

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
CAMBRIDGE RESPIRATORY INNOVATIONS
LIMITED

**CAMBRIDGE RESPIRATORY INNOVATIONS
LIMITED (REGISTERED NUMBER: 08500211)**

**CONTENTS OF THE FINANCIAL STATEMENTS
For The Year Ended 31 December 2021**

| | Page |
|--|-------------|
| Company Information | 1 |
| Balance Sheet | 2 |
| Notes to the Financial Statements | 3 |

**CAMBRIDGE RESPIRATORY INNOVATIONS
LIMITED**

COMPANY INFORMATION
For The Year Ended 31 December 2021

DIRECTORS:

J C Carter
C J MacGregor
J Curnock Cook
T Rea
A Patel
O Muduroglu

REGISTERED OFFICE:

4 Office Village, Forder Way
Cygnet Park
Hampton
Peterborough
Cambridgeshire
PE7 8GX

REGISTERED NUMBER:

08500211 (England and Wales)

AUDITORS:

Fortus Audit LLP
1 Rushmills
Bedford Road
Northampton
Northamptonshire
NN4 7YB

**CAMBRIDGE RESPIRATORY INNOVATIONS
LIMITED (REGISTERED NUMBER: 08500211)**

**BALANCE SHEET
31 December 2021**

| | Notes | 2021 £ | £ | 2020 £ | £ |
|--|-------|------------------|--------------------|------------------|--------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 4 | | 24,557 | | 4,816 |
| CURRENT ASSETS | | | | | |
| Debtors | 5 | 498,918 | | 567,477 | |
| Cash at bank | | <u>2,674,794</u> | | <u>1,668,126</u> | |
| | | 3,173,712 | | 2,235,603 | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 6 | <u>385,438</u> | | <u>530,488</u> | |
| NET CURRENT ASSETS | | | <u>2,788,274</u> | | <u>1,705,115</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>2,812,831</u> | | <u>1,709,931</u> |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 8 | | 158 | | 119 |
| Share premium | | | 5,801,549 | | 3,264,149 |
| Retained earnings | | | <u>(2,988,876)</u> | | <u>(1,554,337)</u> |
| SHAREHOLDERS' FUNDS | | | <u>2,812,831</u> | | <u>1,709,931</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 has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 21 July 2022 and were signed on its behalf by:

A Patel - Director

1. STATUTORY INFORMATION

Cambridge Respiratory Innovations Limited 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.

Tangible fixed assets

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

| | |
|-----------------------|---------------|
| Fixtures and fittings | - 25% on cost |
| Computer equipment | - 33% on cost |

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss, 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.

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.

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.

**CAMBRIDGE RESPIRATORY INNOVATIONS
LIMITED (REGISTERED NUMBER: 08500211)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2021**

2. ACCOUNTING POLICIES - continued

Going concern

As at 31 December 2021 the company's profit and loss account was in deficit. The company is financed by means of capital from Investors. The continued existence of the company is dependent upon the continued support of Investors. The directors are of the opinion that further investment will be received during 2022 and the projected cash flow information indicates that the company can thus continue in operational existence for the foreseeable future. On this basis, the directors consider it appropriate to prepare the financial statements on a going concern basis. However, should continuing finance not be available, the going concern basis would be invalid and adjustments would have to be made to adjust the value of assets to their realisable amount and to provide for any further liabilities that might arise.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 12 (2020 - 8) .

4. TANGIBLE FIXED ASSETS

| | Fixtures and fittings £ | Computer equipment £ | Totals £ |
|-----------------------|----------------------------------|----------------------------|---------------|
| COST | | | |
| At 1 January 2021 | - | 18,380 | 18,380 |
| Additions | 17,075 | 8,961 | 26,036 |
| At 31 December 2021 | <u>17,075</u> | <u>27,341</u> | <u>44,416</u> |
| DEPRECIATION | | | |
| At 1 January 2021 | - | 13,564 | 13,564 |
| Charge for year | 901 | 5,394 | 6,295 |
| At 31 December 2021 | <u>901</u> | <u>18,958</u> | <u>19,859</u> |
| NET BOOK VALUE | | | |
| At 31 December 2021 | <u>16,174</u> | <u>8,383</u> | <u>24,557</u> |
| At 31 December 2020 | <u>-</u> | <u>4,816</u> | <u>4,816</u> |

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2021 £ | 2020 £ |
|--------------------------------|----------------|----------------|
| Trade debtors | - | 335,040 |
| Other debtors | 51,487 | - |
| Tax | 255,598 | 65,538 |
| VAT | 42,089 | 113,726 |
| Prepayments and accrued income | <u>149,744</u> | <u>53,173</u> |
| | <u>498,918</u> | <u>567,477</u> |

**CAMBRIDGE RESPIRATORY INNOVATIONS
LIMITED (REGISTERED NUMBER: 08500211)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2021**

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2021 | 2020 |
|--------------------------------------|-----------------------|-----------------------|
| | £ | £ |
| Trade creditors | 76,500 | 281,547 |
| Social security and other taxes | 26,470 | 17,899 |
| Pension payable | 2,574 | 1,946 |
| Other creditors | 4,661 | 1,394 |
| Directors' current accounts | - | 514 |
| Accrued expenses and deferred income | <u>275,233</u> | <u>227,188</u> |
| | <u><u>385,438</u></u> | <u><u>530,488</u></u> |

7. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

| | 2021 | 2020 |
|----------------------------|-----------------------|---------------------|
| | £ | £ |
| Within one year | 106,356 | 8,896 |
| Between one and five years | <u>454,431</u> | <u>-</u> |
| | <u><u>560,787</u></u> | <u><u>8,896</u></u> |

8. CALLED UP SHARE CAPITAL

| Allotted, issued and fully paid: | | | 2021 | 2020 |
|----------------------------------|------------------|----------------|-------------------|-------------------|
| Number: | Class: | Nominal value: | £ | £ |
| 820,030 | Ordinary 0.01p | 0.01p | 82 | 81 |
| 756,428 | A Ordinary 0.01p | 0.01p | <u>76</u> | <u>38</u> |
| | | | <u><u>158</u></u> | <u><u>119</u></u> |

The following shares were issued in the year:

10,229 Ordinary 0.01p shares were issued on 23rd March 2021.

287,442 A Ordinary 0.01p shares were issued on 22nd October 2021 for £6.61 per share..

74,887 A Ordinary 0.01p shares were issued on 22nd October 2021 for £7.11 per share.

15,885 A Ordinary 0.01p shares were issued on 26th October 2021 for £6.61 per share.

1,701 Ordinary 0.01p shares were issued on 10th December 2021.

**CAMBRIDGE RESPIRATORY INNOVATIONS
LIMITED (REGISTERED NUMBER: 08500211)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2021**

9. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Emma Jones FCCA (Senior Statutory Auditor)
for and on behalf of Fortus Audit LLP

Emphasis of Matter

We draw attention to note 2 in the financial statements, which indicates the managements assessment of going concern. The company incurred a net loss of £1,434,539 during the year ended 31 December 2021 and, as of that date its profit and loss reserves was a deficit of £2,988,876 stated in the balance sheet. These conditions, along with other matters as disclosed in note 2, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

10. OTHER FINANCIAL COMMITMENTS

The company entered a three year contract commencing September 2020 with Nottingham University to make annual charitable donations of £10,000 per annum from October 2021 to October 2023.

11. RELATED PARTY DISCLOSURES

During the period the company paid consultancy fees of £55,611 to O Muduroglu, a director of the company. These services were provided at full market rate and no amounts were outstanding at the year end.

During the period the company purchased goods from Gas Sensing Solutions Limited, a shareholder of the company, for £15,011. These goods were provided at full market rate and there was an amount paid on account as at the year end of £329.

12. CONTROLLING PARTY

The controlling party is BGF Investment Management Limited by virtue of its right to exercise significant influence or control over the company.

**CAMBRIDGE RESPIRATORY INNOVATIONS
LIMITED (REGISTERED NUMBER: 08500211)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2021**

13. SHARE-BASED PAYMENT TRANSACTIONS

The company has a share option scheme for some employees. The options vest over a four year period, or earlier at the discretion of the Board or an exit event. The options are settled in equity once exercised.

Share options for 11,930 Ordinary Shares were exercised during 2021 with an exercise price of £0.0001 per share.

Share options were granted during 2021 for a maximum of 61,704 Ordinary Shares (2020 - 109,100 share options), with an exercise price of £0.0001 per share.

The share options outstanding at the end of the year were as follows:

| Expiry date | | | Exercise price | 2021 | 2020 |
|--------------|----|----|----------------|---------|---------|
| £ | No | No | | | |
| 1 April 2024 | | | 0.001 | 112,344 | 109,100 |

Share warrants were granted during 2021 for a maximum of 113,464 A Ordinary Shares. As at 31 December 2021, these warrants had not been exercised.

No charge has been made to the profit and loss account in respect of these options and warrants under FRS 102 as the charge is not deemed material.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.