

**REGISTERED NUMBER: 08839972 (England and Wales)**

**Strategic Report, Report of the Directors and  
Financial Statements for the Year Ended 31 January 2021  
for  
Genomics plc**

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**Genomics plc (Registered number: 08839972)**

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*for the year ended 31 January 2021*

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**Genomics plc**

**Company Information**  
*for the year ended 31 January 2021*

**DIRECTORS:**

D R Norwood  
Dr D Altshuler  
Professor S C Davies  
Professor P J Donnelly  
Dr S Knight  
Professor G McVean  
J Tananbaum  
Dr S C Williams

**SECRETARY:**

Pinsent Masons Secretarial Limited

**REGISTERED OFFICE:**

King Charles House  
Park End Street  
Oxford  
OX1 1JD

**REGISTERED NUMBER:**

08839972 (England and Wales)

**AUDITOR:**

KPMG LLP  
Chartered Accountants  
Registered Auditor  
2 Forbury Place  
33 Forbury Road  
Reading  
Berkshire  
RG1 3AD

**Genomics plc (Registered number: 08839972)****Strategic Report**  
*for the year ended 31 January 2021*

The Directors present their strategic report for the year ended 31 January 2021.

**REVIEW OF BUSINESS**

The principal activities of the Company are focused on Precision Health and Therapeutics. Through its Precision Health division, the Company is leading a new area of genomic prevention: a paradigm-changing approach to sustainable healthcare which for the first time allows reliable, personalised estimates of risk for common diseases, well ahead of disease manifestation, allowing targeted interventions and tailored screening to prevent disease entirely, or to catch it early when outcomes remain favourable. Within Therapeutics, the Company incorporates its deep understanding of human genetics into research and development for the discovery and validation of new drug targets. The Company runs an in-house target discovery and validation programme in addition to its existing multi-year collaboration with Vertex Pharmaceuticals Inc. The goal of the collaboration with Vertex is to further advance efforts to develop transformative precision medicine for people with serious diseases through innovative target discovery. To support both of these areas of activity, efforts have continued to source and obtain data from genomic and functional genomic studies and then integrate into one interrogable, quality-controlled database. This work has resulted in the most powerful database of its kind in the world, with work ongoing to enable further scaling of the resource. Methods and tools for analysis have continued to be developed and refined to further improve the value that can subsequently be derived.

The key financial and other performance indicators during the year were as follows:

	2021	2020
	£	£
Revenue	2,406,441	2,409,633
Operating loss	(12,882,286)	(6,856,285)
Loss after tax	(10,648,525)	(5,416,509)
Shareholders' funds	19,440,726	29,507,844
Average number of employees	83	55

**Impact of COVID-19**

The Company has successfully continued its business operations since the start of the Covid-19 pandemic in March 2020 without noticeable loss of productivity. All employees are fully equipped and accustomed to remote working. The agile and robust nature of the existing systems has enabled employees to collaborate on and progress with both R&D and progress towards commercial activities through the year ended 31 January 2021.

The Company has substantial cash reserves at 31 January 2021 and furthermore, successfully closed an oversubscribed funding round for £22.3m in February 2021. Consequently, the Directors believe that the Company is well placed to deal with any future Covid-19 related uncertainties. In addition, considering the current coronavirus situation, the Directors have reviewed current performance, forecasts and risk, and have a reasonable expectation that the Company can continue in operation, has adequate resources to meet its liabilities as they fall due and continue as a going concern for the foreseeable future. Alongside this, the Directors have a robust ongoing review process for forecasts and actuals and consequently the ability to amend future spend if necessary.

## **Genomics plc (Registered number: 08839972)**

### **Strategic Report (continued)** *for the year ended 31 January 2021*

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risks and uncertainties facing the Company are set out below.

##### **Coronavirus risk**

The spread of Coronavirus disease 2019 (COVID-19) represents one of the most serious global health emergencies in the last 100 years. The Company is monitoring the evolving impact of COVID-19 on the business and has put in place appropriate plans to mitigate disruption to research and development activities and ensuring the safety of its employees. At present, the Company's operations are proving resilient and flexible with limited long-term impact anticipated as a result of COVID-19.

##### **Early stage of operations**

The Company is still at an early stage of development. There are a number of operational, strategic and financial risks associated with such early-stage companies. In particular, the Company's future growth and prospects will depend on its ability to develop its technology and generate sufficient commercial value. It also needs to continue to develop operational, financial and quality control systems on a timely basis, at a time of business growth, whilst at the same time maintaining effective cost controls. Any failure to develop operational, financial and management information and quality control systems in line with the Company's growth could have a material adverse effect on its business, financial condition and results of operations.

The Company is currently loss making and there can be no certainty that the Company will achieve sustainable revenues, profitability or positive cash flow from its operating activities within the timeframe expected by the Board or at all. The development of the Company's revenues is difficult to predict. The Company has a limited operating history upon which its performance and prospects can be evaluated.

##### **Competition risk**

Given the potentially disruptive nature of the Company's technology in relation to established markets, the Company may face significant competition and negative commentary from organisations which have greater capital resources than it and/or which have a product offering competitive to that of the Company, to the detriment of the Company.

##### **Dependence on key executives and personnel and the ability to attract and retain appropriately qualified personnel**

The Company's future success is substantially dependent on the continued services and performance of its executive Directors and senior management as well as its ability to attract and retain suitably skilled and experienced personnel. The Company cannot give assurances that members of the senior management team and the executive Directors will continue to remain within the Company. Finding and hiring any such replacements could be costly and might require the Company to grant significant equity awards or other incentive compensation, which could adversely impact its financial results.

##### **Intellectual property**

The Company's success will depend in part on its ability to maintain adequate protection of its intellectual property, covering its processes and applications. The intellectual property on which the Company's business is based is a combination of patent applications and proprietary know-how. No assurance can be given that any pending patent applications or any future patent applications will result in granted patents, that any patents will be granted on a timely basis, that the scope of any patent protection will exclude competitors or provide competitive advantages to the Company, that any of the Company's patents will be held valid if challenged, or that third parties will not claim rights in, or ownership of, the patents and other proprietary rights held by the Company.

There can be no assurance that others have not developed or will not develop similar products, duplicate any of the Company's products or design around any patent applications held by the Company. Others may hold or receive patents which contain claims having a scope that covers products developed by the Company (whether or not patents are issued to the Company). In addition, no assurance can be given that others will not independently develop or otherwise acquire substantially equivalent techniques or otherwise gain access to the Company's unpatented proprietary technology or disclose such technology or that the Company can ultimately protect meaningful rights to such unpatented technology.

Any claims made against the Company's intellectual property rights, even without merit, could be time consuming and expensive to defend and could have a materially detrimental effect on the Company's resources.

**Genomics plc (Registered number: 08839972)**

**Strategic Report (continued)**  
*for the year ended 31 January 2021*

**PRINCIPAL RISKS AND UNCERTAINTIES (continued)**

**Intellectual property (continued)**


Although the Board believes that the Company's current products, products in development and processes do not infringe the intellectual property rights of any third parties, it is impossible to be aware of all third party intellectual property. No assurance can be given that third parties will not in the future claim rights in or ownership of the patents and other proprietary rights from time to time held by the Company.

**Capital risk management**

The Board's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The Company's objective when managing capital is to maintain adequate financial flexibility to preserve its ability to meet financial obligations, both current and long term. The capital structure of the Company is managed and adjusted to reflect changes in economic circumstances. In determining how the Company should be financed, through a combination of debt and equity, the Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position. The Company's capital is made up of share capital, share premium and retained earnings totalling £19,440,726 at 31 January 2021 (2020: £29,507,844).

The Company funds its expenditures on commitments from existing cash and cash equivalent balances, primarily received from issuances of shareholders' equity. There are no externally imposed capital requirements. Financing decisions are made by the Board based on forecasts of the expected timing and level of capital and operating expenditure required to meet the Company's commitments and development plans.

**ON BEHALF OF THE BOARD:**

DocuSigned by:  
  
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Professor P J Donnelly - Director

07 May 2021  
Date: .....

**Registered Office**  
King Charles House  
Park End Street  
Oxford  
OX1 1JD

## **Genomics plc (Registered number: 08839972)**

### **Report of the Directors** *for the year ended 31 January 2021*

The Directors present their report with the financial statements of the Company for the year ended 31 January 2021.

#### **DIVIDENDS**

The Directors do not recommend the payment of a dividend (2020: £nil).

#### **RESEARCH AND DEVELOPMENT**

The Company has incurred research and development expenditure of £6,552,000 (2020: £4,726,000) which has been charged to the Statement of Comprehensive Income as incurred.

#### **FUTURE DEVELOPMENTS**

The Directors anticipate that there will be many opportunities in the next twelve months to expand Genomics plc's world-leading database in scale and scope, and create new and innovative methods and tools for extracting further biological insights from this resource. Further commercial progress in Precision Health and Therapeutics remains a priority.

#### **DIRECTORS**

The Directors shown below have held office during the whole of the period from 1 February 2020 to the date of this report.

D R Norwood  
Dr D Altshuler  
Professor P J Donnelly  
Dr S Knight  
Professor G McVean  
J Tananbaum  
Dr S C Williams

Other changes in Directors holding office are as follows:

Dr JC Barrett - resigned 11 May 2020  
Professor S C Davies - appointed 6 March 2020

#### **POLITICAL CONTRIBUTIONS**

The Company made no political donations or incurred any political expenditure during the year (2020: £nil).

#### **GOING CONCERN**

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors have considered the Company's liquidity position. The Company is investor funded and has sufficient funding in place to secure the business beyond the going concern consideration timeframe of 12 months. At 31 January 2021, the Company had £15,297,963 cash and cash equivalents. The Company successfully closed an oversubscribed funding round in February 2021 which increased the cash in hand by a further £22,275,000. The Company's financial forecasts use severe but plausible assumptions that there will be a continuation of advances towards a series of validated commercial products through the going concern timeframe, alongside continued R&D activities. Business is forecast to continue as planned through the next 12 months, with activities and revenue projected to continue materially as planned.

To mitigate the risks outside of the Company's control, the Directors have a number of measures in place including, but not limited to, monthly review of actual results vs budget, carefully considered annual pay increases for all employees, scrutiny of all new hire positions in advance of recruitment and ongoing critical review of general expenditure. In addition, the Directors are confident that they have the ability to flex and reduce future spend in future months if necessary. The Directors take further comfort from the fact that the Company has been able to attract substantial additional funding from existing investors in its most recent funding round and had further additional demand for investment, both from existing as well as potential new investors, and therefore could have raised significantly more capital.

**Genomics plc (Registered number: 08839972)**

**Report of the Directors**  
*for the year ended 31 January 2021*

**GOING CONCERN (continued)**

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

**STATEMENT AS TO 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 (as defined by Section 418 of the Companies Act 2006) of which the Company's auditor is unaware, and each Director has taken all the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**AUDITOR**

The auditor, KPMG LLP, will be deemed to be re-appointed under section 487(2) of the Companies Act 2006.

**ON BEHALF OF THE BOARD:**

DocuSigned by:

*Peter Donnelly*

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Professor P J Donnelly - Director

07 May 2021

Date: .....

**Genomics plc (Registered number: 08839972)**

**Statement of Directors' Responsibilities**  
*for the year ended 31 January 2021*

The Directors are responsible for preparing the Strategic Report, 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;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

## **Independent Auditor's report to the Members of Genomics plc**

### **Opinion**

We have audited the financial statements of Genomics plc (the 'company') for the year ended 31 January 2021 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 January 2021 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 under those standards are further described in the Auditors' 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **Fraud and breaches of laws and regulations – ability to detect**

#### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud and the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Considering remuneration incentive schemes and performance targets for management.
- Using analytical procedures to identify any usual or unexpected relationships

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet targets following the outbreak of Covid-19 we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that revenue is recorded in the wrong period and the risk that management may be in a position to make inappropriate accounting entries, and the risk of bias in any significant accounting estimates and judgements.

## **Independent Auditor's report to the Members of Genomics plc (continued)**

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts in relation to Cash and Revenue
- Auditing Revenue recognition policy and appropriate accounting during cut off period

### *Identifying and responding to risks of material misstatement due to non-compliance with laws and Regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, taxation legislation, and pensions legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, GDPR, and environmental protection and Tax legislation recognizing the nature of the Company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

### *Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### **Strategic report and Directors' report**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report, the Report of the Directors and the Statement of Directors' Responsibilities but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Independent Auditor's report to the Members of Genomics plc (continued)**

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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

We have nothing to report in these respects.

### **Responsibilities of Directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page eight, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' responsibilities for the audit of the financial statements**

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 a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

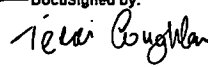
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

### **Use of our report**

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 to them in a Report of the Auditor 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.

Terri Coughlan (Senior Statutory Auditor)  
for and on behalf of KPMG LLP  
Chartered Accountants  
Registered Auditor  
2 Forbury Place, 33 Forbury Road, Reading, RG1 3AD

DocuSigned by:  
  
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07 May 2021  
Date.....

**Genomics plc (Registered number: 08839972)****Statement of Comprehensive Income**  
*for the year ended 31 January 2021*

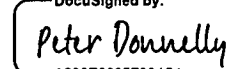
	Notes	2021 £	2020 £
<b>REVENUE</b>	3	2,406,441	2,409,633
Administrative expenses		<u>(15,288,727)</u>	<u>(9,265,918)</u>
<b>OPERATING LOSS</b>	6	(12,882,286)	(6,856,285)
Interest receivable and similar income		<u>53,089</u>	<u>270,896</u>
<b>LOSS BEFORE TAXATION</b>		(12,829,197)	(6,585,389)
Tax on loss	7	<u>2,180,672</u>	<u>1,168,880</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		(10,648,525)	(5,416,509)
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>(10,648,525)</u>	<u>(5,416,509)</u>

The notes form part of these financial statements

**Genomics plc (Registered number: 08839972)****Statement of Financial Position****31 January 2021**

	Notes	2021 £	2020 £
<b>FIXED ASSETS</b>			
Property, plant and equipment	8	1,031,270	1,433,526
Investments	9	<u>1,555</u>	<u>-</u>
		<b>1,032,825</b>	<b>1,433,526</b>
<b>CURRENT ASSETS</b>			
Debtors	10	4,245,126	2,548,624
Cash at bank		<u>15,297,963</u>	<u>25,972,803</u>
		<b>19,543,089</b>	<b>28,521,427</b>
<b>CREDITORS</b>			
Amounts falling due within one year	11	<u>(1,073,603)</u>	<u>(447,109)</u>
<b>NET CURRENT ASSETS</b>		<u><b>18,469,486</b></u>	<u><b>28,074,318</b></u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>19,502,311</b>	<b>29,507,844</b>
<b>PROVISIONS FOR LIABILITIES</b>	14	<u><b>(61,585)</b></u>	<u><b>-</b></u>
<b>NET ASSETS</b>		<u><u><b>19,440,726</b></u></u>	<u><u><b>29,507,844</b></u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	15	89,391	89,384
Share premium	16	44,365,268	44,365,268
Retained earnings	16	<u>(25,013,933)</u>	<u>(14,946,808)</u>
<b>SHAREHOLDERS' FUNDS</b>		<u><u><b>19,440,726</b></u></u>	<u><u><b>29,507,844</b></u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 07 May 2021  
and were signed on its behalf by:

DocuSigned by:  
  
 A202E0395F904C1...  
 Professor P J Donnelly - Director

The notes form part of these financial statements

**Genomics plc (Registered number: 08839972)****Statement of Changes in Equity**  
*for the year ended 31 January 2021*

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Share premium £</b>	<b>Total equity £</b>
<b>Balance at 1 February 2019</b>	89,372	(10,405,638)	44,363,998	34,047,732
Deficit for the year	-	(5,416,509)	-	(5,416,509)
Total comprehensive income	-	(5,416,509)	-	(5,416,509)
Issue of share capital	12	-	1,270	1,282
Share-based payment expense	-	875,339	-	875,339
Total transactions with owners, recognised directly in equity	12	875,339	1,270	876,621
<b>Balance at 31 January 2020</b>	89,384	(14,946,808)	44,365,268	29,507,844
Deficit for the year	-	(10,648,525)	-	(10,648,525)
Total comprehensive income	-	(10,648,525)	-	(10,628,525)
Issue of share capital	7	-	-	7
Share-based payment expense	-	581,400	-	581,400
Total transactions with owners, recognised directly in equity	7	581,400	-	581,407
<b>Balance at 31 January 2021</b>	89,391	(25,013,933)	44,365,268	19,440,726

The notes form part of these financial statements

**Genomics plc (Registered number: 08839972)****Statement of Cash Flows**  
*for the year ended 31 January 2021*

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(11,274,262)	(5,951,877)
Taxation refund		<u>668,880</u>	<u>-</u>
Net cash from operating activities		<u>(10,605,382)</u>	<u>(5,951,877)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(132,999)	(1,011,157)
Purchase of fixed asset investments		(1,555)	-
Sale of tangible fixed assets		12,000	279
Interest received		<u>53,089</u>	<u>270,896</u>
Net cash from investing activities		<u>(69,465)</u>	<u>(739,982)</u>
<b>Cash flows from financing activities</b>			
Share issue		<u>7</u>	<u>1,282</u>
Net cash from financing activities		<u>7</u>	<u>1,282</u>
<b>Decrease in cash and cash equivalents</b>		<b>(10,674,840)</b>	<b>(6,690,577)</b>
<b>Cash and cash equivalents at beginning of year</b>	2	<b>25,972,803</b>	<b>32,663,380</b>
<b>Cash and cash equivalents at end of year</b>	2	<b><u>15,297,963</u></b>	<b><u>25,972,803</u></b>

The notes form part of these financial statements

**Genomics plc (Registered number: 08839972)****Notes to the Statement of Cash Flows**  
*for the year ended 31 January 2021***1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2021 £	2020 £
Loss before taxation	(12,829,197)	(6,585,389)
Depreciation charges	534,971	411,528
(Profit)/loss on disposal of fixed assets	(11,716)	984
Share-based payment expense	581,400	875,339
Movement in provisions	61,585	-
Finance income	(53,089)	(270,896)
	(11,716,046)	(5,568,434)
Increase in trade and other debtors	(184,710)	(308,933)
Increase/(decrease) in trade and other creditors	626,494	(74,510)
<b>Cash generated from operations</b>	<b>(11,274,262)</b>	<b>(5,951,877)</b>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

**Year ended 31 January 2021**

	31/1/21 £	1/2/20 £
Cash and cash equivalents	15,297,963	25,972,803

**Year ended 31 January 2020**

	31/1/20 £	1/2/19 £
Cash and cash equivalents	25,972,803	32,663,380

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1/2/20 £	Cash flows £	At 31/1/21 £
<b>Net cash</b>			
Cash at bank	25,972,803	(10,674,840)	15,297,963
	25,972,803	(10,674,840)	15,297,963
<b>Total</b>	<b>25,972,803</b>	<b>(10,674,840)</b>	<b>15,297,963</b>

The notes form part of these financial statements

## **Genomics plc (Registered number: 08839972)**

### **Notes to the Financial Statements** *for the year ended 31 January 2021*

#### **1. STATUTORY INFORMATION**

Genomics plc is a private company, 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**

##### **Statement of compliance**

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 January 2021.

##### **Basis of preparation**

The financial statements of Genomics plc were approved for issue by the Board of Directors on 29 April 2021. 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 financial statements are prepared using the historical cost basis.

At 31 January 2021 the Company was making significant progress with its research and development and commercialisation activities. The Company held cash of £15,297,963 at 31 January 2021. The Company successfully closed an oversubscribed funding round in February 2021 which increased the cash in hand by a further £22,275,000. These funds are therefore expected to cover the working capital requirements for a period of at least 12 months from the date of approval of the financial statements.

##### **Going concern**

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors have considered the Company's liquidity position. The Company is investor funded and has sufficient funding in place to secure the business beyond the going concern consideration timeframe of 12 months. At 31 January 2021, the Company had £15,297,963 cash and cash equivalents. The Company successfully closed an oversubscribed funding round in February 2021 which increased the cash in hand by a further £22,275,000. The Company's financial forecasts use severe but plausible assumptions that there will be a continuation of advances towards a series of validated commercial products through the going concern timeframe, alongside continued R&D activities. Business is forecast to continue as planned through the next 12 months, with activities and revenue projected to continue materially as planned.

To mitigate the risks outside of the Company's control, the Directors have a number of measures in place including, but not limited to, monthly review of actual results vs budget, carefully considered annual pay increases for all employees, scrutiny of all new hire positions in advance of recruitment and ongoing critical review of general expenditure. In addition, the Directors are confident that they have the ability to flex and reduce future spend in future months if necessary. The Directors take further comfort from the fact that the Company has been able to attract substantial additional funding from existing investors in its most recent funding round and had further additional demand for investment, both from existing as well as potential new investors, and therefore could have raised significantly more capital.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

## **Genomics plc (Registered number: 08839972)**

### **Notes to the Financial Statements - continued** *for the year ended 31 January 2021*

#### **2. ACCOUNTING POLICIES - continued**

##### **Preparation of consolidated financial statements**

The financial statements contain information about Genomics plc as an individual Company and do not contain consolidated financial information as the parent of a group. The Company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

##### **Revenue**

Revenue comprises income from the provision of contract services, net of VAT.

Services supplied to customers under contracts are recognised over the period of the contract based upon the level of completion of the work.

The difference between the amount of income recognised and the amount invoiced on a particular contract is included in the statement of financial position as either accrued or deferred income. Amounts included in accrued or deferred income due within one year are expected to be recognised within one year. Accrued income is included with current assets and deferred income is included within current liabilities.

##### **Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is charged so as to write off the costs of assets over their estimated useful lives, on the following basis:

Leasehold improvements - over the term of the lease on a straight-line basis

Plant and machinery - 20% on cost on a straight-line basis

Fixtures and fittings - 20% on cost on a straight-line basis

Computer equipment - 33% on cost on a straight-line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

##### **Impairment of fixed assets**

At each reporting date, the Company reviews the carrying amounts of its fixed assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

##### **Investments in subsidiaries**

Investments in subsidiary undertakings are recognised at cost.

## **Genomics plc (Registered number: 08839972)**

### **Notes to the Financial Statements - continued** *for the year ended 31 January 2021*

#### **2. ACCOUNTING POLICIES - continued**

##### **Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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 statement of financial position date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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**

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Development costs are only capitalised when the related products meet the recognition criteria of an internally generated intangible asset, the key criteria being as follows:

- technical feasibility of the completed intangible asset;
- the probability of future economic benefits;
- the reliable measurement of costs;
- the ability and intention of the Company to use or sell the intangible asset.

Such intangible assets are amortised on a straight-line basis from the point at which the assets are ready for use over the period of the expected benefit, and are reviewed for an indication of impairment at each reporting date. Other development costs are charged against profit or loss as incurred since the criteria for their recognition as an asset are not met.

The costs of an internally generated intangible asset comprise all directly attributable costs necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management. Directly attributable costs include employee costs incurred on technical development, testing and certification, materials consumed and any relevant third-party cost. The costs of internally generated developments are recognised as intangible assets and are subsequently measured in the same way as externally acquired intangible assets. However, until completion of the development project, the assets are subject to impairment testing only.

No development costs to date have been capitalised as intangible assets.

##### **Foreign currencies**

The financial statements are presented in Sterling, which is the currency of the primary economic environment in which the Company operates (its functional currency).

In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each balance sheet date, monetary items denominated on foreign currencies are retranslated at the rates prevailing at the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

Non-monetary items that are measured in terms of historical cost in foreign currency are translated using the exchange rates as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates as at the date when the fair value was determined.

**Genomics plc (Registered number: 08839972)**

**Notes to the Financial Statements - continued**  
*for the year ended 31 January 2021*

**2. ACCOUNTING POLICIES - continued**

**Leases**

Rentals payable under operating leases are charged in the Income Statement on a straight-line basis over the lease term. Lease incentives are recognised over the lease term on a straight-line basis.

**Pension costs and other post-retirement benefits**

Contributions to defined contribution schemes are recognised in the Income Statement in the period in which they become payable.

**Financial assets and liabilities**

Financial assets and financial liabilities are recognised in the statement of financial position when the Company becomes party to the contractual provisions of the instrument. Financial assets are de-recognised when the contractual rights to the cash flows from the financial asset expire or when the contractual rights to those assets are transferred. Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired.

**(i) Trade debtors**

Trade debtors are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment. Appropriate provisions for estimated irrecoverable amounts are recognised in the statement of profit or loss when there is objective evidence that the assets are impaired.

**(ii) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

**(iii) Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

**(iv) Trade creditors**

Trade creditors are initially measured at their fair value and are subsequently measured at their amortised cost using the effective interest rate method; this method allocates interest expense over the relevant period by applying the "effective interest rate" to the carrying amount of the liability.

**(v) Classification of financial instruments**

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.

Where a financial instrument that contains both equity and financial liability components exists these components are separated and accounted for individually under the above policy.

**Genomics plc (Registered number: 08839972)****Notes to the Financial Statements - continued**  
**for the year ended 31 January 2021****2. ACCOUNTING POLICIES - continued****Share based payments**

Certain employees and consultants (including Directors and senior executives) of the Company receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments of the Company ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by the Company, by reference to the fair value at the date on which they are granted. The fair value is determined by using an appropriate pricing model. The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("the vesting date"). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest in the parent company. The profit or loss charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period with a corresponding credit arising in the profit and loss reserve.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance and/or service conditions are satisfied. Where the terms of an equity-settled award are modified, the minimum expense recognised is the expense as if the terms had not been modified. An additional expense is recognised for any modification, which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

**Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

**Development expenditure**

Development expenditure is capitalised in accordance with the accounting policy given above. Initial capitalisation of costs is based on management's judgement that technical and economic feasibility is confirmed. In determining the amounts to be capitalised management makes assumptions regarding the expected future cash generation of the assets, discount rates to be applied and the expected period of benefits. In addition, all internal activities related to research and development are continuously monitored by the Directors. To date, no development costs have been capitalised.

**3. REVENUE**

The revenue and loss before taxation are attributable to the one principal activity of the Company.

An analysis of revenue by geographical market is given below:

	2021 £	2020 £
United States of America	<u>2,406,441</u>	<u>2,409,633</u>
	<u>2,406,441</u>	<u>2,409,633</u>

**Genomics plc (Registered number: 08839972)****Notes to the Financial Statements - continued**  
*for the year ended 31 January 2021***4. EMPLOYEES AND DIRECTORS**

	2021	2020
	£	£
Wages and salaries	7,223,364	4,543,864
Social security costs	915,532	544,026
Other pension costs	362,814	207,002
	<u>8,501,710</u>	<u>5,294,892</u>

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

	2021	2020
Research and development	59	44
Administration	24	11
	<u>83</u>	<u>55</u>

A share-based payment expense of £581,400 (2020: £875,339) has been charged to the Income Statement which arises from transactions accounted for as equity settled share-based payment transactions.

Included in other pension costs is £362,814 (2020: £207,002) in respect of contributions to defined contribution schemes.

**5. DIRECTORS' EMOLUMENTS**

	2021	2020
	£	£
Directors' remuneration	765,804	614,828
Directors' pension contributions to money purchase schemes	33,316	10,000

The number of Directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>1</u>
------------------------	----------	----------

Information regarding the highest paid Director is as follows:

	2021	2020
	£	£
Emoluments etc	331,756	275,000
Pension contributions to money purchase schemes	-	10,000

The number of Directors in respect of whose qualifying services shares were received or receivable under long-term incentive schemes was 2 (2020: 3). No Directors exercised share options during the current or prior year.

**Genomics plc (Registered number: 08839972)****Notes to the Financial Statements - continued**  
**for the year ended 31 January 2021****6. OPERATING LOSS**

The operating loss is stated after charging/(crediting):

	2021	2020
	£	£
Other operating leases	425,860	320,962
Depreciation - owned assets	534,971	411,528
(Profit)/loss on disposal of fixed assets	(11,716)	984
Auditor's remuneration	21,555	19,075
Foreign exchange differences	183,106	34,245
Research and development expenditure written off	<u>6,552,000</u>	<u>4,726,000</u>

**7. TAXATION****Analysis of the tax credit**

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

	2021	2020
	£	£
Current tax:		
UK corporation tax	<u>(2,180,672)</u>	<u>(1,168,880)</u>
Tax on loss	<u>(2,180,672)</u>	<u>(1,168,880)</u>

UK corporation tax has been charged at 19% (2020 - 19%).

**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:

	2021	2020
	£	£
Loss before tax	<u>(12,829,197)</u>	<u>(6,585,389)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	(2,437,547)	(1,251,224)
Effects of:		
Expenses not deductible for tax purposes	128,284	193,715
Deferred tax not provided	2,309,794	1,058,397
R & D tax credits receivable	(2,180,672)	(1,168,880)
Employee share acquisition adjustment	<u>(531)</u>	<u>(888)</u>
Total tax credit	<u>(2,180,672)</u>	<u>(1,168,880)</u>

**Factors that may affect future tax charges**

The Company has tax losses arising in the UK of approximately £15,790,000 (2020: £12,080,000) that are available indefinitely for offset against future taxable profits or which can be offset against claims for research and development tax credits. Deferred tax assets have not been recognised in respect of these losses as there is no certainty that they may not be used to offset against future taxable profits for some time.

**Genomics plc (Registered number: 08839972)****Notes to the Financial Statements - continued**  
*for the year ended 31 January 2021***8. PROPERTY, PLANT AND EQUIPMENT**

	Leasehold improvements £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>				
At 1 February 2020	609,865	220,280	1,846,293	2,676,438
Additions	5,531	6,006	121,462	132,999
Disposals	-	-	(143,083)	(143,083)
At 31 January 2021	<u>615,396</u>	<u>226,286</u>	<u>1,824,672</u>	<u>2,666,354</u>
<b>DEPRECIATION</b>				
At 1 February 2020	163,715	94,287	984,910	1,242,912
Charge for year	62,141	43,674	429,156	534,971
Eliminated on disposal	-	-	(142,799)	(142,799)
At 31 January 2021	<u>225,856</u>	<u>137,961</u>	<u>1,271,267</u>	<u>1,635,084</u>
<b>NET BOOK VALUE</b>				
At 31 January 2021	<u>389,540</u>	<u>88,325</u>	<u>553,405</u>	<u>1,031,270</u>
At 31 January 2020	<u>446,150</u>	<u>125,993</u>	<u>861,383</u>	<u>1,433,526</u>

**9. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>COST</b>	
Additions	<u>1,555</u>
At 31 January 2021	<u>1,555</u>
<b>NET BOOK VALUE</b>	
At 31 January 2021	<u>1,555</u>

The Company's investments at the Statement of Financial Position date in the share capital of companies include the following:

**Genomics Inc.**

Registered office: 1 Main Street, 13th floor, Cambridge, MA 02141, USA

Nature of business: Research & development in biotechnology

Class of shares:	%
Ordinary	holding 100.00

**Genomics plc (Registered number: 08839972)****Notes to the Financial Statements - continued**  
*for the year ended 31 January 2021***10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Trade debtors	612,365	593,430
Other debtors	182,822	163,283
Income tax receivable	2,782,962	1,168,880
VAT	174,603	128,664
Prepayments and accrued income	492,374	494,367
	<u>4,245,126</u>	<u>2,548,624</u>

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

	2021	2020
	£	£
Trade creditors	137,641	60,400
Social security and other taxes	306,387	255,078
Other creditors	85,910	72,967
Accruals and deferred income	543,665	58,664
	<u>1,073,603</u>	<u>447,109</u>

**12. LEASING AGREEMENTS**

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

	2021	2020
	£	£
Within one year	503,617	471,254
Between one and five years	1,725,225	860,823
	<u>2,228,842</u>	<u>1,332,077</u>

**Operating lease agreements where the company is lessee:**

On 22 December 2015, the Company entered into a new lease agreement in respect of its operating premises. This lease is for a 10-year period, effective from 13 November 2015 and ending on 12 November 2025. The lease had a break point at November 2020, which the Company did not need to exercise. Annual rent of £210,000 is payable under this agreement, commencing on 1 January 2016, along with an annual service charge of £65,265. Effective November 2020, the Company was due a rent review but due to current Covid-19 circumstances, this process has not yet started with the landlord.

During 2019, the Company entered into a second lease agreement in respect of additional operating premises. This lease is for a 10-year period, effective 20 June 2019 to 19 June 2029. Annual rent of £181,576 is payable under this agreement, commencing on 1 January 2019, along with an annual service charge of £41,766. The lease contains a break clause at the end of the first 5 years. The minimum lease payments above are calculated up to the break point.

**Genomics plc (Registered number: 08839972)****Notes to the Financial Statements - continued  
for the year ended 31 January 2021****13. FINANCIAL INSTRUMENTS****Non-derivative financial assets**

At the reporting date, the Company held the following non-derivative financial assets:

	2021 £	2020 £
<b>Due within 3 months:</b>		
Cash and cash equivalents	15,297,963	25,972,803
Trade receivables	612,365	593,430
Other receivables	<u>1,490,387</u>	<u>1,460,827</u>
	<u>17,400,715</u>	<u>28,027,060</u>
<b>Due between 3 and 12 months:</b>		
Other receivables	<u>1,650,000</u>	-
Total receivables	<u>19,050,715</u>	<u>28,027,060</u>

**Non-derivative financial liabilities**

At the reporting date, the Company held the following financial liabilities, all of which were classified as other non-derivative financial liabilities:

	2021 £	2020 £
<b>Due within 3 months:</b>		
Trade payables	137,641	60,400
Other payables	<u>392,297</u>	<u>328,045</u>
	<u>529,938</u>	<u>388,445</u>

**14. PROVISIONS FOR LIABILITIES**

	2021 £	2020 £
Other provisions	<u>61,585</u>	-
		<b>Other provisions</b>
		£
Provided during year		<u>61,585</u>
Balance at 31 January 2021		<u>61,585</u>

The Company has made a provision for dilapidations at its two operating sites amounting to £61,585 (2020: £nil).

**15. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £	2020 £
8,939,062	Ordinary	1p	<u>89,391</u>	<u>89,384</u>

**Genomics plc (Registered number: 08839972)**

**Notes to the Financial Statements - continued**  
*for the year ended 31 January 2021*

**15. CALLED UP SHARE CAPITAL - continued**

During the year the Company issued 666 ordinary shares at a price of £0.01 per share following the exercises of share options in the Company's EMI scheme.

**16. RESERVES**

**Share premium account**

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

**17. RELATED PARTY DISCLOSURES**

During the year the Company entered into transactions, in the ordinary course of business, with other related parties. The Company made sales amounting to £2,406,441 (2020: £2,409,633), to Vertex Pharmaceuticals Incorporated, a company which has a directorship of Genomics plc and is represented on the board by Dr David Altshuler. At 31 January 2021, an amount of £612,365 (2020: £593,430) was due from Vertex Pharmaceuticals Incorporated in respect of outstanding sales invoices.

**Terms and conditions of transactions with related parties:**

Purchases between related parties are made on an arm's length basis. During the year ended 31 January 2021, the Company has not made any provision for doubtful debts relating to amounts owed by related parties (2020: £nil).

**Genomics plc (Registered number: 08839972)****Notes to the Financial Statements - continued**  
*for the year ended 31 January 2021***18. SHARE-BASED PAYMENT TRANSACTIONS****Share options**

The Company has share option plans (The Genomics plc Unapproved Share Option Scheme and The Genomics plc Enterprise Management Incentive Share Option Scheme) under which it grants options over ordinary shares to certain Directors and employees of the Company. Options under these plans are exercisable at a range of exercise prices ranging from the nominal value of the Company's shares to the market price of the Company's shares on the date of the grant. The vesting period for shares is usually over a period of three years. The options are settled in equity once exercised. If the options remain unexercised for a period after 10 years from the date of grant, the options expire. Options are forfeited if the employee leaves the Company before the options vest.

The number and weighted average exercise prices of share options are as follows:

	EMI options	Unapproved options	Total	Weighted average exercise price per share (p)
At 31 January 2019	279,495	340,156	619,651	58.62
Granted during the year	-	206,400	206,400	841.42
Exercised during the year	(500)	(668)	(1,168)	(109.73)
Forfeited during the year	(4,701)	(15,000)	(19,701)	(61.61)
At 31 January 2020	274,294	530,888	805,182	259.14
Granted during the year	340,567	202,833	543,400	547.46
Exercised during the year	-	(666)	(666)	(1.00)
Forfeited during the year	(24,588)	(293,094)	(317,682)	(508.80)
At 31 January 2021	<u>590,273</u>	<u>439,961</u>	<u>1,030,234</u>	<u>334.58</u>

There were 548,747 share options outstanding at 31 January 2021 which were eligible to be exercised. The remaining options were not eligible to be exercised as these are subject to employment period conditions which had not been met at 31 January 2021. Options have a range of exercise prices ranging from nominal value to 925 pence per share and have a weighted contractual life of 8.07 years (2020: 8.20 years).

Option values were calculated using a Black-Scholes pricing model with the following assumptions:

	Options granted in the year
Dividend yield	0%
Expected volatility	40%
Option maturity period	10 years
Risk free interest rate	1.50%
Weighted average exercise price of a share	547.00p

Any share options which are not exercised within 10 years from the date of grant will expire. The Company has recognised a charge of £581,400 (2020: £875,339) in the income statement in respect of share-based payments.