

Company registration number 09033896 (England and Wales)

ALYCIDON LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022
PAGES FOR FILING WITH REGISTRAR

ALYCIDON LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 7

ALYCIDON LIMITED

BALANCE SHEET

AS AT 30 JUNE 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	4		88,001		95,128
Investments	5		150,000		150,000
			<u>238,001</u>		<u>245,128</u>
Current assets					
Debtors	6	703,811		722,395	
Cash at bank and in hand		10,312		332,351	
		<u>714,123</u>		<u>1,054,746</u>	
Creditors: amounts falling due within one year	7	<u>(6,369,266)</u>		<u>(6,637,613)</u>	
Net current liabilities			<u>(5,655,143)</u>		<u>(5,582,867)</u>
Net liabilities			<u>(5,417,142)</u>		<u>(5,337,739)</u>
Capital and reserves					
Called up share capital	8		200,000		200,000
Profit and loss reserves			<u>(5,617,142)</u>		<u>(5,537,739)</u>
Total equity			<u>(5,417,142)</u>		<u>(5,337,739)</u>

The Director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 June 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The Director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved and signed by the director and authorised for issue on 6 March 2023

D C Eales
Director

Company Registration No. 09033896

ALYCIDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

Company information

Alycidon Limited is a private company limited by shares incorporated in England and Wales. The registered office is 49 Main Road, Smalley, Ilkeston, DE7 6EF.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied, other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The going concern basis has been used, despite the deficiency of net assets, as the ultimate controlling party has indicated their intention to make available sufficient funds to enable the company to continue trading for at least one year from the date of approval of these financial statements.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer equipment	3 years straight line
Artwork and paintings	is not depreciated

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is credited or charged to profit or loss.

The value of the art has been determined by the director to be measured at what they consider to be the most appropriate basis given the reason for the purchase, being cost less impairment.

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

ALYCIDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

Unlisted investments are measured at cost less provision for impairment.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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 it is not possible to estimate the recoverable amount of an individual asset, 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 immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

ALYCIDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

ALYCIDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

1.10 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the Director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Recoverability of investments and loans

The director reviews investments and loans receivable at the end of each financial year for any impairment indicators. An impairment provision is made when the recoverable amount of investments or loans receivable is considered to have fallen below cost.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	1	1
	==	==

ALYCIDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

4 Tangible fixed assets

	Plant and machinery etc	Artwork and paintings	Total
	£	£	£
Cost			
At 1 July 2021 and 30 June 2022	21,380	79,167	100,547
Depreciation and impairment			
At 1 July 2021	5,419	-	5,419
Depreciation charged in the year	7,127	-	7,127
At 30 June 2022	12,546	-	12,546
Carrying amount			
At 30 June 2022	8,834	79,167	88,001
At 30 June 2021	15,961	79,167	95,128

5 Fixed asset investments

	2022 £	2021 £
Other investments other than loans	150,000	150,000

6 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	364	276
Other debtors	343,355	362,027
	343,719	362,303
Amounts falling due after more than one year:		
Other debtors	360,092	360,092
Total debtors	703,811	722,395

ALYCIDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

7 Creditors: amounts falling due within one year

	2022 £	2021 £
Amounts due to parent undertaking	6,353,113	6,580,478
Trade creditors	1,350	42,332
Other creditors	10,555	10,555
Accruals and deferred income	4,248	4,248
	<u>6,369,266</u>	<u>6,637,613</u>

£3,113,796 (2021: £3,163,796) of the balance due to the parent company is secured with a fixed and floating charge over all the assets of the company. The loan notes carry interest of 5%, the interest charge of £159,536 (2021: £161,881) being waived in both the current and prior year.

8 Called up share capital

	2022 £	2021 £
Ordinary share capital		
Issued and fully paid		
172,000 Ordinary A shares of £1 each	172,000	172,000
28,000 Ordinary B shares of £1 each	28,000	28,000
	<u>200,000</u>	<u>200,000</u>

All shares rank pari passu in all respects.

9 Related party transactions

The company has not disclosed transactions with the group companies, which are part of a wholly owned group, as allowed under FRS 102 Section 1A.

Included in other debtors is £360,092 (2021: £360,092) owed by a company which shares a common director and in which Alycidon Limited is a shareholder. The loan is repayable in equal quarterly instalments from September 2025 with the final instalment being due in June 2029. The loan is interest free until 31 August 2023 and bears interest at 6% per annum until 31 August 2024, 8% per annum until 31 August 2025 and 10% per annum thereafter if the borrower's profit before tax is below a specified amount.

Included in other debtors is £988 (2021: £Nil) owed by a company which shares a common director for expenses paid on behalf of that company.

10 Parent company

The immediate and ultimate parent company is Alycidon Technologies Limited, a company registered in England and Wales.

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.