

REGISTERED NUMBER: 07289096 (England and Wales)

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

FOR

EPSILON-3 BIO LIMITED

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for the Year Ended 31 December 2017

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COMPANY INFORMATION
for the Year Ended 31 December 2017

DIRECTORS: Dr D J Grainger
Ms M N E Ollier
Dr. N L Luncborg
Ip2ipo Services Limited

SECRETARY: Dr E McKilligin

REGISTERED OFFICE: Moneta Building
Babraham Research Campus
Babraham
Cambridge
Cambridgeshire
CB22 3AT

REGISTERED NUMBER: 07289096 (England and Wales)

ACCOUNTANTS: Lovetts Chartered Accountants
Bridge House
25 Fiddlebridge Lane
Hatfield
Hertfordshire
AL10 0SP

BALANCE SHEET
31 December 2017

	Notes	31.12.17 £	£	31.12.16 £	£
FIXED ASSETS					
Intangible assets	4		25,500		27,000
Tangible assets	5		<u>438</u>		<u>1,270</u>
			25,938		28,270
CURRENT ASSETS					
Debtors	6	771,784		221,263	
Cash at bank		<u>326,010</u>		<u>2,607,135</u>	
		1,097,794		2,828,398	
CREDITORS					
Amounts falling due within one year	7	<u>119,762</u>		<u>143,069</u>	
NET CURRENT ASSETS			<u>978,032</u>		<u>2,685,329</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,003,970		2,713,599
CREDITORS					
Amounts falling due after more than one year (including convertible debt)	8		<u>2,660,143</u>		<u>2,528,789</u>
NET (LIABILITIES)/ASSETS			<u>(1,656,173)</u>		<u>184,810</u>
CAPITAL AND RESERVES					
Called up share capital			40,638		40,638
Share premium			3,213,031		3,213,031
Retained earnings			<u>(4,909,842)</u>		<u>(3,068,859)</u>
SHAREHOLDERS' FUNDS			<u>(1,656,173)</u>		<u>184,810</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2017.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2017 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

BALANCE SHEET - continued
31 December 2017

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

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

The financial statements were approved by the Board of Directors on 17 September 2018 and were signed on its behalf by:

Dr D J Grainger - Director

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2017

1. **STATUTORY INFORMATION**

Epsilon-3 Bio 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 the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Patents

Amortisation is provided at varying rates on cost in order to write off each asset over its estimated useful life.

Tangible fixed assets

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

Computer equipment - 33% on cost

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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.

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.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

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.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 1 (2016 - 6).

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2017

4. INTANGIBLE FIXED ASSETS

	Patents and licences £
COST	
At 1 January 2017 and 31 December 2017	<u>44,831</u>
AMORTISATION	
At 1 January 2017	17,831
Amortisation for year	<u>1,500</u>
At 31 December 2017	<u>19,331</u>
NET BOOK VALUE	
At 31 December 2017	<u>25,500</u>
At 31 December 2016	<u>27,000</u>

5. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 January 2017 and 31 December 2017	<u>3,668</u>
DEPRECIATION	
At 1 January 2017	2,398
Charge for year	<u>832</u>
At 31 December 2017	<u>3,230</u>
NET BOOK VALUE	
At 31 December 2017	<u>438</u>
At 31 December 2016	<u>1,270</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.17 £	31.12.16 £
Other debtors	<u>771,784</u>	<u>221,263</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.17 £	31.12.16 £
Trade creditors	65,363	109,049
Taxation and social security	-	8,244
Other creditors	<u>54,399</u>	<u>25,776</u>
	<u>119,762</u>	<u>143,069</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2017

8. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.12.17	31.12.16
	£	£
Other creditors	<u>2,660,143</u>	<u>2,528,789</u>

Other creditors includes convertible loans of £2,660,143.

9. **POST BALANCE SHEET EVENTS**

On 13 March 2018 the investors agreed to loan the company £1 million in convertible loan notes.

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.