

**ReNeuron (UK) Limited**

**Annual report**

**for the year ended 31 March 2019**

Registered Number 04083134



# **ReNeuron (UK) Limited**

## **Annual report for the year ended 31 March 2019**

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# **ReNeuron (UK) Limited**

## **Directors' report for the year ended 31 March 2019**

### **Results and dividends**

The result for the year is set out in the Statement of Comprehensive Income on page 7 and shows a profit of £2,066,000 (2018: £nil). The directors do not recommend the payment of a dividend (2018: £nil).

The financial statements have been prepared on a going concern basis which assumes that sufficient funds will be available for the Company and Group to continue in operational existence for the foreseeable future. The Company is dependent on funds provided by the Group. Further details are set out in note 3 to the financial statements.

### **Directors**

The directors who held office during the year and up to the date of signing the financial statements, unless otherwise stated, are listed below:

Olav Hellebo  
Michael Hunt

### **Qualifying third party indemnity**

Certain directors benefited from qualifying third party indemnity provisions in place during the year and at the date of this report.

### **Statement of directors' responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). 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 of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 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 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.

# ReNeuron (UK) Limited

## Directors' report for the year ended 31 March 2019 (continued)

### Directors' confirmations

In accordance with Section 418 of the Companies Act, in the case of each of the persons who are directors at the time when the report is approved, the following applies:

- so far as each director is aware there is no relevant audit information of which the Company's auditors are unaware; and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any audit information and to establish that the Company's auditors are aware of that information.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'MH', with a long horizontal stroke extending to the right.

Michael Hunt  
**Director**  
20 August 2019

# ***Independent auditors' report to the members of ReNeuron (UK) Limited***

## **Report on the audit of the financial statements**

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### **Opinion**

In our opinion, ReNeuron (UK) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 March 2019; the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Independence***

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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### **Conclusions relating to going concern**

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

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### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

# ***Independent auditors' report to the members of ReNeuron (UK) Limited (continued)***

With respect to the Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

## ***Directors' report***

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the year ended 31 March 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' report.

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## **Responsibilities for the financial statements and the audit**

### ***Responsibilities of the directors for the financial statements***

As explained more fully in the Statement of directors' responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### ***Auditors' responsibilities for the audit of the financial statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### ***Use of this report***

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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## **Other required reporting**

### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

## ***Independent auditors' report to the members of ReNeuron (UK) Limited (continued)***

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### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Jason Clarke (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Cardiff  
20 August 2019

# ReNeuron (UK) Limited

## Statement of Comprehensive Income for the year ended 31 March 2019

	Note	2019 £'000	2018 £'000
Other income	4	2,066	-
General and administrative costs		-	-
<b>Operating result</b>		<b>2,066</b>	<b>-</b>
Income tax on result on ordinary activities	7	-	-
<b>Result and total comprehensive result for the year</b>		<b>2,066</b>	<b>-</b>
<b>Total result and total comprehensive result for the year attributable to equity owners of the company</b>		<b>2,066</b>	<b>-</b>



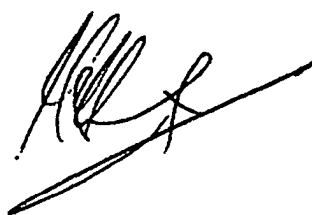
# ReNeuron (UK) Limited

## Statement of Financial Position as at 31 March 2019

	Note	2019 £'000	2018 £'000
<b>Assets</b>			
<b>Current assets</b>			
Trade and other receivables	9	-	-
<b>Total assets</b>		-	-
<b>Equity</b>			
<b>Equity attributable to owners of the company</b>			
Called up share capital	10	3,587	3,587
Share premium account		18,444	18,444
Accumulated losses		(22,031)	(24,097)
<b>Total equity</b>		-	(2,066)
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	11	-	2,066
<b>Total liabilities</b>		-	2,066
<b>Total equity and liabilities</b>		-	-

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 101 "Reduced Disclosure Framework".

The financial statements on pages 7 to 14 were approved by the Board of Directors on 20 August 2019 and were signed on its behalf by:



Michael Hunt  
Director

Company registered number: 04083134

# ReNeuron (UK) Limited

## Statement of Changes in Equity for the year ended 31 March 2019

	Called up share capital £'000	Share premium account £'000	Accumulated losses £'000	Total equity £'000
<b>As at 1 April 2017, 31 March 2018 and 1 April 2018</b>	<b>3,587</b>	<b>18,444</b>	<b>(24,097)</b>	<b>(2,066)</b>
Profit for year and total comprehensive income	-	-	2,066	2,066
<b>As at 31 March 2019</b>	<b>3,587</b>	<b>18,444</b>	<b>(22,031)</b>	<b>-</b>

# ReNeuron (UK) Limited

## Notes to the financial statements for the year ended 31 March 2019

### 1. General information

ReNeuron (UK) Limited ("the Company") is a private limited company, incorporated and domiciled in England and Wales with registered number 04083134. Its shares are wholly owned by ReNeuron Holdings Limited which is wholly owned by ReNeuron Group plc ("the Group"), a public limited company incorporated and domiciled in England and Wales whose shares are quoted on the Alternative Investment Market (AIM).

### 2. Accounting policies and basis of preparation

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

#### Basis of preparation

These financial statements have been prepared in accordance with the Financial Reporting Standard 101, Reduced Disclosure Framework (FRS101). These financial statements have been prepared on a historical cost convention and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. There are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payment'
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 'Intangible assets' (reconciliations between the carrying amount at the beginning and end of the period).
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures (Key management compensation)
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more wholly owned members of the ReNeuron group

# ReNeuron (UK) Limited

## Notes to the financial statements for the year ended 31 March 2019 (continued)

### Trade and other receivables

Trade and other receivables, which includes amounts owed by group undertakings, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance. The company assesses, on a forward-looking basis, the expected credit losses associated with its trade and other receivables carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

### Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. The amounts are unsecured and, when correctly submitted, are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

### Deferred tax

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

### Accounting developments

The following new standards, new interpretations and amendments to standards and interpretations are applicable for the first time for the financial year ended 31 March 2019.

- IFRS 9 "Financial Instruments" (effective 1 January 2018);
- IFRS 15 "Revenue from Contracts with Customers" (effective 1 January 2018);
- Clarifications to IFRS 15 "Revenue from Contracts with Customers" (effective 1 January 2018);
- Annual improvements to IFRS Standards 2014-2016 Cycle (effective 1 January 2018);
- Amendments to IFRS 2 "Classification and Measurement of Share Based Payment Transactions" (effective 1 January 2018); and
- IFRIC Interpretation 22 "Foreign Currency Translation and Advance Consideration" (effective 1 January 2018).

With the exception of IFRS 9, none of them have any impact on the financial statements of the Company. The impact of the adoption of IFRS 9 is described in note 13.

There are a number of new standards, interpretations and amendments to existing standards that are not yet effective and have not been adopted early by the Group. The future introduction of these standards is not expected to have a material impact on the financial statements of the Group.

- IFRS 16 Leases (effective 1 January 2019);
- Amendments to IFRS 9 Prepayment Features with Negative Compensation (effective 1 January 2019);
- IFRIC Interpretation 23 Uncertainty over Income Tax Treatments (effective 1 January 2019); and
- Annual Improvements to IFRS 2015-17 cycle (effective 1 January 2019).

# ReNeuron (UK) Limited

## Notes to the financial statements for the year ended 31 March 2019 (continued)

### 3. Going concern

The financial statements have been prepared on a going concern basis, which assumes that sufficient funds will be available for the Company to continue in operational existence for the foreseeable future and for at least twelve months from the end of the reporting year. The Company is dependent on funds that are provided by the Parent Company.

### 4. Other income

Other income of £2,066,000 (2018: £Nil) arises from the writing back of amounts owed to other Group undertakings.

### 5. Directors' emoluments

The Directors received no emoluments in respect of their services to this Company (2018: £nil).

### 6. Employee information

There were no employees in the Company during the year (2018: nil).

### 7. Auditors' remuneration

	2019 £'000	2018 £'000
Auditors' remuneration:		
Fees payable for the audit of the Company's financial statements	-	-

Audit fees for the year have been borne by other Group companies.

### 8. Income tax on result on ordinary activities

	2019 £'000	2018 £'000
Profit before income tax	2,066	-
Profit before income tax multiplied by the UK standard rate of tax of 19% (2018: 19%)	(393)	-
Effects of:		
- Loan relationship credits not taxable	393	-
Tax charge for the year	-	-

No corporation tax liability arises on the result for current and prior years because no taxable profit was recorded.

The Company has the following unrecognised deferred tax assets:

	Amount not recognised 2019 £'000	Amount not recognised 2018 £'000
Tax effect of timing differences : losses carried forward	62	62

# ReNeuron (UK) Limited

## Notes to the financial statements for the year ended 31 March 2019 (continued)

The potential deferred tax asset in respect of cumulative losses has not been recognised in these financial statements as there is no immediate prospect of these being utilised.

### 9. Trade and other receivables

	2019 £'000	2018 £'000
Amounts due from Group undertakings	19,554	19,554
Impairment	(19,554)	(19,554)
	-	-

Amounts due from Group undertakings are not interest bearing and have no fixed repayment date.

### 10. Called up share capital

	2019 £'000	2018 £'000
<b>Authorised</b>		
130,000,000 (2018: 130,000,000) ordinary shares of 10p each	13,000	13,000
<b>Allotted, called up and fully paid</b>		
35,874,705 (2018: 35,874,705) ordinary shares of 10p each	3,587	3,587

### 11. Trade and other payables

	2019 £'000	2018 £'000
Amounts owed to Group undertakings	-	2,066

Amounts owed to Group undertakings are not interest bearing, are unsecured and have no fixed repayment date.

### 12. Financial commitments

The Company had no financial commitments at 31 March 2019 (2018: £nil).

### 13. Ultimate parent undertaking

The immediate parent undertaking is ReNeuron Holdings Limited. The ultimate parent undertaking and controlling party is ReNeuron Group plc, a company incorporated in England and Wales.

ReNeuron Group plc is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements. The consolidated financial statements of ReNeuron Group plc are available from ReNeuron, Pencoed Business Park, Pencoed, Bridgend, CF35 5HY.

### 14. Transition to IFRS 9

The Company has adopted IFRS 9 from 1 April 2018. The impact upon its Statement of Financial Position is set out below.

# ReNeuron (UK) Limited

## Notes to the financial statements for the year ended 31 March 2019 (continued)

### Statement of Financial Position as at 1 April 2017 and 31 March 2018 restated to reflect the impact of IFRS 9

	As originally presented £.000	IFRS 9 adjustment £.000	Restated £'000
<b>Assets</b>			
<b>Current assets</b>			
Trade and other receivables	19,554	(19,554)	-
<b>Total assets</b>	19,554	(19,554)	-
<b>Equity</b>			
<b>Equity attributable to owners of the company</b>			
Called up share capital	3,587	-	3,587
Share premium account	18,444	-	18,444
Accumulated losses	(4,543)	(19,554)	(24,097)
<b>Total equity</b>	17,488	(19,554)	(2,066)
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	2,066	-	2,066
<b>Total liabilities</b>	2,066	-	2,066
<b>Total equity and liabilities</b>	19,554	(19,554)	-

The adjustment reflects impairment of amounts due from group undertakings, following an assessment of credit risk as required by IFRS 9.