

**REGISTERED NUMBER: 05712185 (England and Wales)**

**Report of the Directors and  
Financial Statements for the Year Ended 31 December 2015  
for  
Union Life Sciences Limited**

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*for the year ended 31 December 2015*

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**Union Life Sciences Limited**

**Company Information**  
*for the year ended 31 December 2015*

**DIRECTORS:**

G Smith  
IP2IPO Services Limited

**SECRETARY:**

IP2IPO Services Limited

**REGISTERED OFFICE:**

24 Cornhill  
London  
EC3V 3ND

**REGISTERED NUMBER:**

05712185 (England and Wales)

**ACCOUNTANTS:**

Atraxa Consulting Limited  
Brooke's Mill  
Armitage Bridge  
Huddersfield  
West Yorkshire  
HD4 7NR

**Union Life Sciences Limited (Registered number: 05712185)**

**Report of the Directors**  
*for the year ended 31 December 2015*

The directors present their report with the financial statements of the company for the year ended 31 December 2015.

**REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed financial statements.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2015 to the date of this report.

G Smith  
IP2IPO Services Limited

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**

  
.....  
IP2IPO Services Limited - Director

Date: ..... 14/9/2016 .

**Union Life Sciences Limited (Registered number: 05712185)**

**Statement of Comprehensive Income**  
*for the year ended 31 December 2015*

	Notes	31/12/15 £	31/12/14 £
<b>REVENUE</b>		-	-
Administrative expenses		<u>1,449</u>	<u>1,821</u>
<b>OPERATING LOSS</b>	4	(1,449)	(1,821)
Interest receivable and similar income		<u>14</u>	<u>7</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(1,435)	(1,814)
Tax on loss on ordinary activities	5	<u>-</u>	<u>(11,916)</u>
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>		(1,435)	10,102
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR</b>		<u>(1,435)</u>	<u>10,102</u>

The notes form part of these financial statements

**Union Life Sciences Limited (Registered number: 05712185)**

**Statement of Financial Position**

**31 December 2015**

	Notes	31/12/15 £	31/12/14 £
<b>CURRENT ASSETS</b>			
Debtors	6	114	264
Cash at bank		19,392	19,623
		<u>19,506</u>	<u>19,887</u>
<b>CREDITORS</b>			
Amounts falling due within one year	7	331,054	330,000
<b>NET CURRENT LIABILITIES</b>		<u>(311,548)</u>	<u>(310,113)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(311,548)</u>	<u>(310,113)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	50	50
Share premium	10	8,991	8,991
Retained earnings	10	(320,589)	(319,154)
<b>SHAREHOLDERS' FUNDS</b>		<u>(311,548)</u>	<u>(310,113)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2015.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2015 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

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

The financial statements were approved by the Board of Directors on 14 September 2016 and were signed on its behalf by:

  
.....  
IP2IPO Services Limited - Director

The notes form part of these financial statements

**Union Life Sciences Limited (Registered number: 05712185)**

**Statement of Changes in Equity**  
*for the year ended 31 December 2015*

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Share premium £</b>	<b>Total equity £</b>
<b>Balance at 1 January 2014</b>	50	(329,256)	8,991	(320,215)
<b>Changes in equity</b>				
Total comprehensive income	-	10,102	-	10,102
<b>Balance at 31 December 2014</b>	50	(319,154)	8,991	(310,113)
<b>Changes in equity</b>				
Total comprehensive loss	-	(1,435)	-	(1,435)
<b>Balance at 31 December 2015</b>	50	(320,589)	8,991	(311,548)

The notes form part of these financial statements

## **Union Life Sciences Limited (Registered number: 05712185)**

### **Notes to the Financial Statements** *for the year ended 31 December 2015*

#### **1. STATEMENT OF COMPLIANCE**

Union Life Sciences Limited is a limited liability company incorporated in England. The Registered Office is 24 Cornhill, London, EC3V 3ND.

The company's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements for the year ended 31 December 2015.

The company transitioned from previously extant UK GAAP to FRS 102 as at 1 January 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given on pages 11 to 13.

#### **2. ACCOUNTING POLICIES**

##### **Basis of preparing the financial statements**

The financial statements have been prepared in accordance with applicable accounting standards. The financial statements are prepared in sterling which is the functional currency of the company and rounded to the nearest £.

The Company's ultimate parent undertaking, IP Group plc, includes Union Life Sciences Limited in its consolidated financial statements. The consolidated financial statements of IP Group plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from the company secretary at IP Group plc, 24 Cornhill, London, EC3V 3ND.

In these financial statements, the Company has applied the exemptions available under FRS 102 in respect of the following disclosures: a Cash Flow Statement and related notes; disclosures in respect of capital management, and certain related party transactions..

The financial statements have been prepared on a going concern basis which assumes that the company will have sufficient funding available to enable it to continue to trade for the foreseeable future.

At 31 December 2015, the company had net liabilities of £311,548 and made a loss for the year of £1,435. Further losses have been incurred subsequent to the year end. At 31 December 2015 the company had cash balances of £19,392. To date the company has been financed through the issue of equity shares and preference shares.

The accounts have been prepared on a going concern basis as the company's parent undertaking, IP2IPO Limited, has confirmed its intention to continue to provide financial support to the company so as to ensure that it is able to meet its liabilities as they fall due for at least 12 months after the date of approval of these financial statements.

##### **Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 3 Financial Statement Presentation paragraph 3.17(d).

**Notes to the Financial Statements - continued**  
*for the year ended 31 December 2015*

**2. ACCOUNTING POLICIES - continued**

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where 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 have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis. Deferred tax assets are recognised only to the extent that it is expected that they will be able to be utilised against future profits.

**Research and development**

Research expenditure undertaken with the prospect of gaining new scientific or technical knowledge and understanding is recognised in the profit and loss account as an expense as incurred.

Expenditure on development activities, whereby research 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 and the company has sufficient resources to complete development. Amortisation is charged to the profit and loss account on a straight line basis over the useful economic life of the activity.

**Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

**Classification of shares as debt or equity**

An equity instrument is a contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Accordingly, a financial instrument is treated as equity if:

- (i) there is no contractual obligation to deliver cash or other financial assets or to exchange financial assets or liabilities on terms that may be unfavourable; and
- (ii) the instrument is a non-derivative that contains no contractual obligations to deliver a variable number of shares or is a derivative that will be settled only by the company exchanging a fixed amount of cash or other assets for a fixed number of the company's own equity instruments.

When shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet; measured initially at fair value net of transaction costs and thereafter at amortised cost until extinguished on redemption.

The remainder of the proceeds on issue is allocated to the equity component and included in shareholders' equity, net of transaction costs. The carrying amount of the equity component is not re-measured in subsequent years.

The company's Preference shares have been accounted for within liabilities as a debt instrument.

**3. STAFF COSTS**

There were no staff costs for the year ended 31 December 2015 nor for the year ended 31 December 2014.

The average monthly number of employees during the year was as follows:

	31/12/15	31/12/14
Directors and management	<u>1</u>	<u>1</u>

**Notes to the Financial Statements - continued**  
for the year ended 31 December 2015

**4. OPERATING LOSS**

The operating loss is stated after charging:

	31/12/15 £	31/12/14 £
Directors' remuneration	-	-

**5. TAXATION**

**Analysis of the tax credit**

The tax credit on the loss on ordinary activities for the year was as follows:

	31/12/15 £	31/12/14 £
Current tax:		
UK corporation tax	-	(11,916)
Tax on loss on ordinary activities	-	(11,916)

UK corporation tax has been charged at 20% (2014 - 20%).

**Reconciliation of total tax credit included in profit and loss**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31/12/15 £	31/12/14 £
Loss on ordinary activities before tax	(1,435)	(1,814)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2014 - 20%)	(287)	(363)
Effects of:		
Trading losses carried forward	287	363
Research and development tax credits received	-	(11,916)
Total tax credit	-	(11,916)

**6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31/12/15 £	31/12/14 £
Other debtors	1	1
VAT	113	263
	114	264

**Union Life Sciences Limited (Registered number: 05712185)**

**Notes to the Financial Statements - continued**  
*for the year ended 31 December 2015*

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31/12/15	31/12/14
	£	£
Preference shares (see note 8)	330,000	330,000
Trade creditors	809	-
Accruals and deferred income	245	-
	<u>331,054</u>	<u>330,000</u>

**8. LOANS**

An analysis of the maturity of loans is given below:

	31/12/15	31/12/14
	£	£
Amounts falling due within one year or on demand:		
Preference shares	<u>330,000</u>	<u>330,000</u>

Details of shares shown as liabilities are as follows:

Allotted, issued and fully paid:			31/12/15	31/12/14
Number:	Class:	Nominal value:	£	£
330,000	Preference	£1	<u>330,000</u>	<u>330,000</u>

Preference shares: Shares carry no voting rights in any circumstances. A dividend accrues on each preference share at a rate of 3% above bank base rate. The dividend is payable in arrears on the earlier of the redemption of the preference shares and the winding up of the company or other return of capital. The preference shares are redeemable at the option of the company or on the occurrence of certain exit events. In a distribution arising from a winding up of the company, shares are entitled to amounts paid up on the shares and accruals of the preference dividend ahead of any other class of share.

**9. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			31/12/15	31/12/14
Number:	Class:	Nominal value:	£	£
5,000	Ordinary	1p	<u>50</u>	<u>50</u>

Share rights:

Ordinary shares: Each ordinary share carries one vote at general meetings of the company. Each share is entitled pari passu to dividend payments subject to the payment of the dividend on the preference shares. Each share is entitled pari passu to participate in a distribution arising from a winding up of the company subject to payment of sums due in respect of the preference shares.

**Union Life Sciences Limited (Registered number: 05712185)**

**Notes to the Financial Statements - continued**  
*for the year ended 31 December 2015*

**10. RESERVES**

	<b>Retained earnings £</b>	<b>Share premium £</b>	<b>Totals £</b>
At 1 January 2015	(319,154)	8,991	(310,163)
Deficit for the year	(1,435)	-	(1,435)
At 31 December 2015	<u>(320,589)</u>	<u>8,991</u>	<u>(311,598)</u>

**11. ULTIMATE PARENT COMPANY**

IP Group plc is regarded by the directors as being the company's ultimate parent company.

The immediate parent company is IP2IPO Limited (a company registered in England and Wales). IP2IPO Limited is a wholly owned subsidiary company of IP Group plc.

**12. CONTINGENT LIABILITIES**

The company has redeemable preference shares which are redeemable either at the option of the company or on an Exit Event, e.g. a sale of the company. The holders of the preference shares are entitled to a preference dividend at the rate of 3% above bank base rate, which is only payable on the earlier of the redemption of the preference shares or on the winding up of the company or other return of capital. At 31 December 2015, the potentially payable preference dividend was £54,459 (2014: £42,909).

**Union Life Sciences Limited (Registered number: 05712185)**

**Reconciliation of Equity**

*1 January 2014*

*(Date of Transition to FRS 102)*

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
<b>CURRENT ASSETS</b>				
Debtors		247	-	247
Cash at bank		11,327	-	11,327
		<u>11,574</u>	<u>-</u>	<u>11,574</u>
<b>CREDITORS</b>				
Amounts falling due within one year		(1,789)	(330,000)	(331,789)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>9,785</u>	<u>(330,000)</u>	<u>(320,215)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>9,785</u>	<u>(330,000)</u>	<u>(320,215)</u>
<b>NET ASSETS/(LIABILITIES)</b>		<u>9,785</u>	<u>(330,000)</u>	<u>(320,215)</u>
<b>CAPITAL AND RESERVES</b>				
Called up share capital		330,050	(330,000)	50
Share premium		8,991	-	8,991
Retained earnings		(329,256)	-	(329,256)
<b>SHAREHOLDERS' FUNDS</b>		<u>9,785</u>	<u>(330,000)</u>	<u>(320,215)</u>

The notes form part of these financial statements

**Union Life Sciences Limited (Registered number: 05712185)**

**Reconciliation of Equity - continued**

**31 December 2014**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
<b>CURRENT ASSETS</b>				
Debtors		264	-	264
Cash at bank		19,623	-	19,623
		<u>19,887</u>	<u>-</u>	<u>19,887</u>
<b>CREDITORS</b>				
Amounts falling due within one year		-	(330,000)	(330,000)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>	<b>S)</b>	<u>19,887</u>	<u>(330,000)</u>	<u>(310,113)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>19,887</u>	<u>(330,000)</u>	<u>(310,113)</u>
<b>NET ASSETS/(LIABILITIES)</b>		<u>19,887</u>	<u>(330,000)</u>	<u>(310,113)</u>
<b>CAPITAL AND RESERVES</b>				
Called up share capital		330,050	(330,000)	50
Share premium		8,991	-	8,991
Retained earnings		(319,154)	-	(319,154)
<b>SHAREHOLDERS' FUNDS</b>		<u>19,887</u>	<u>(330,000)</u>	<u>(310,113)</u>

**Notes to the reconciliation of equity**

The only transitional adjustments arising from the transition from previously extant UK GAAP to FRS 102 is the reclassification of preference shares from equity to liabilities. There is no impact on the result for the year ended 31 December 2014 as a consequence of this reclassification. However, at 31 December 2014, net assets have reduced from the previously reported figure of £19,887 to net liabilities of £310,113.

**Union Life Sciences Limited (Registered number: 05712185)**

**Reconciliation of Profit**  
*for the year ended 31 December 2014*

	<b>UK GAAP £</b>	<b>Effect of transition to FRS 102 £</b>	<b>FRS 102 £</b>
<b>REVENUE</b>	-	-	-
Administrative expenses	(1,821)	-	(1,821)
<b>OPERATING LOSS</b>	(1,821)	-	(1,821)
Interest receivable and similar income	7	-	7
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	(1,814)	-	(1,814)
Tax on loss on ordinary activities	11,916	-	11,916
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<u>10,102</u>	<u>-</u>	<u>10,102</u>

**Notes to the reconciliation of profit or loss**

The only transitional adjustments arising from the transition from previously extant UK GAAP to FRS 102 is the reclassification of preference shares from equity to liabilities. There is no impact on the result for the year ended 31 December 2014 as a consequence of this reclassification. However, at 31 December 2014, net assets have reduced from the previously reported figure of £19,887 to net liabilities of £310,113.