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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.

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.

#### 1.8 Cash and cash equivalents

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.

#### 1.9 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.

# ABLATUS THERAPEUTICS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

(Continued)

#### **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.

#### **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.

#### **1.10 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **1.11 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.



# ABLATUS THERAPEUTICS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.12 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.

#### **1.13 Retirement benefits**

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

#### **1.14 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### **1.15 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	2	3
	<u>          </u>	<u>          </u>

# ABLATUS THERAPEUTICS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 3 Intangible fixed assets

	Other £
<b>Cost</b>	
At 1 January 2020	817,111
Additions	128,062
	<hr/>
At 31 December 2020	945,173
	<hr/>
<b>Amortisation and impairment</b>	
At 1 January 2020 and 31 December 2020	-
	<hr/>
<b>Carrying amount</b>	
At 31 December 2020	945,173
	<hr/> <hr/>
At 31 December 2019	817,111
	<hr/> <hr/>

### 4 Tangible fixed assets

	Plant and machinery etc £
<b>Cost</b>	
At 1 January 2020 and 31 December 2020	9,585
	<hr/>
<b>Depreciation and impairment</b>	
At 1 January 2020	4,720
Depreciation charged in the year	2,703
	<hr/>
At 31 December 2020	7,423
	<hr/>
<b>Carrying amount</b>	
At 31 December 2020	2,162
	<hr/> <hr/>
At 31 December 2019	4,865
	<hr/> <hr/>

### 5 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade debtors	-	1
Other debtors	108,157	35,896
	<hr/>	<hr/>
	108,157	35,897
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## ABLATUS THERAPEUTICS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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**6 Creditors: amounts falling due within one year**

	2020	2019
	£	£
Trade creditors	141,313	14,140
Taxation and social security	805	5,462
Other creditors	14,516	38,718
	<hr/>	<hr/>
	156,634	58,320
	<hr/>	<hr/>

**7 Share-based payment transactions**

**Liabilities and expenses**

During the year, the company recognised total share-based payment expenses of £24,516 (2019: £-) which related to equity settled share based payment transactions.

**8 Related party transactions**

During the year Ablatus Therapeutics Limited was charged £81,937.50 (2019: £42,375) by PD & NJ Hayes Ltd (a company which is controlled by one of the directors). As at 31 December 2020, £8,100 (2019: £5,400) was due to PD & NJ Hayes Ltd.

During the year Ablatus Therapeutics Limited was charged £36,000 (2019: £36,000) by Iconix Ltd (a company which is controlled by one of the directors). As at 31 December 2020, no amounts were due at the year end (2019: £6,000) was due to Iconix Ltd.

During the year Ablatus Therapeutics Limited was charged £11,531.37 (2019: £10,082) by Health Enterprise East Ltd (a company with a common director). No amounts were due at the year end (2019: £nil).

## **ABLATUS THERAPEUTICS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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**9 Post balance sheet events**

**Share issues:**

On 31 March 2021, a total of 44,324 shares were issued for £57,178.

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.