

REGISTERED NUMBER: 04470941

CYDEN LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2014

WEDNESDAY



A4H0UZ34

A33

30/09/2015

#637

COMPANIES HOUSE

CYDEN LIMITED

**CONTENTS OF THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Page
Company Information	1
Report of the Independent Auditors on the Abbreviated Accounts	2
Abbreviated Balance Sheet	3
Notes to the Abbreviated Accounts	4

CYDEN LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2014

DIRECTORS:

C D Outram - Chairman
Sir N R Rudd
E H Fitzwilliam-Lay
T E Beckett
M Clement
A M C Avis
G Davies

SECRETARIES:

G Davies
Eversecretary Limited

REGISTERED OFFICE:

Technium 2
Kings Road
Swansea
SA1 8PJ

REGISTERED NUMBER:

04470941

AUDITORS:

Bevan & Buckland
Chartered Accountants
And Statutory Auditors
Langdon House
Langdon Road
SA1 Swansea Waterfront
Swansea
SA1 8QY

**REPORT OF THE INDEPENDENT AUDITORS TO
CYDEN LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts set out on pages three to eight, together with the full financial statements of CyDen Limited for the year ended 31 December 2014 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

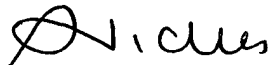
In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.

Other information

On ~~10 June 2015~~ we reported as auditors to the members of the company on the full financial statements for the year ended 31 December 2014 prepared under Section 396 of the Companies Act 2006, and our report included the following extract:

"EMPHASIS OF MATTER - GOING CONCERN

In forming our opinion, which is not modified, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The going concern assumption adopted is supported by forecasts which rely on the ongoing support of the company's parent company through a loan facility. This indicates the existence of material uncertainties which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include any adjustments which could result if the company was unable to continue as a going concern."



Alison Vickers (Senior Statutory Auditor)
for and on behalf of Bevan & Buckland
Chartered Accountants
And Statutory Auditors
Langdon House
Langdon Road
SA1 Swansea Waterfront
Swansea
SA1 8QY

Date: ~~10 June 2015~~

CYDEN LIMITED (REGISTERED NUMBER: 04470941)

**ABBREVIATED BALANCE SHEET
31 DECEMBER 2014**

	Notes	2014 £	2013 £
FIXED ASSETS			
Intangible assets	2	309,968	521,087
Tangible assets	3	306,105	242,237
Investments	4	1	1
		<u>616,074</u>	<u>763,325</u>
CURRENT ASSETS			
Stocks		369,903	827,948
Debtors		1,498,233	1,409,233
Cash at bank		319,321	183,400
		<u>2,187,457</u>	<u>2,420,581</u>
CREDITORS			
Amounts falling due within one year	5	<u>2,235,744</u>	<u>1,687,260</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(48,287)</u>	<u>733,321</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>567,787</u>	<u>1,496,646</u>
CREDITORS			
Amounts falling due after more than one year	5	(1,418,576)	(1,428,303)
PROVISIONS FOR LIABILITIES		<u>(359,728)</u>	<u>(306,154)</u>
NET LIABILITIES		<u><u>(1,210,517)</u></u>	<u><u>(237,811)</u></u>
CAPITAL AND RESERVES			
Called up share capital	6	256,779	256,779
Share premium		20,386,095	20,386,095
Profit and loss account		<u>(21,853,391)</u>	<u>(20,880,685)</u>
SHAREHOLDERS' FUNDS		<u><u>(1,210,517)</u></u>	<u><u>(237,811)</u></u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 10 June 2015 and were signed on its behalf by:


G Davies - Director

The notes form part of these abbreviated accounts

CYDEN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The company is both a parent and subsidiary undertaking of a small group and as such has taken advantage of the exemption available under the Companies Act 2006 to prepare consolidated financial statements. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Exemption from preparing a cash flow statement

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 8 Related Party Disclosures, not to disclose related party transactions with wholly owned subsidiaries within the group.

Turnover

Turnover comprises revenue recognised by the company in respect of goods supplied during the year, exclusive of Value Added Tax and trade discounts. Turnover is recognised on despatch of the goods to the customer.

Intangible fixed assets - patents

Intangible fixed asset which represent patents are stated at cost less accumulated amortisation. Patents are amortised over six years, which is the directors' estimate of their useful life. Time costs of patent attorneys are written off in the year they acquire.

Tangible fixed assets

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

Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost
Computer equipment	- 20% on cost

Impairment

Tangible and intangible fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. The review assess the recoverable amount by reference to the net present value of expected future cash flows of the relevant income generating unit, or disposal value if higher. The discount rate applied for the period was based on the company's weighted average cost of capital, after appropriate adjustment for risk.

Investments

Fixed asset investments are stated at the lower of cost or net realisable value less any permanent diminution in value.

Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and, where required, an appropriate proportion of fixed and variable overheads. In general, cost is determined on a first in first out basis.

CYDEN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - continued FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES - continued

Deferred tax

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

External research and development

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on the straight line basis the anticipated life of the benefits arising from the completed product or project, which typically is deemed to be 5 years.

Deferred research and development costs are reviewed annually, and where future benefits are deemed to have ceased or to be in doubt, the balance of any related research and development is written off to the Profit and Loss account. Expenditure on product research and development is written off to the profit and loss account in the year in which it is incurred.

R&D tax credits are recognised on an accruals basis and are included as an income tax credit under current assets.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Deferred income

Contributions received towards development costs are recognised in the period that development expenditure is incurred.

CYDEN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - continued FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES - continued

Going concern

The financial position of the company, liquidity and borrowing facilities are shown in the financial statements on pages 6 to 15. In summary, the company has incurred significant losses over a number of years as it continues to invest in light based cosmetic devices addressing hair removal and other consumer markets, in order to deliver its strategy of commercialising relevant technology. During this time the company has required significant financial support from its shareholders through equity funding, and from a major current customer, Proctor & Gamble, through an advanced payment, of which £1,475,664 is outstanding at 31 December 2014.

The directors continually review the company's cost base and the future liquidity requirements, and have produced sensitised forecasts covering the 12 months from the date of approving the financial statements. The principal assumption in the forecast is:

- the continued availability of an intra-group loan facility.

Based on these forecasts, the directors have a reasonable expectation that, with ongoing support, the company has adequate resources to continue in operational existence for the foreseeable future.

2. INTANGIBLE FIXED ASSETS

	Total £
COST	
At 1 January 2014	885,145
Additions	149,364
Disposals	(263,015)
At 31 December 2014	771,494
AMORTISATION	
At 1 January 2014	364,058
Amortisation for year	286,308
Eliminated on disposal	(263,015)
Impairments	74,175
At 31 December 2014	461,526
NET BOOK VALUE	
At 31 December 2014	309,968
At 31 December 2013	521,087

CYDEN LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2014**

3. TANGIBLE FIXED ASSETS

	Total £
COST	
At 1 January 2014	602,015
Additions	199,443
	<hr/>
At 31 December 2014	801,458
	<hr/>
DEPRECIATION	
At 1 January 2014	359,778
Charge for year	107,740
Impairments	27,835
	<hr/>
At 31 December 2014	495,353
	<hr/>
NET BOOK VALUE	
At 31 December 2014	306,105
	<hr/>
At 31 December 2013	242,237
	<hr/>

4. FIXED ASSET INVESTMENTS

	Investments other than loans £
COST	
At 1 January 2014 and 31 December 2014	1
	<hr/>
NET BOOK VALUE	
At 31 December 2014	1
	<hr/>
At 31 December 2013	1
	<hr/>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

MC500 Limited

Nature of business: Dormant

Class of shares:	%
Ordinary	holding 100.00

	2014 £	2013 £
Aggregate capital and reserves	1	1
	<hr/>	<hr/>

5. CREDITORS

Creditors include an amount of £777,869 (2013 - £58,666) for which security has been given.

CYDEN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - continued FOR THE YEAR ENDED 31 DECEMBER 2014

6. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2014 £	2013 £
NIL	Ordinary A	1p	-	37,834
NIL	B Preferred Ordinary	1p	-	68,049
NIL	Preferred Ordinary	1p	-	49,727
NIL	Ordinary B	1p	-	101,169
25,677,901	Ordinary	1p	256,779	-
			<u>256,779</u>	<u>256,779</u>

During the year the entire issued share capital of the company was redesignated and reclassified as 25,677,901 ordinary shares of £0.01 each. The reclassified share capital comprised of:

3,783,354 A Ordinary Shares of £0.01 each
10,116,906 B Ordinary Shares of £0.01 each
6,804,895 B Preferred Ordinary Shares of £0.01 each
4,972,746 Preferred Ordinary Shares of £0.01 each

7. ULTIMATE PARENT COMPANY

Ipulse Limited is regarded by the directors as being the company's ultimate parent company.

8. RELATED PARTY DISCLOSURES

The company undertook the following transactions during the year and had the following balances outstanding at 31 December 2014, with companies which the directors are connected.

	2014 Purchases from related party £	2014 Amounts owed to related party £	2013 Purchases from related party £	2013 Amounts owed to related party £
Bury Fitzwilliam - Lay and Partners	16,000	4,000	18,000	18,000
Longbow Capital LLP	95,000	23,750	96,242	107,500
SA ONE Healthtech Limited	20,000	5,000	20,000	26,667
Sir Nigel Rudd	20,000	5,000	20,000	25,000
Alice Avis	20,000	5,000	20,000	21,667

During the year the amounts owed in 2013 and 9 months of purchases made in 2014 were written off in exchange for warrants in the parent company:

	2014 Amounts written off £
Bury Fitzwilliam - Lay and Partners	30,000
Longbow Capital LLP	178,750
SA ONE Healthtech Limited	41,667
Sir Nigel Rudd	40,000
Alice Avis	36,667