

Company Registration Number: 09047601 (England and Wales)



CAMBRIDGE GRAPHENE LTD

ANNUAL REPORT

31 MARCH 2018

**CAMBRIDGE GRAPHENE LTD**

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For the Year Ended 31 March 2018**

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## **CAMBRIDGE GRAPHENE LTD**

### **Company Information**

**DIRECTORS:** Mr N Ricketts  
Mr C M Leigh

**REGISTERED OFFICE:** Unit 2, Chosen View Road  
c/o Versarien  
Cheltenham  
England  
GL51 9LT

**REGISTERED NUMBER:** 09047601 (England and Wales)

**INDEPENDENT AUDITORS:** PricewaterhouseCoopers LLP  
2 Glass Wharf  
Bristol  
BS2 0FR  
United Kingdom

**BANKERS:** Santander Bank  
Bristol Corporate Business Centre  
One Glass Wharf  
Avon Street  
Bristol  
BS2 0ZX

## **CAMBRIDGE GRAPHENE LTD**

### **Report of the Directors for the Year to 31 March 2018**

The directors present their report with the financial statements of the company for the year ended 31 March 2018 (2017: 10 months to 31 March 2017).

#### **PRINCIPAL ACTIVITIES**

The company's principal activity during the year continued to be novel production process development and supply of graphene inks.

#### **REVIEW OF BUSINESS**

The results for the period are on page 7 of the financial statements. The position at the year ended 31 March 2018 was satisfactory.

#### **RESULTS AND DIVIDENDS**

The loss for the financial year after taxation amounted to £137,151 (2017: loss of £49,966)

The directors do not recommend the payment of a dividend leaving a loss of £137,150 (2017: £49,966) to be transferred from reserves.

#### **FUTURE DEVELOPMENTS**

The Company will continue its efforts to develop its production and supply of graphene ink.

#### **GOING CONCERN**

After making enquires, the directors have a reasonable expectation that the company has adequate resources to continue on operational existence for the foreseeable future. The company is part of the Versarien Group which has confirmed in writing its intention to provide ongoing support to the company for a period of at least 12 months from the date of signature of these financial statements. Having considered the ability of the Versarien Group to provide that support, and based on the confirmation received, the directors believe that the company is well placed to manage its business risks successfully. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statement.

## **CAMBRIDGE GRAPHENE LTD**

### **Report of the Directors for the Year to 31 March 2018 (cont'd)**

#### **DIRECTORS**

The directors who have held office during the period to the date of this report are as follows:-

Mr N Ricketts

Mr C M Leigh

#### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

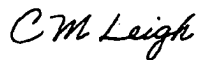
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **INDEPENDENT AUDITORS**

The Independent Auditors, PricewaterhouseCoopers LLP, who were appointed by the Board for the year have indicated their willingness to be reappointed for another term.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

#### **BY ORDER OF THE BOARD**



Mr C M Leigh

Company secretary

17 August 2018

## **CAMBRIDGE GRAPHENE LTD**

### **Statement of Directors' Responsibilities for the Year to 31 March 2018**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

# **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CAMBRIDGE GRAPHENE LTD**

## **Report on the audit of the financial statements**

### **Opinion**

In our opinion, Cambridge Graphene Ltd's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the statement of financial position as at 31 March 2018; the statement of comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Report of the Directors, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

### **Report of the Directors**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Report of the Directors for the year ended 31 March 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Report of the Directors.

## **Responsibilities for the financial statements and the audit**

### ***Responsibilities of the directors for the financial statements***

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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. 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 an auditors' report 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.

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

### ***Use of this report***

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## **Other required reporting**

### **Companies Act 2006 exception reporting**

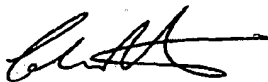
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption in preparing the Report of the Directors; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Colin Bates (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Bristol  
17 August 2018



**CAMBRIDGE GRAPHENE LTD**

**Statement of Comprehensive income for the Year ended 31 March 2018**

	Note	Year Ended 31 March 2018 £	Period Ended 31 March 2017 (10 months) £
<b>CONTINUING OPERATIONS</b>			
Revenue	3	19,780	150
Cost of Sales		(8,976)	(29,646)
Gross profit (loss)		<u>10,804</u>	<u>(29,496)</u>
Administrative expenses	5	(141,548)	(19,286)
Exceptional items included within administrative expenses	5	(-)	(400)
<b>OPERATING LOSS</b>	5	<u>(130,744)</u>	<u>(48,782)</u>
Finance costs		(6,407)	(1,184)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>(137,151)</u>	<u>(49,966)</u>
Tax on loss	6	<u>-</u>	<u>0</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		<u>(137,151)</u>	<u>(49,966)</u>

There were no comprehensive gains or losses in either year other than those included in the comprehensive income statement.

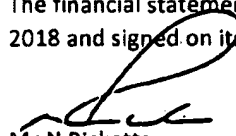
The notes on pages 10 to 20 form part of these financial statements

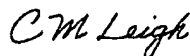
**CAMBRIDGE GRAPHENE LTD**

**STATEMENT OF FINANCIAL POSITION AS AT 31 March 2018**

	Note	31 March 2018 £	31 March 2017 £
<b>ASSETS</b>			
<b>FIXED ASSETS</b>			
Property, plant and equipment	7	61,783	63,940
Intangible assets	8	72,578	41,749
		<u>134,361</u>	<u>105,689</u>
<b>CURRENT ASSETS</b>			
Inventories		2,067	-
Trade and other receivables	9	22,873	15,940
Cash and cash equivalents	10	4,914	3,252
		<u>29,854</u>	<u>19,192</u>
<b>TOTAL ASSETS</b>		<u>164,215</u>	<u>124,881</u>
<b>EQUITY</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Called up share capital	14	365	365
Accumulated losses		<u>(196,364)</u>	<u>(59,213)</u>
<b>TOTAL EQUITY</b>		<u>(195,999)</u>	<u>(58,848)</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	291,418	151,757
<b>NON-CURRENT LIABILITIES</b>			
Trade and other payables	12	68,796	31,972
<b>TOTAL LIABILITIES</b>		<u>360,214</u>	<u>183,729</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>164,215</u>	<u>124,881</u>

The financial statements on pages 7 to 20 were approved by the Board of Directors on 17 August 2018 and signed on its behalf by:-

  
Mr N Ricketts  
Chief Executive Officer

  
Mr C M Leigh  
Chief Financial Officer

The notes on pages 10 to 20 form part of these financial statements

**CAMBRIDGE GRAPHENE LTD****STATEMENT OF CHANGES IN EQUITY for the Year Ended 31 March 2018**

	Called up Share Capital	Profit & Loss Account	Total equity
	£	£	£
Balance as at 1 June 2016	200	(9,247)	(9,047)
Shares issued in the period	165	-	165
Loss for the financial period and total comprehensive expense for the financial period	-	(49,966)	(49,966)
Balance as at 1 April 2017	365	(59,213)	(58,848)
Loss for the financial year ended and total comprehensive expense for the financial year	-	(137,151)	(137,151)
Balance as at 31 March 2018	365	(196,364)	(195,999)

The notes on pages 10 to 20 form part of these financial statements

## **CAMBRIDGE GRAPHENE LTD**

### **Notes to the Financial Statements for the Year to 31 March 2018**

#### **1 ACCOUNTING POLICIES**

##### **General information**

Cambridge Graphene Limited is a company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is Unit 2 Chosen View Road, Cheltenham, Gloucestershire, GL51 9LT.

The Directors apply Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101). There is no material effect from this transition, details of exemptions applied are included in note below.

These financial statements are presented in pounds sterling as the currency of the primary economic environment in which the company operates.

#### **2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

These financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' consistently. The financial statements have been prepared under the historical cost convention. These financial statements have been prepared on a going concern basis and in accordance with The Companies Act 2006 as applicable.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed later in note 1.

The following exemptions from the requirements of IFRS have been applied in the preparation of the financial statements in accordance with FRS 101:

- IFRS 7, 'Financial Instruments: Disclosures'
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurements of assets and liabilities)
- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
  - i. paragraph 79(a)(iv) of IAS 1
  - ii. paragraph 73(e) of IAS 16 Property, plant and equipment
  - iii. paragraph 118(e) of IAS 38 Intangible assets (reconciliations between the carrying amount at the beginning and end of the period)
- The following paragraphs of IAS 1, 'Presentation of financial statements':
  - 10(d), (statement of cash flows)

## **CAMBRIDGE GRAPHENE LTD**

### **Notes to the Financial Statements for the Year to 31 March 2018 (continued)**

#### **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

- 10(f) (a statement of financial position at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements)
- 16 (statement of compliance with all IFRS)
- 38A (requirement for minimum of two primary statements, including cash flow statements)
- 38B-D (additional comparative information)
- 40A-D (requirements for a third statement of financial position)
- 111 (cash flow statement information), and
- 134-136 capital management disclosures
- IAS 7, 'Statement of cash flows'
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- The requirements in IAS 24 'Related party disclosures' to disclose related party transactions entered into between two or members of a group.

#### **Revenue recognition**

Revenue represents the amounts (excluding value added tax) derived from the provision of goods and services to customers. Revenue is recognised at the point the company has performed its obligations, based on the fair value of the right to consideration. The sale of manufactured goods are recognised on the date of shipping of the goods.

#### **Plant and office equipment**

In accordance with IAS 16, property, plant and equipment costs are recognised as a capital item in the Statement of Financial Position when it is considered the item will help generate a future economic benefit to the company.

The capitalisation of such items are based on the cost to purchase and bring the item to working condition. The depreciation rates for the relevant capital classifications are as follows

Property, plant and equipment 20 years

#### **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, do not qualify as trading assets and have not been designated as either fair value through profit and loss or available-for-sale.

Such assets are carried at amortised cost using the effective interest method if the time value of money is significant. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

**CAMBRIDGE GRAPHENE LTD**

**Notes to the Financial Statements for the Year to 31 March 2018 (continued)**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Impairment of financial assets**

The company assesses at each statement of financial position date whether a financial asset or group of financial assets is impaired.

**Current and deferred tax**

The charge for current tax is based on the results for the period as adjusted for items which are non-assessable or disallowed. It is calculated using rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be recognised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the rates that are expected to apply when the asset or liability is settled. Deferred tax is charged or credited in the income statement, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

**Intangible assets**

**Licence**

In line with IAS 38 it is the Company's policy to recognise an intangible asset when:

- a) a financial instrument is deemed separable from the entity, can be sold, transferred, licenced, rented or exchanged;
- b) a financial instrument arises from a contractual or other legal rights;
- c) future economic benefits are expected from the financial instrument; and
- d) the cost of the asset can be measured reliably.

The Directors are of the opinion that the commitment to purchase the technology licence to develop and sell graphene ink meets the criteria above. The licence is recorded at amortised cost.

Amortisation is applied to an intangible asset where the Directors' believe the useful life of the asset is finite and, in accordance with IAS 38, the useful life shall not exceed the period of contractual or other legal rights. The licence cost is amortised over five years on a straight-line basis.

**CAMBRIDGE GRAPHENE LTD****Notes to the Financial Statements for the Year to 31 March 2018 (continued)****SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Financial risk management****(a) Capital risk management**

The Company's objectives for managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an efficient capital structure to manage the cost of capital. There were no changes in the Group's approach to capital management during the year.

**(b) Foreign currency risk**

Foreign currency risk arises both where sale or purchase transactions are undertaken in currencies other than the respective functional currencies. The Company is exposed to the changes in foreign currency exchange rates between a number of different currencies but the Company's primary exposures relate to the Euro.

The Company's policy is not to hedge its exposure using financial instruments, but to mitigate exposure by natural hedges as far as possible.

**(c) Interest rate risk**

The Company currently uses some invoice discounting advances to fund working capital requirements. Interest rate risks are not hedged.

**(d) Credit risk**

The Company's credit risk is primarily attributable to its trade receivables and other current assets. The amounts recognised in the balance sheet are net of provision for doubtful debts. Trade receivables are subject to credit limits. Credit risk associated with cash balances is managed by transacting with financial institutions of high quality.

The maximum exposure to credit risk for trade receivables and other current assets is represented by their carrying amount.

**(e) Liquidity risk**

The Company seeks to manage liquidity risk to ensure sufficient liquidity is available to meet the requirements of the business and to invest cash assets safely and profitably. The Board reviews regularly available cash to ensure there are sufficient resources for working capital requirements and to meet the Company's financial commitments.

At 31 March 2018 and 31 March 2017 all amounts shown in the Statement of Financial Position under current assets and current liabilities mature for payment within one year.

**CAMBRIDGE GRAPHENE LTD****Notes to the Financial Statements for the Year to 31 March 2018 (continued)****SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****Trade and other receivables**

Trade and other receivables are stated at cost less impairment, which approximates fair value given the short term nature of these assets and liabilities. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

**Share capital**

Ordinary shares are classified as equity. Any excess above the par value of shares received upon issuance of is credited to share premium.

**Going concern**

After making enquires, the directors have a reasonable expectation that the company has adequate resources to continue on operational existence for the foreseeable future. The company is part of the Versarien Group which has confirmed in writing its intention to provide ongoing support to the company for a period of at least 12 months from the date of signature of these financial statements. Having considered the ability of the Versarien Group to provide that support, and based on the confirmation received, the directors believe that the company is well placed to manage its business risks successfully. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statement.

**Operating leases**

Rental costs under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

**Administrative expenses**

*This comprises principally consultancy fees and group recharges*

**Key sources of estimation and uncertainty**

Below are key assumptions concerning the future and sources of uncertainty in estimation which may cause material adjustments to the carrying value of assets and liabilities in the next financial year as at the reporting period end;

***Useful life of property, plant, equipment***

As described in the accounting policy, the company considers the useful life of each asset capitalised. During the period the directors determined that plant and equipment had an economic useful life of 20 years.



**CAMBRIDGE GRAPHENE LTD****Notes to the Financial Statements for the Year to 31 March 2018 (continued)****3 REVENUE**

Turnover and loss on ordinary activities before taxation is wholly attributable to the principal activity of the company. An analysis of turnover by geographical location is given below:

	2018 (12 months) £	2017 (10 months) £
United Kingdom	14,568	150
Rest of Europe	2,212	-
Other	3,000	-
	<u>19,780</u>	<u>150</u>

**4 EMPLOYEES AND DIRECTORS**

The aggregate payroll costs were as follows:

	2018 (12 months) £	2017 (10 months) £
Wages and salaries	1,740	-
Social security costs	1,183	-
Other pension costs	<u>61</u>	<u>-</u>
	<u>2,984</u>	<u>-</u>

The average number of persons employed by the company (excluding directors) during the period was as follows:

	2018 No	2017 No
Research and production	<u>2</u>	<u>-</u>

**CAMBRIDGE GRAPHENE LTD****Notes to the Financial Statements for the Year to 31 March 2018 (continued)****4 EMPLOYEES AND DIRECTORS (continued)****Directors**

	2018 (12months) £	2017 (10months) £
Emoluments	-	-
Pension contributions	-	-
	<u>-</u>	<u>-</u>

The total number of directors serving the company during the period amounted to 2. The directors are employed and remunerated by the Versarien Group.

**5 LOSS BEFORE TAXATION**

	2018 (12months) £	2017 (10 months) £
Loss before income tax is stated after charging:		
Fees payable to the auditors		
- Audit of these financial statements pursuant to legislation	9,000	3,000
Depreciation of tangible fixed assets- owned	3,214	-
Amortisation of intangible assets	8,789	-
Operating lease payments- land and building	<u>-</u>	<u>-</u>

Exceptional items arise from obtaining a visa for one of the employees of the Company in 2017.

**6 TAX ON LOSS****Analysis of the charge**

No liability to UK corporation tax arose on ordinary activities for the period.

**Factors affecting the tax charge**

	2018 £	2017 £
(Loss)/profit on ordinary activities before tax	<u>(137,150)</u>	<u>(49,966)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2017: 20%)	(26,058)	(9,993)
Effects of:		
Depreciation in excess of capital allowances	(1,449)	(1,917)
Losses carried forward	<u>27,507</u>	<u>11,910</u>
	-	-
<b>Total tax charge</b>	<u>-</u>	<u>-</u>

**CAMBRIDGE GRAPHENE LTD****Notes to the Financial Statements for the Year to 31 March 2018 (continued)****6 TAXATION – continued****Factors that may affect future tax charges**

The unrecognised deferred tax asset amounts to £33,000 (2017: £9,508) being £33,000 (2017: £11,138) of trading losses and capital allowance liability of £nil (2017: £1,630).

**7 PROPERTY PLANT AND EQUIPMENT**

	Plant and equipment £	Office Equipment £	Total £
<b>Cost</b>			
At 31 March 2017	63,940	-	63,940
Additions	-	1,057	1,057
At 31 March 2018	<u>63,940</u>	<u>1,057</u>	<u>64,997</u>
<b>Accumulated depreciation</b>			
At 31 March 2017	-	-	-
Charge for the year	3,197	17	3,214
At 31 March 2018	<u>3,197</u>	<u>17</u>	<u>3,214</u>
<b>Net book value</b>			
At 31 March 2017	63,940	-	63,940
At 31 March 2018	<u>60,743</u>	<u>1,040</u>	<u>61,783</u>

**CAMBRIDGE GRAPHENE LTD**
**Notes to the Financial Statements for the Year to 31 March 2018 (continued)**
**8 INTANGIBLE FIXED ASSETS**

	Development costs £	Licenses £	Trademarks/IT £	TOTAL £
Cost				
At 1 April 2017	-	43,946	-	43,946
Additions	35,380	-	4,238	39,618
At 31 March 2018	35,380	43,946	4,238	83,564
Accumulated amortisation				
At 1 April 2017	-	2,197	-	2,197
Charge for the year	-	8,789	-	8,789
At 31 March 2018	-	10,986	-	10,986
Net book amount				
At 31 March 2018	35,380	32,960	4,238	72,578

**9 TRADE AND OTHER RECEIVABLES**

	2018 £	2017 £
Amounts owed by group undertakings	2,190	-
VAT, taxation and social security	7,983	15,666
Other debtors	<u>12,700</u>	<u>274</u>
	<u>22,873</u>	<u>15,940</u>

**10 CASH AND CASH EQUIVALENTS**

	2018 £	2017 £
Bank accounts	<u>4,914</u>	<u>3,252</u>

**CAMBRIDGE GRAPHENE LTD****Notes to the Financial Statements for the Year to 31 March 2018 (continued)****11 TRADE AND OTHER PAYABLES  
CURRENT LIABILITIES**

	2018	2017
	£	£
Trade creditors	8,626	60,766
Amounts due to group undertakings	246,074	40,005
Taxation and social security	636	-
Other creditors	<u>36,082</u>	<u>50,986</u>
	<u>291,418</u>	<u>151,757</u>

**12 TRADE AND OTHER PAYABLES  
NON CURRENT LIABILITIES**

	2018	2017
	£	£
Other creditors	<u>68,796</u>	<u>31,972</u>
	<u>68,796</u>	<u>31,972</u>

**13 OPERATING LEASE COMMITMENTS**

At 31 March 2018, the company was committed to making the following payments under non-cancellable operating leases.

	Land and Buildings	
	2018	2017
	£	£
Expiring within one year	-	-
Expiring within two to five years	-	-
Greater than five years	<u>-</u>	<u>-</u>

**14 CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid

Number	Class	Nominal value	2018	2017
			£	£
365	Ordinary	£1	<u>365</u>	<u>365</u>

**CAMBRIDGE GRAPHENE LTD****Notes to the Financial Statements for the Year to 31 March 2018 (continued)****15 ULTIMATE PARENT UNDERTAKING**

The Company's immediate and ultimate parent company is Versarien Plc which is incorporated in the United Kingdom and listed on AIM. In the opinion of the directors' there is no ultimate controlling party. Copies of Versarien Plc consolidated financial statements can be obtained from its registered office at Unit 2, Chosen View Road, Cheltenham, Gloucestershire, GL51 9LT

**16 RELATED PARTY TRANSACTIONS**

The company takes the exemption under FRS101 to not disclose transactions with other group companies.