

AssuredNano Limited

**Directors' report and financial
statements**

Registered number 06407366

31 March 2018

THURSDAY



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COMPANIES HOUSE

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Directors' report

The directors present their directors' report and financial statements for the year ended 31 March 2018.

Principal activities

The principal activity of the company is that of the provision of consultancy services for establishing industry standards for nanotechnology and for introducing a nanotechnology accreditation scheme.

Results and dividends

The company made a loss for the period after taxation of £24 (2017: £nil). The directors cannot declare a dividend (2017: £nil).

Directors

The directors who held office during the year and up to the date of this report were as follows:

| | |
|-------------------|---------------------------|
| Dr K Robson | (resigned 4 May 2017) |
| KD Sideman-Wolter | (resigned 3 August 2018) |
| N Kirtley | (appointed 3 August 2018) |

None of the directors who held office at the end of the year had any disclosable interest in the shares of the company.

Political contributions

The company made no political donations during the year (2017: £nil).

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

The directors' report has been prepared taking advantage of the small companies' exemption under Section 415A of the Companies Act 2006.

By order of the board



N Kirtley
Director

Wilton Centre
Wilton
Redcar
Cleveland
TS10 4RF

S O Gobe/2018

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard 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 of the company and of the 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 estimates that are reasonable and prudent;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX
United Kingdom

Independent auditor's report to the Members of AssuredNano Limited

Opinion

We have audited the financial statements of AssuredNano Limited ("the company") for the year ended 31 March 2018 which comprise the Profit and Loss Account, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Independent auditor's report to the Members of AssuredNano Limited (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.
- We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

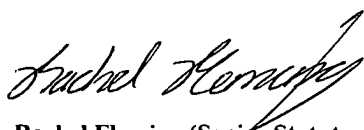
Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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 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.



Rachel Fleming (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX

17 October 2018

Profit and loss account
for year ended 31 March 2018

| | <i>Note</i> | 2018 £ | 2017 £ |
|--|-------------|-------------------------|-------------------------|
| Turnover | | - | - |
| Administrative expenses | | (30) | - |
| | | <hr/> | <hr/> |
| Operating loss | 2-3 | (30) | - |
| Interest payable and similar charges | | - | - |
| | | <hr/> | <hr/> |
| Loss on ordinary activities before taxation | | (30) | - |
| Tax on loss on ordinary activities | 4 | 6 | - |
| | | <hr/> | <hr/> |
| Loss for the financial year | | (24) | - |
| | | <hr/> <hr/> | <hr/> <hr/> |

All of the company's operations are continuing.

Other comprehensive income
for year ended 31 March 2018

| | 2018 £ | 2017 £ |
|---|-------------------------|-------------------------|
| Loss for the year | (24) | - |
| Other comprehensive income for the year, net of income tax | - | - |
| | <hr/> | <hr/> |
| Total comprehensive income for the year | (24) | - |
| | <hr/> <hr/> | <hr/> <hr/> |

Balance sheet
at 31 March 2018

| | Note | 2018 £ | £ | 2017 £ | £ |
|---|------|-----------|-----------|-----------|-----------|
| Fixed assets | | | | | |
| Intangible assets | 5 | | - | | - |
| | | | <hr/> | | <hr/> |
| Current assets | | | | | |
| Cash at bank and in hand | | 311 | | 341 | |
| | | <hr/> | | <hr/> | |
| | | 311 | | 341 | |
| Creditors: amounts falling due within one year | 6 | (100,967) | | (100,973) | |
| | | <hr/> | | <hr/> | |
| Net current liabilities | | | (100,656) | | (100,632) |
| | | | <hr/> | | <hr/> |
| Net liabilities | | | (100,656) | | (100,632) |
| | | | <hr/> | | <hr/> |
| Capital and reserves | | | | | |
| Called up share capital | 7 | | 1 | | 1 |
| Profit and loss account | | | (100,657) | | (100,633) |
| | | | <hr/> | | <hr/> |
| Shareholders' deficit | | | (100,656) | | (100,632) |
| | | | <hr/> | | <hr/> |

These financial statements were approved by the board of directors on 5 October 2018 and were signed on its behalf by:



N Kirtley
Director

Company registered number: 06407366

Statement of changes in equity
For the year ended 31 March 2018

| | Called up share capital £ | Profit and loss account £ | Total equity £ |
|--|--|--|-------------------------------|
| Balance at 1 April 2016 | 1 | (100,633) | (100,632) |
| Total comprehensive income for the period | | | |
| Profit or loss | - | - | - |
| Other comprehensive income | - | - | - |
| | <hr/> | <hr/> | <hr/> |
| Total comprehensive income for the period | - | - | - |
| | <hr/> | <hr/> | <hr/> |
| Balance at 31 March 2017 | 1 | (100,633) | (100,632) |
| | <hr/> | <hr/> | <hr/> |
| Balance at 1 April 2017 | 1 | (100,633) | (100,632) |
| Total comprehensive income for the period | | | |
| Profit or loss | - | (24) | (24) |
| Other comprehensive income | - | - | - |
| | <hr/> | <hr/> | <hr/> |
| Total comprehensive income for the period | - | (24) | (24) |
| | <hr/> | <hr/> | <hr/> |
| Balance at 31 March 2018 | 1 | (100,657) | (100,656) |
| | <hr/> | <hr/> | <hr/> |

Notes

(forming part of the financial statements)

1 Accounting policies

AssuredNano Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

These financial statements have been prepared, in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*"). The presentation currency of these financial statements is sterling.

The consolidated financial statements of the company's ultimate parent, the Centre for Process Innovation Limited, are prepared in accordance with FRS 102 and are available to the public and may be obtained from Wilton Centre, Wilton, Redcar, Cleveland, TS10 4RF. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Centre for Process Innovation Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements required management to make significant judgements, estimates and assumptions that affect the amounts reported. The directors have considered whether there are any such sources of estimation or critical accounting judgements in preparing the financial statements, and do not consider there to be any for the purposes of disclosure.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

AssuredNano Ltd is currently undergoing a complete strategic review. CPI Innovation Services Ltd continues to support AssuredNano Ltd. Therefore the Directors' view that AssuredNano Ltd can be treated as a going concern.

1.3 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

Notes (continued)

1 Accounting policies (continued)

1.4 Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

1.5 Basic financial instruments

Trade and other debtors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Trade and other creditors

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement, if applicable.

1.6 Intangible assets

Research and development

Expenditure on research and development activities is recognised in the profit and loss account as an expense as incurred.

Other intangible assets that are acquired by the Company are stated at cost less accumulated amortisation and less accumulated impairment losses.

Amortisation

Amortisation is charged to the profit or loss on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

- patents and trademarks 1-3 years

The basis for choosing these useful lives is the period of the patent licence.

Notes (continued)

1 Accounting policies (continued)

1.6 Intangible assets (continued)

The company reviews the amortisation period and method when events and circumstances indicate that the useful life may have changed since the last reporting date.

Intangible assets are tested for impairment in accordance with Section 27 Impairment of assets when there is an indication that goodwill or an intangible asset may be impaired.

1.7 Government grants

Government grants recorded in the Financial Statements are represented by grants received or receivable.

Revenue grants are accounted for under the accrual model, with grants being recognised in income on a systematic basis over the year in which the Group recognises the related costs for which the grant is intended to compensate. Grants received in advance of the income being recognised in the profit and loss account are included in deferred income.

Capital grants are accounted for under the performance model, with grants being recognised in profit and loss as the capital project progresses unless entitlement to the grant is dependent on future performance related conditions

1.8 Employee benefits

Defined contribution plans and other long term employee benefits

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

1.9 Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

Services are typically provided on a contract basis. Where contracts are performed over time, if there is sufficient certainty over the profitability of the contract then revenue is recognised as the contract activity progresses to reflect the partial performance of the contractual obligations. The amount of revenue included within turnover reflects the accrual of the right to consideration as contract activity progresses by reference to the value of the work performed. Contract are assessed on an individual basis and the amount by which recorded turnover is in excess of payments on account is classes as "amounts recoverable on contracts" and separately disclosed within debtors. Amounts billed, in excess of amounts matched within turnover are included as Payments on Account, a current liability within the accruals and deferred income. Contract losses are provided for in full and immediately.

1.10 Expenses

Interest receivable and Interest payable

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrues, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the company's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

Notes (continued)

1 Accounting policies (continued)

1.11 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries and associates to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

2 Expenses and auditor's remuneration

The audit fee for the current and prior year has been borne by other group companies.

3 Directors and employees

The directors were the only the only employees in the current and prior year and received no remuneration in respect of qualifying services to the company.

4 Taxation

Total tax expense recognised in the profit and loss account, other comprehensive income and equity

Recognised in the profit and loss account

| | 2018 | | 2017 | |
|-------------------------|-------|-------|-------|-------|
| | £ | £ | £ | £ |
| Current tax | | | | |
| Group relief receivable | (6) | | - | |
| | <hr/> | | <hr/> | |
| Total current tax | | (6) | | - |
| | | <hr/> | | <hr/> |
| Total tax credit | | (6) | | - |
| | | <hr/> | | <hr/> |

Notes (continued)

4 Taxation (continued)

Reconciliation of effective tax rate

| | 2018 £ | 2017 £ |
|--|-----------|-----------|
| Loss for the year | (24) | - |
| Total tax credit | (6) | - |
| | <hr/> | <hr/> |
| Loss excluding taxation | (30) | - |
| Tax using the UK corporation tax rate of 19% (2017: 20%) | (6) | - |
| | <hr/> | <hr/> |
| Total tax credit included in profit or loss | (6) | - |
| | <hr/> | <hr/> |

Factors that may affect future current and total tax charges

The company had an unprovided deferred tax asset of £21,019 at 31 March 2018 (2017: £21,019) in respect of tax losses carried forward which the directors have not recognised as their recovery cannot be foreseen with reasonable certainty.

Reductions in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015 and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. The deferred tax at 31 March 2018 has been calculated based on these rates.

5 Intangible assets

| | Development costs £ |
|---|---------------------------|
| Cost | |
| Balance at 1 April 2017 and 31 March 2018 | 15,000 |
| | <hr/> |
| Depreciation and impairment | |
| Balance at 1 April 2017 and 31 March 2018 | 15,000 |
| | <hr/> |
| Net book value | |
| At 1 April 2017 and 31 March 2018 | - |
| | <hr/> |

Notes (continued)

6 Creditors: amounts falling due within one year

| | 2018 £ | 2017 £ |
|------------------------------------|----------------|----------------|
| Amounts owed to group undertakings | 24,664 | 24,670 |
| Other loans (see note 9) | 76,303 | 76,303 |
| | <u>100,967</u> | <u>100,973</u> |

Amounts owed to group undertaking are interest free and repayable on demand.

7 Called up share capital

| | 2018 £ | 2017 £ |
|------------------------------|-----------|-----------|
| <i>Issued</i> | | |
| 1 Ordinary shares of £1 each | 1 | 1 |
| | <u>1</u> | <u>1</u> |

8 Ultimate parent company and parent company of larger group

By virtue of holding 100% of the share capital of CPI Innovation Services Limited, who in turn own 100% of the share capital of AssuredNano Limited, the Centre for Process Innovation Limited is the ultimate controlling company.

The only group in which the results of the company are consolidated is that headed by the Centre for Process Innovation Limited. The consolidated financial statements of this group are available to the public and may be obtained from Wilton Centre, Wilton, Redcar, Cleveland, TS10 4RF.

9 Loan conversion rights

The other loan due within one year relates to a Proof of Concept Fund Loan from NStar. The amount of £76,303 (2017: £76,303) includes £16,303 (2017: £16,303) of interest accrued to date. NStar has the option to, on written notice, convert the loan balance into share capital of the company at any time prior to the date upon which AssuredNano Limited has either made repayment in full or has been released from its obligations of repayment.

Interest on this loan was repayable at UK reference rate plus 400 basis points, compounded annually but was frozen as of 1 April 2012.