

REGISTERED NUMBER: 08340031 (England and Wales)

AXOL BIOSCIENCE LTD

Financial Statements

for the Year Ended 31 December 2019

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• AXOL BIOSCIENCE LTD

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for the Year Ended 31 December 2019

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AXOL BIOSCIENCE LTD

Company Information
for the Year Ended 31 December 2019

Directors:

Y Shi
Dr J S Milner
A J Lindsay

Secretary:

T McGuire

Registered office:

Suite 3 The Science Village Building
Chesterford Park
Little Chesterford
Saffron Walden
Cambridgeshire
CB10 1XL

Registered number:

08340031 (England and Wales)

Auditors:

Cox and Co (Accountancy) Limited
Statutory Auditors
The Granary
High Street
Turvey
Bedfordshire
MK43 8DB

AXOL BIOSCIENCE LTD (REGISTERED NUMBER: 08340031)

Balance Sheet
31 December 2019

	Notes	31.12.19 £	31.12.18 £
Fixed assets			
Intangible assets	4	600,959	332,890
Tangible assets	5	145,420	133,190
Investments	6	1	1
		<u>746,380</u>	<u>466,081</u>
Current assets			
Stocks	7	515,595	261,383
Debtors	8	1,229,699	876,224
Cash at bank and in hand		323,417	816,858
		<u>2,068,711</u>	<u>1,954,465</u>
Creditors			
Amounts falling due within one year	9	<u>920,185</u>	<u>439,327</u>
Net current assets		<u>1,148,526</u>	<u>1,515,138</u>
Total assets less current liabilities		<u>1,894,906</u>	<u>1,981,219</u>
Creditors			
Amounts falling due after more than one year	10	<u>36,501</u>	<u>1,719</u>
Net assets		<u><u>1,858,405</u></u>	<u><u>1,979,500</u></u>
Capital and reserves			
Called up share capital		127,589	127,589
Share premium		5,299,919	5,299,919
Retained earnings		(3,569,103)	(3,448,008)
Shareholders' funds		<u><u>1,858,405</u></u>	<u><u>1,979,500</u></u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Profit and Loss Account has not been delivered.

The financial statements were approved by the Board of Directors on 20 April 2020 and were signed on its behalf by:


Y Shi - Director

The notes form part of these financial statements

AXOL BIOSCIENCE LTD

Notes to the Financial Statements for the Year Ended 31 December 2019

1. **Statutory information**

Axol Bioscience Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **Accounting policies**

Basis of preparing the financial statements

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" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Grant

Grant, being the amount paid in connection with the acquisition of a business has been fully amortised in the current year.

Intangible assets

Amortisation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Agreements - at varying rates on cost

Development Fees - 33% on cost

Tangible fixed assets

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

Laboratory Equipment - at varying rates on cost

Office Equipment - 33% on cost

Fixtures & Fittings - 20% on cost

Computer equipment - 33% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation 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 in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

AXOL BIOSCIENCE LTD

Notes to the Financial Statements - continued for the Year Ended 31 December 2019

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.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

Research and development

Research and development research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit. Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses. Development costs capitalised are amortised from the date at which the product sales commence, on a straight line basis over their expected useful life.

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.

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 profit or loss in the period to which they relate.

3. Employees and directors

The average number of employees during the year was 24 (2018 - 24).

4. Intangible fixed assets

	Grant	Development	Agreements	Totals
	£	costs	£	£
Cost		£		
At 1 January 2019	-	1,108,746	101,980	1,210,726
Additions	2,263	700,279	3,767	706,309
At 31 December 2019	2,263	1,809,025	105,747	1,917,035
Amortisation				
At 1 January 2019	-	806,341	71,495	877,836
Amortisation for year	2,263	416,353	19,624	438,240
At 31 December 2019	2,263	1,222,694	91,119	1,316,076
Net book value				
At 31 December 2019	-	586,331	14,628	600,959
At 31 December 2018	-	302,405	30,485	332,890

AXOL BIOSCIENCE LTD

Notes to the Financial Statements - continued for the Year Ended 31 December 2019

5. Tangible fixed assets

	Laboratory Equipment £	Office Equipment £	Fixtures & Fittings £	Computer equipment £	Totals £
Cost					
At 1 January 2019	296,425	992	56,757	31,473	385,647
Additions	89,326	-	-	882	90,208
At 31 December 2019	385,751	992	56,757	32,355	475,855
Depreciation					
At 1 January 2019	201,058	827	31,168	19,404	252,457
Charge for year	57,348	104	11,260	5,706	74,418
Eliminated on disposal	662	-	-	2,898	3,560
At 31 December 2019	259,068	931	42,428	28,008	330,435
Net book value					
At 31 December 2019	126,683	61	14,329	4,347	145,420
At 31 December 2018	95,367	165	25,589	12,069	133,190

6. Fixed asset investments

Investment in Axol Bioscience Inc which is a subsidiary of Axol Bioscience Ltd.

Axol Bioscience Inc is an incorporated company in the United States.

Cost price of shares (1000 ordinary shares @ \$0.00010 each) in March 2015 was £0.07. Axol Bioscience Ltd owns 100% of the shares that Axol Bioscience Inc have issued.

Value of shares at company year end are as follows.

2015- £0.07

2016- £0.08

2017- £0.08

2018- £0.08

2019- £0.08

7. Stocks

	31.12.19 £	31.12.18 £
Raw materials	515,595	261,383

8. Debtors: amounts falling due within one year

	31.12.19 £	31.12.18 £
Trade debtors	699,949	200,956
Other debtors	98,069	413,020
VAT	-	30,178
Prepayments and accrued income	330,809	161,699
Prepayments	100,872	70,371
	1,229,699	876,224

AXOL BIOSCIENCE LTD

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

9. Creditors: amounts falling due within one year

	31.12.19	31.12.18
	£	£
Hire purchase contracts and finance leases	16,786	969
Trade creditors	325,858	133,932
Tax	(176,972)	(59,224)
Social security and other taxes	28,778	21,894
Provision for bad debt	-	731
VAT	17,662	-
Other creditors	25,547	65,263
Accruals and deferred income	374,824	157,054
Accrued expenses	307,702	118,708
	<u>920,185</u>	<u>439,327</u>

10. Creditors: amounts falling due after more than one year

	31.12.19	31.12.18
	£	£
Hire purchase contracts and finance leases	<u>36,501</u>	<u>1,719</u>

11. Disclosure under Section 444(5B) of the Companies Act 2006

The Report of the Auditors was qualified on the following basis:

Basis of qualified opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We were not appointed as Auditors until May 2019 and accordingly had not attended the company stock-take at 31 December 2018. We were therefore unable to verify the existence of stock at year end 2018 or 2017.

The stock value is recorded as £261,383 at 31 December 2018 (2017: £116,272). Except for the limitation of scope arising from not being able to verify the existence of stock, we are satisfied that the accounts show a true and fair view of the company's affairs as at 31 December 2018 and of its loss for the year then ended.

David A. Cox is the Senior Statutory Auditor on behalf of Cox & Co (Accountancy) Ltd.

12. Related party disclosures

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

1) Directors remuneration received during the year was as follows:

Y Shi was £66,250

2) The subsidiary company Axol Bioscience Inc owes the company £550,984 at 31 December 2019 (2018: £341,646). This is recorded in other debtors.