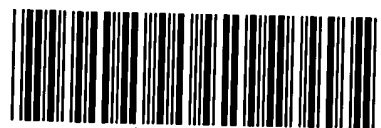


IXITech Limited

Financial Statements Year ended 30 September 2016

Company registration number: 02466556

THURSDAY



A63RNYMI

A17

06/04/2017

#178

COMPANIES HOUSE

Contents	Pages
Company information	1
Directors' report	2 - 3
Independent auditor's report to the shareholders	4
Statement of comprehensive income	5
Balance sheet	6
Statement of changes in equity	7
Notes to the financial statements	8 - 17

IXITech Limited
Company information
Year ended 30 September 2016

The board of directors

D L G Hill
S Lowther
G Cerroni

Company secretary

S Lowther

Registered office

4th Floor, Griffin Court
15 Long Lane
London, EC1A 9PN

Auditor

Grant Thornton UK LLP
Chartered Accountants and Statutory Auditors
101 Cambridge Science Park
Milton Road
Cambridge, CB4 0FY

IXITech Limited
Directors' report
Year ended 30 September 2016

The directors of IXITech Limited (registered in England and Wales: 02466556) present their audited financial statements for the year ended 30 September 2016.

Principal activities

The principal activity of the Company undertaken during the year ended 30 September 2016 was the provision of clinical trials services to pharmaceutical companies engaged in the research and development of treatments for Huntington's disease.

Review of the business

Company is in receipt of funding from its ultimate parent company and controlling party, IXICO plc, to support its business operations. During the year ended 30 September 2016, the Company provided clinical trials services to three international pharmaceutical companies (30 September 2015: two).

Results

The Company's results for the year ended 30 September 2016 are presented on page 5. The Company's net profit after taxation was £220,350 (2015: £263,098). The Directors do not recommend the payment of a dividend.

Directors

The directors of the Company, all of whom have been directors for the whole of the year, unless otherwise stated below, and up to the date of signing the financial statements are as follows:

D Hill	
C Spicer	Resigned 31 December 2015
S Lowther	
G Cerroni	Appointed 7 February 2017

Directors' indemnities

The Company has in place for the whole of the period, and at the date of signing the financial statements, qualifying third party indemnity insurance for all directors and officers.

Going concern

The Company relies on IXICO plc its parent company, for continued support. IXICO plc has formally confirmed that it will continue to support the Company for the foreseeable future. IXICO plc has confirmed that it will not call in any future intercompany balance between the two companies for a period of at least twelve months from the date of these financial statements being signed.

At 30 September 2016, the Group had cash resources (being cash and cash equivalents) of £3,120,371. Thus, after making enquiries and taking into account management's estimate of future expenditure and receiving confirmation of ongoing support from its parent company, the directors have a reasonable expectation that the Company will have adequate financial resources to continue in operation for the foreseeable future.

IXITech Limited

Directors' report (continued)

Year ended 30 September 2016

Statement of 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 laws, including FRS 101 "Reduced Disclosure Framework" applicable in the UK and Republic of Ireland). 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 and profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- state whether applicable United Kingdom Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditors

In the case of each of the persons who are directors of the Company at the date when this report is approved:

- so far as each of the directors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's auditors are unaware; and
- each of the directors has taken all steps that he/she ought to have taken as a director to make himself/herself aware of any

Auditor

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

Small Companies Exemption

In preparing this report, the Directors have taken advantage of the small companies exemption provided by part 15 of the Companies Act 2006.

On behalf of the Board



Derek Hill

Director

Date: 31 March 2017

IXITech Limited

Independent auditor's report to the members of IXITech Limited

Year ended 30 September 2016

We have audited the financial statements of IXITech Limited for the year ended 30 September 2016 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 members 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 as set out on page 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 and express an opinion on 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.

Grant Thornton UK LLP

Alison Seekings

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

Cambridge

Date: 31 March 2017

IXITech Limited
Statement of comprehensive income
Year ended 30 September 2016

	Note	2016 £	2015 £
Revenue	3	454,606	579,757
Cost of sales		(184,377)	(213,411)
Gross profit		270,229	366,346
Other income	4	13,076	10,371
Net operating credit / (expenses)		30,884	(18,897)
Operating profit	5	314,189	357,820
Finance expense	7	(92,786)	(92,497)
Profit on ordinary activities before taxation		221,403	265,323
Taxation	8	(1,053)	(2,225)
Profit and total comprehensive income attributable to equity holders for the period		220,350	263,098

All of the activities of the Company are classed as continuing.

The accompanying notes form part of these financial statements.

IXITech Limited
Balance sheet
As at 30 September 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	9		-		-
Investment	10		286		286
Amounts due from group undertakings	11		<u>559,292</u>		<u>-</u>
			559,578		286
CURRENT ASSETS					
Debtors	11	103,340		254,714	
Corporation tax	8	10,461		8,245	
Cash and cash equivalents		<u>943,641</u>		<u>674,626</u>	
		1,057,442		937,585	
CREDITORS: amounts falling due within one year	13		<u>14,829</u>	<u>94,219</u>	
NET CURRENT ASSETS			<u>1,042,613</u>	<u>843,366</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES			1,602,191		843,652
CREDITORS: amounts falling due after more than one year	13		<u>1,456,440</u>	<u>918,251</u>	
NET ASSETS / (LIABILITIES)			<u>145,751</u>	<u>(74,599)</u>	
CAPITAL AND RESERVES					
Called up share capital	14		1,715		1,715
Share premium account	15		295,567		295,567
Profit and loss account			<u>(151,531)</u>	<u>(371,881)</u>	
SHAREHOLDERS' FUNDS/(DEFICIT)			<u>145,751</u>	<u>(74,599)</u>	

The financial statements on pages 5 to 17 were approved by the Board of Directors and authorised for issue on **31 March 2017** and were signed on its behalf by:



Derek Hill
Director
Company registered number: 03131723

The accompanying notes form part of these financial statements.

IXITech Limited
Statement of changes in equity
Year ended 30 September 2016

	Called up share capital £	Share premium account £	Profit and loss account £	Total £
As at 1 October 2014	1,715	295,567	(634,979)	(337,697)
Total comprehensive income for the financial year	-	-	263,098	263,098
As at 30 September 2015	1,715	295,567	(371,881)	(74,599)
Total comprehensive income for the financial year	-	-	220,350	220,350
As at 30 September 2016	1,715	295,567	(151,531)	145,751

The accompanying notes form part of these financial statements.

IXITech Limited
Notes to the financial statements
Year ended 30 September 2016

1. SUMMARY OF SIGNIFICANT ACCOUNT POLICIES

IXITech Limited is a private limited company incorporated and domiciled in England and Wales (registration number: 02466556).

The Company is a wholly owned subsidiary of IXICO plc which prepares publicly available consolidated financial statements in accordance with IFRS. This Company is included in the consolidated financial statements of IXICO plc for the year ended 30 September 2016. These accounts are available from the registered office at 4th Floor, Griffin Court, 15 Long Lane, London, EC1A 9PN.

Basis of preparation

The financial statements of the Company have been prepared in accordance with applicable accounting standards and in accordance with Financial Reporting Standard 101 - 'The Reduced Disclosure Framework' (FRS 101). The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have all been applied consistently throughout the period unless otherwise stated.

The financial statements of the Company have been prepared under the historical cost convention and the financial information is presented in sterling.

The Company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of IXICO plc, its ultimate parent company. The results of IXITech Limited are included in the consolidated financial statements of IXICO plc.

Changes in accounting policies

This is the first year in which the financial statements have been prepared in accordance with FRS 101 having previously applied International Financial Reporting Standards ('IFRS') as adopted by the European Union that was effective before periods commencing on or after 1 October 2014. The date of transition to FRS 101 was 1 October 2014. The Company has restated its comparatives for the year ended 30 September 2015. There were no adjustments to either the Balance Sheet or the Profit and Loss account on transition to FRS101.

Disclosure exemptions adopted

In preparing these financial statements the Company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore these financial statements do not include:

- A statement of cash flows and related notes
- The requirement to produce a balance sheet at the beginning of the earliest comparative period
- The requirements of IAS 24 related party disclosures to disclose related party transactions entered in to between two or more members of the group as they are wholly owned within the group
- Presentation of comparative reconciliations for property, plant and equipment
- The effect of future accounting standards not adopted
- Certain share based payment disclosures
- Disclosures in relation to impairment of assets

Going concern

The Company relies on IXICO plc, its parent company, for continued support. IXICO plc has formally confirmed that it will continue to support the Company for the foreseeable future. IXICO plc has confirmed that it will not call in any future intercompany balance between the two companies for a period of at least twelve months from the date of signature of these financial statements.

At 30 September 2016, the Group had cash resources (being cash and cash equivalents) of £3,120,371. Thus, after making enquiries and taking into account management's estimate of future expenditure and receiving confirmation of ongoing support from its parent company, the directors have a reasonable expectation that the Company will have adequate financial resources to continue in operation for the foreseeable future. Thus they have adopted the going concern basis of accounting in preparing the financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNT POLICIES (continued)

Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes.

Revenue from short term professional services contracts, such as consultancy and training, is recognised as the service is performed.

Revenue on longer term contracts for services is recognised according to the substance of the Company's obligations under a contract. Where the substance of a transaction is that the Company's contractual obligations are performed gradually over time, revenue is recognised as contract activity progresses, to reflect the Company's partial performance of its contractual obligations. Where the substance of a contract is that a right to consideration does not arise until the occurrence of a critical event, revenue is not recognised until the event occurs.

Where longer term contracts for services allows for the reimbursement for certain expense incurred by the Company in the execution of the service contract, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered. These reimbursements are included in revenue and are subject to a nil gross margin.

Where it has been assessed that the Company is acting as agent in respect of an agency relationship, revenues are recognised on a net basis after deducting revenue earned by the principal.

Revenue recognised in the income statement but not yet invoiced is held on the balance sheet within 'debtors'. Revenue invoiced but not yet recognised in the income statement is held on the balance sheet within 'creditors'.

Other income

The Company has elected to take advantage of the research and development expenditure credit ('RDEC'). A company may surrender corporation tax losses on research and development expenditure incurred on or after 1 April 2013 for a corporation tax refund. Relief is given as a taxable credit on 10% of qualifying R&D expenditure. The Company recognises research and development expenditure credit as an item of other income, taking advantage of the above the line presentation.

Operating leases

Rentals payable under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term. Where premises are no longer in use, the remaining lease commitment cost is recognised as an expense in full.

Intangible assets

Research and development

Research and development expenditure is written off in the year in which it is incurred in respect of expenditure where new scientific or technical knowledge is obtained. Expenditure on development activities, whereby findings are applied for the production of new or substantially improved products and processes, is capitalised if the product or process is technically and commercially feasible, the Company has the intention and sufficient resources to complete development and the expenditure can be reliably measured. Amortisation begins when development is complete and is charged to the statement of comprehensive income on a straight line basis over the useful economic life of the product or process. During the period of development, the asset is tested for impairment annually.

Other intangible assets

Intangible assets consist of intellectual property rights, patents and trademarks. Intangible assets are initially measured at amortised cost. Amortisation is calculated so as to write off the cost of an intangible asset, less its estimated residual value, in equal instalments over the useful economic life of that asset of 3 years.

1. SUMMARY OF SIGNIFICANT ACCOUNT POLICIES (continued)

Tangible assets

Tangible assets are stated at historic purchase cost less accumulated depreciation.

The cost of tangible assets is its purchase cost, together with any directly attributable expenses of acquisition. Depreciation is calculated so as to write off the cost of property, plant and equipment, less its estimated residual value, on a straight line basis over the expected useful economic lives of the assets concerned.

The principal rates used for this purpose are:

- Leasehold improvements: straight line over the shorter of 5 years or the lease term
- Fixtures and fittings: 33% straight line
- Equipment: 33% straight line

The assets' residual values and useful lives are reviewed, and adjusted if necessary, at each balance sheet date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within the statement of comprehensive income.

Impairment of assets

Non-current assets are reviewed for impairment both annually and when there is an indication that an asset may be impaired (when events or changes in circumstances indicate that carrying value may not be recoverable). An impairment loss is recognised in the statement of comprehensive income for the amount by which the asset's carrying value exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Non-financial assets, other than goodwill, which have suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Investments in group undertakings

Investments in group undertakings are carried at cost less any impairment provision.

Amounts due from group undertakings where there is no commitment to demand repayment within 12 months of the balance sheet date are classified as fixed assets.

Current tax

Current tax represents United Kingdom tax recoverable and is provided at amounts expected to be recovered using the tax rates and laws that have been enacted at the balance sheet date.

Foreign currency translation

Transactions denominated in foreign currencies are translated into sterling at actual rates of exchange ruling at the date of transaction. Monetary assets and liabilities expressed in foreign currencies are translated into sterling at rates of exchange ruling at the end of the financial year. All foreign currency exchange differences are taken to the statement of comprehensive income in the year in which they arise. Non-monetary assets and liabilities measured at historic cost in a foreign currency are translated using the exchange rates as at the date of the initial transactions. Those measured at fair value are translated using the exchange rates at the date when the fair value was determined.

IXITech Limited
Notes to the financial statements
Year ended 30 September 2016

1. SUMMARY OF SIGNIFICANT ACCOUNT POLICIES (continued)

Financial instruments

Financial assets and liabilities are recognised in the balance sheet when the Company becomes party to the contractual provisions of the instrument.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity of 3 months or less. They are initially and subsequently recorded at fair value.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payment that are not quoted in an active market. The Company's loans and receivables comprise of trade and other receivables which are initially recognised at fair value and subsequently recognised at amortised cost using the effective interest method, less any provision for impairment.

Other financial liabilities

Other financial liabilities, including trade and other payables, are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated balance sheet only if there is an enforceable legal right to offset and there is an intention to settle on a net basis.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Deferred taxation

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements in accordance with IAS 12 'Income taxes'. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax asset is recognised only to the extent that it is probable that sufficient taxable profit will be available in future years to utilise the temporary difference. Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither the accounting, nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each balance sheet 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 income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Share capital and reserves

Called up share capital represents the nominal value of shares that have been issued.

Share premium account represents the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issue.

IXITech Limited
Notes to the financial statements
Year ended 30 September 2016

2. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 following are the critical judgements and estimations that the directors have made in the process of applying the Company's accounting policies and have the most significant effect on the amounts recognised in the financial statements.

Revenue recognition

The Company recognises revenue with regard to amounts chargeable to customers under service contracts. The policy is to recognise services upon achievement of milestones set out in the customer agreement. This is expected to approximate to the timing of the physical performance of the service activity on such contracts. Recognising revenue also requires significant judgement in determining actual work performed and the estimated costs to complete the work. Assessing whether the Company is acting as agent in respect of an agency relationship, depends on facts and circumstances and requires judgement. The Company identified no agency relationships in the year ended 30 September 2016 (2015: nil).

Capitalisation of internally developed software

Distinguishing the research and development phases of a software and determining whether the recognition requirements for the capitalisation of development costs are met requires judgement. Expenditure on all research and development in the period is recognised as an expense as incurred.

Recovery of deferred tax assets

Deferred tax assets have not been recognised for deductible temporary differences and tax losses as the Directors consider that there is not sufficient certainty that future taxable profits will be available to utilise those temporary differences and tax losses.

3. REVENUE

Revenue recognised in the statement of comprehensive income is attributable to the one principal activity of the Company. The Company is domiciled in the United Kingdom with all sales originating in the United Kingdom.

An analysis of the Company's revenue by geographic location of its customers are as follows:

	2016 £	2015 £
United States	454,606	579,757

4. OTHER INCOME

	2016 £	2015 £
Research and development expenditure credit	13,076	10,371

The Company recognised research and development expenditure credit as an item of other income, taking advantage of the above the line presentation.

IXITech Limited
Notes to the financial statements
Year ended 30 September 2016

5. OPERATING PROFIT

An analysis of the Company's operating profit has been arrived at after charging / (crediting):

	2016 £	2015 £
Depreciation of tangible fixed assets owned by the company	-	1,996
Foreign exchange gain	(16,306)	(2,390)
Fees payable to the company's auditors in respect of:		
Audit services	4,000	4,000
Tax compliance services	2,000	2,000
Administrative (credit) / expenses	(20,578)	13,291
Total operating (credit) / expenses	(30,884)	18,897

6. EMPLOYEES AND DIRECTORS

As at 30 September 2016 the Company had nil employees (2015: nil). The Company sub-contracts staff from a fellow group undertaking, IXICO Technologies Limited.

Staff costs recharged to the company:	2016 £	2015 £
Wages and salaries	131,869	100,443
Social security costs	18,198	13,861
Other pension costs	7,912	6,027
Total remuneration	157,979	120,331

The amounts outstanding at 30 September 2016 in respect of pension are £nil (2015: £nil).

The share-based payment during the year ended 30 September 2016 was £nil (2015: £nil).

No director received remuneration or accrued retirement benefits during the year ended 30 September 2016 (2015: £nil). Directors of the Company are remunerated by other group companies.

7. FINANCE EXPENSE

	2016 £	2015 £
Interest expense due to group undertakings	92,786	92,497

Interest expense due to group undertakings is in respect of interest bearing loans which are unsecured and have no fixed date of repayment.

IXITech Limited
Notes to the financial statements
Year ended 30 September 2016

8. TAXATION

The tax charge for the year can be reconciled to the profit per statement of comprehensive income as follows:

	2016 £	2015 £
Profit on ordinary activities before taxation	221,403	265,323
Profit before tax multiplied by the research and development expenditure credit at 11% (2015: SME R&D tax credits at 10.5%)	24,354	27,859
Effects of:		
Expenses not deductible for tax purposes	18	9,711
Capital allowances in excess of depreciation	(15,311)	(17,727)
Other temporary differences	-	(5,838)
Adjustment in respect of prior years	(1,562)	99
R&D uplifts net of losses surrendered for tax credits	(6,446)	(11,879)
Tax charge for the period	1,053	2,225

The tax charge for each period can be reconciled as follows:

	2016 £	2015 £
Deduction for corporation tax on research and development expenditure credit	2,615	2,126
Adjustment in respect of prior years	(1,562)	99
Tax charge for the period	1,053	2,225

The Company has elected to take advantage of the RDEC, introduced in the Finance Act 2013 whereby a company may surrender corporation tax losses on research and development expenditure incurred on or after 1 April 2013 for a corporation tax refund. RDEC replaced the large company research and development scheme which the Company has previously claimed, which ceased on 31 March 2016.

The following is a reconciliation between the tax charge and the tax receivable within the statement of financial position:

	2016 £	2015 £
Current tax receivable at start of the year	8,245	1,658
Current year credit	12,023	8,146
Corporation tax repayment	(9,807)	(1,559)
Current tax receivable at end of the year	10,461	8,245

The tax credit for each period can be reconciled to the current year credit recognised in tax receivable within the statement of financial position in each period as follows:

	2016 £	2015 £
Tax charge for the year	(1,053)	(2,225)
Research and development expenditure credit gross of corporation tax deduction	13,076	10,371
Current year credit	12,023	8,146

IXITech Limited
Notes to the financial statements
Year ended 30 September 2016

9. TANGIBLE ASSETS

	Fixtures & fittings £	Equipment £	Total £
Cost			
At 30 September 2014	19,161	93,982	113,143
Additions	-	-	-
At 30 September 2015	19,161	93,982	113,143
Additions	-	-	-
At 30 September 2016	19,161	93,982	113,143
Accumulated Depreciation			
At 30 September 2014	18,435	92,712	111,147
Charge for the period	726	1,270	1,996
At 30 September 2015	19,161	93,982	113,143
Charge for the period	-	-	-
At 30 September 2016	19,161	93,982	113,143
Net Book Value			
At 30 September 2015	-	-	-
At 30 September 2016	-	-	-

10. INVESTMENTS

				£
At 1 October 2014, 30 September 2015 and 30 September 2016				286
Name of subsidiary	Class of share	Country of incorporation	Principle activities	Holding
Phytodevelopments Limited	Ordinary	United Kingdom	Dormant	100%

11. DEBTORS

	2016 £	2015 £
Amounts due within one year		
Trade debtors	100,014	244,529
Amounts due from group undertakings	1,900	1,900
Other debtors	986	2,497
Prepayments and accrued income	440	5,788
	103,340	254,714
Amounts due after more than one year		
Amounts due from group undertakings	559,292	-
	559,292	-

Trade debtors are classified as loans and receivables and therefore measured at amortised cost.

As of 30 September 2016, all trade debtors were fully performing and aged less than six months from their due date. These related to an independent customer for whom there was no recent history of default.

The carrying amounts of the Company's trade debtors are denominated in sterling. The fair value of trade and other debtors approximates their fair values.

Amounts due from group undertakings are interest bearing, unsecured and have no fixed date of repayment.

IXITech Limited
Notes to the financial statements
Year ended 30 September 2016

12. DEFERRED TAX ASSET (UNRECOGNISED)

	2016 £	2015 £
Tax effect of timing differences:		
Depreciation in excess of tax allowances	(111,512)	(151,740)
Accumulated losses	(9,171,384)	(10,217,819)
Temporary differences	-	11,122
Deferred tax asset (unrecognised)	(9,282,896)	(10,358,437)

The unrecognised deferred tax asset is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the latest balance date, currently 20% (2015: 20%).

The unrecognised deferred tax is based on material temporary differences that have originated but not reversed at the balance sheet date from transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future.

13. CREDITORS

	2016 £	2015 £
Amounts due within one year		
Trade creditors	3,045	34,198
Other taxation and social security	-	-
Accrued expenses	11,784	60,021
Other creditors	-	-
	14,829	94,219
Amounts due after more than one year		
Amounts due to group undertakings	1,456,440	918,251
	1,456,440	918,251

Trade creditors and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The Company has financial risk management policies in place to ensure that all payables, unless they are subject to dispute, are paid within the pre-agreed credit terms.

Amounts due to group undertakings are interest bearing, unsecured and have no fixed date of repayment.

The fair value of trade and other creditors approximates their current book values.

14. ORDINARY SHARE CAPITAL

	Ordinary share of 10 pence Number	Share Capital £
Allotted, called up and fully paid		
At 1 October 2014, 30 September 2015 and 30 September 2016	17,150	1,715

The Company does not have an authorised share capital as provided by the Companies Act 2006.

15. RESERVES

Details of movements in reserves are included in the Company Statement of Changes in Equity on page 7.

Share premium reserve

The share premium reserve is used to record the premium of the issue price for new issues of shares over the par value of those shares. The share premium reserve also records the costs directly attributable to the issue of new shares.

Profit and loss

Includes all current and prior period retained profits and losses

16. OPERATING LEASE ARRANGEMENTS

During the year ended 30 September 2016, the dilapidations in respect of the Lakeview House was settled for £26,900. The dilapidations provision of £50,000 was released, resulting in a credit of £23,100 recognised in the statement of comprehensive income.

17. RELATED PARTY TRANSACTIONS

IXICO plc, the ultimate parent of the Company, provides the Company with cash funding for its research and development activities. Details of the inter-company balances can be found on the face of the balance sheet. All amounts due to and from group undertakings are interest bearing loans, unsecured and have no fixed date of repayment.

During the year ended 30 September 2016, the Company purchased services totalling £14,000 (2015: £103,000) from University College London Business Plc, a shareholder of IXICO plc, the immediate and ultimate parent company and controlling party. The amount owed to University College London Business Plc at 30 September 2016 was £2,000 (2015: £24,000).

During the year ended 30 September 2016, the Company purchased services totalling £nil (2015: £5,000) from King's College London, a shareholder of IXICO plc, the immediate and ultimate parent company and controlling party. The amount owed to King's College London at 30 September 2016 was £nil (2015: £5,000).

There were no transactions with key management personnel during 2016 (2015: £nil).

18. ULTIMATE CONTROLLING PARTY

The Company's ultimate parent company and controlling party is IXICO plc (registered in England and Wales: 03131723). The Company is included in IXICO plc's consolidated financial statements which are publically available from www.ixico.com.