Company Registration No. 04497290 (England and Wales)

IOSBIO LTD

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

PAGES FOR FILING WITH REGISTRAR

IOSBIO LTD

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IOSBIO LTD

BALANCE SHEET

AS AT 31 JULY 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Intangible assets	3		4,477,310		4,266,563
Tangible assets	4		502,865		218,306
Investments	5		2		2
			4,980,177		4,484,871
Current assets					
Debtors	6	916,203		657,961	
Cash at bank and in hand		3,453,533		5,852,927	
		4,369,736		6,510,888	
Creditors: amounts falling due within one year	7	(753,050)		(240,878)	
Net current assets			3,616,686		6,270,010
Total assets less current liabilities			8,596,863		10,754,881
Provisions for liabilities			(97,361)		(41,500)
Net assets			8,499,502		10,713,381
Capital and reserves					
Called up share capital	9		3,742		3,742
Share premium account			15,969,514		15,969,514
Capital redemption reserve			9		9
Profit and loss reserves			(7,473,763)		(5,259,884)
Total equity			8,499,502		10,713,381

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 July 2022 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.

IOSBIO LTD

BALANCE SHEET (CONTINUED)

AS AT 31 JULY 2022

The financial statements were approved by the board of directors and authorised for issue on 23 January 2023 and are signed on its behalf by:

Mr W M Channon
Director

Company Registration No. 04497290

IOSBIO LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

Company information
IOSBIO Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Hayworthe House, Market Place, Haywards Heath, West Sussex, RH16 1DB.

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. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Going concern
At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The directors have considered relevant information, including the company's principal risks and uncertainties, the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. Based on these assessments and having regard to the resources available to the entity, the directors have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and financial statements.

1.3 Turnover
Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Turnover for services are recognised by reference to the stage of completion of the contract determined by the value of services provided at the balance sheet date.

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 acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation 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:

Patents & licences	5% straight line per annum
Development costs	10% straight line per annum

1 Accounting policies **(Continued)**

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.

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:

Leasehold improvements	20% straight line per annum
Plant and equipment	20% straight line per annum
Fixtures and fittings	20% straight line per annum
Computers	33% straight line per annum

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 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

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 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.

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.

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 and loans from fellow group companies, 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.

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.

1 Accounting policies **(Continued)**

Current tax
The tax currently payable is based on taxable profit for the year.

Research and development repayable tax credits arise from surrendering losses in the year and are recognised in the year in which they relate.

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.

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.

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 number of employees during the year was 15 (2021 - 12).

3 Intangible fixed assets

	Patents & licences	Development costs	Total
	£	£	£
Cost			
At 1 August 2021	1,474,849	5,279,612	6,754,461
Additions	32,057	796,655	828,712
At 31 July 2022	1,506,906	6,076,267	7,583,173
Amortisation and impairment			
At 1 August 2021	749,312	1,738,586	2,487,898
Amortisation charged for the year	50,172	567,793	617,965
At 31 July 2022	799,484	2,306,379	3,105,863
Carrying amount			
At 31 July 2022	707,422	3,769,888	4,477,310
At 31 July 2021	725,537	3,541,026	4,266,563

4 Tangible fixed assets

	Leasehold improvements	Plant and equipment	Fixtures and fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 August 2021	66,118	589,388	17,061	50,621	723,188
Additions	51,096	297,533	8,112	13,194	369,935
At 31 July 2022	117,214	886,921	25,173	63,815	1,093,123
Depreciation and impairment					
At 1 August 2021	66,118	403,278	2,612	32,874	504,882
Depreciation charged in the year	95	74,247	3,333	7,701	85,376
At 31 July 2022	66,213	477,525	5,945	40,575	590,258
Carrying amount					
At 31 July 2022	51,001	409,396	19,228	23,240	502,865
At 31 July 2021	-	186,110	14,449	17,747	218,306

5 Fixed asset investments

	2022	2021
	£	£
Shares in group undertakings and participating interests	2	2

6 Debtors

	2022	2021
Amounts falling due within one year:	**£**	**£**
Trade debtors	-	141,750
Corporation tax recoverable	610,808	320,681
Amounts owed by group undertakings	48,240	48,240
Other debtors	257,155	147,290
	916,203	657,961

7 Creditors: amounts falling due within one year

	2022	2021
	£	**£**
Trade creditors	284,841	162,894
Taxation and social security	54,163	56,009
Other creditors	414,046	21,975
	753,050	240,878

8 Share-based payment transactions

	Number of share options		Weighted average exercise price	
	2022	**2021**	**2022**	**2021**
	Number	**Number**	**£**	**£**
Outstanding at start of period	327,352	327,352	8.77	8.77
Granted	19,500	-	1.16	-
Outstanding at end of period	346,852	327,352	1.16	8.77
Exercisable at end of period	327,352	327,352	1.16	8.77

Under the company's share option plan, share options were granted to key employees.

The employee is entitled to exercise 1/3 of the issued share options 1 year from the grant date, 1/3 of the issued share options 2 years from the grant date and 1/3 of the issued share options 3 years from the grant date.

The share options expire in 2025.

Options are forfeited if the employee leaves the company before they become entitled to exercise the share options.

For equity instruments granted before the date of transition to FRS 102, the company does not have to apply Section 26 of FRS 102 Share-based Payment, and on this basis no share-based payment charge has been recognised in these or any preceding financial statements of the company.

9 Called up share capital

	2022	2021	2022	2021
Ordinary share capital	**Number**	**Number**	**£**	**£**
Issued and fully paid				
Ordinary shares of 0.1p each	3,741,588	3,741,588	3,742	3,742

10 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2022	2021
	£	**£**
	595,788	30,000

11 Related party transactions

Transactions with related parties
During the year the company entered into the following transactions with related parties:

Payments totalling £132,335 (2021 - £242,021) were made to Channon Consultants LLP, an entity in which one of the directors has an interest. At the year end £nil (2021 - £23,999) was owed from IOSBIO Ltd in respect of these transactions.

Payments totalling £28,545 (2021 - £38,368) were made to ProPharma Partners Limited, an entity inwhich one of the directors has an interest. At the year end £6,504 (2021 - £2,616) was owed from IOSBIO Ltd in respect of these transactions.

Payments totalling £nil (2021 - £1,824) were made to Romney Consultants, an entity in which one of the directors has an interest.