

Registration number: 09434716

IMMJ Systems Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 March 2021



IMMJ Systems Limited

(Registration number: 09434716)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	57,028	49,512
Investments	5	<u>165</u>	<u>165</u>
		<u>57,193</u>	<u>49,677</u>
Current assets			
Debtors	6	963,058	494,755
Cash at bank and in hand		<u>2,019,688</u>	<u>91,446</u>
		2,982,746	586,201
Creditors: Amounts falling due within one year	7	<u>(1,048,242)</u>	<u>(923,666)</u>
Net current assets/(liabilities)		<u>1,934,504</u>	<u>(337,465)</u>
Total assets less current liabilities		1,991,697	(287,788)
Creditors: Amounts falling due after more than one year	7	(3,214,315)	(2,037,937)
Accruals and deferred income	8	<u>(2,479,203)</u>	<u>(1,850,841)</u>
Net liabilities		<u>(3,701,821)</u>	<u>(4,176,566)</u>
Capital and reserves			
Called up share capital	10	1,406	1,013
Share premium reserve		3,942,524	1,124,913
Profit and loss account		<u>(7,645,751)</u>	<u>(5,302,492)</u>
Total equity		<u>(3,701,821)</u>	<u>(4,176,566)</u>

IMMJ Systems Limited
(Registration number: 09434716)
Balance Sheet as at 31 March 2021

For the financial year ending 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

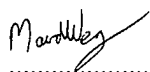
Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on Nov 2, 2021 and signed on its behalf by:



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Michael van de Weg

IMMJ Systems Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office and principal place of business is:

Insight House
Stoney Common Road
Stansted
Essex
CM24 8PL

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including section 1A of Financial Reporting Standard 102 - 'The Financial Reporting standard applicable in the United Kingdom and Republic of Ireland' 'FRS 102 1A', and with the Companies Act 2006.

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

IMMJ Systems Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

Going concern

The company has prepared forecasts covering a period of at least 12 months from the date of signing these financial statements, which have been reviewed by the board of directors, who have a reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future.

In addressing going concern the directors have considered the risks and uncertainties which the ongoing impact of COVID-19 is having on its primary UK healthcare market, especially the risk of extended tendering timescales and potential project delays. The assessment includes reviews of the company's financial performance since the outbreak, an assessment of the impact on our delivery of projects and reassessing the company's financial plans for the year ending March 2022 and March 2023. Following a pause in a number of rollouts in the 12 months prior to spring 2021, all existing projects have recommenced.

The strong underlying demand for IMMJ Systems 'MediViewer' product, has been temporarily tempered by a number of factors including Covid-19. However, strong evidence of increased Government funding being available to the NHS for digitisation projects (such as included in the November '21 budget), substantiates the Board's continuing confidence and investment into product research and development, sales and marketing. The company has secured a number of substantial deals which will contribute to cash flows and revenues for years to come.

The company received significant investment from Foresight Group and ScaleUp Group in late 2020 and is planning a follow-on funding round in the next few months. The Board recognises the investment in scale up costs has resulted in a negative balance sheet. The debt funding from the principal investors is not repayable within 12 months from the balance sheet date. Having performed various downside scenarios in its planning process the directors believe that there are suitable plans which could be adopted should the risk profile and financial performance worsen.

The directors therefore continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historic 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

IMMJ Systems Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, rebates and discounts.

The company recognises revenue when:

- the amount of revenue can be reliably measured;
- it is probable that future economic benefits will flow to the entity;
- and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures, fittings & equipment	4 years straight line
Office equipment	3 years straight line
Computer equipment	3 years straight line

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

IMMJ Systems Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

Financial instruments

Classification

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Financial assets are classified as financial assets at fair value through profit or loss, loans and debtors, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial assets at initial recognition.

Financial liabilities are classified as financial liabilities at fair value through profit and loss, loans and borrowings, trade and other creditors, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial liabilities at initial recognition.

Recognition and measurement

All financial instruments are recognised initially at fair value plus transaction costs. Thereafter financial instruments are stated at amortised cost using the effective interest rate method (less impairment where appropriate) unless the effect of discounting would be immaterial in which case they are stated at cost (less impairment where appropriate). The exception to this are those financial instruments where it is a requirement to continue recording them at fair value through profit and loss.

Impairment

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the asset have been affected.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call 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 change in value.

Trade and other debtors

Trade and other debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors 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 transaction.

Trade and other creditors

Trade and other creditors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, except where the effect of discounting would be immaterial. In such cases creditors are stated at transaction price.

IMMJ Systems Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 42 (2020 - 27).

IMMJ Systems Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

4 Tangible assets

	Furniture, fittings and equipment £	Total £
Cost or valuation		
At 1 April 2020	88,276	88,276
Additions	32,733	32,733
Disposals	<u>(761)</u>	<u>(761)</u>
At 31 March 2021	<u>120,248</u>	<u>120,248</u>
Depreciation		
At 1 April 2020	38,764	38,764
Charge for the year	<u>24,456</u>	<u>24,456</u>
At 31 March 2021	<u>63,220</u>	<u>63,220</u>
Carrying amount		
At 31 March 2021	<u>57,028</u>	<u>57,028</u>
At 31 March 2020	<u>49,512</u>	<u>49,512</u>

5 Investments

	2021 £	2020 £
Investments in subsidiaries	<u>165</u>	<u>165</u>
Subsidiaries		£
Cost or valuation		
At 1 April 2020		<u>165</u>
At 31 March 2021		<u>165</u>
Carrying amount		
At 31 March 2021		<u>165</u>
At 31 March 2020		<u>165</u>

IMMJ Systems Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

6 Debtors

	2021	2020
	£	£
Trade debtors	546,296	184,544
Amounts owed by group undertakings	-	111,847
Prepayments and accrued income	411,525	177,012
Other debtors	5,237	21,352
	<u>963,058</u>	<u>494,755</u>

7 Creditors

	2021	2020
	£	£
Due within one year		
Bank loans	8,333	-
Trade creditors	275,137	147,359
Other taxation and social security	714,770	653,499
Other creditors	50,002	117,571
Corporation tax	-	5,237
	<u>1,048,242</u>	<u>923,666</u>

Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Due after one year		
Bank loans	41,667	-
Other borrowings	3,172,648	2,037,937
	<u>3,214,315</u>	<u>2,037,937</u>

8 Accruals and deferred income

	2021	2020
	£	£
Accruals and deferred income	<u>2,479,203</u>	<u>1,850,841</u>

Deferred income of £2,134,834 (2020: £1,649,751) is included within accruals and deferred income. This balance comprises amounts invoiced in advance, with turnover deferred until the work is undertaken. There is no cash outflow associated with this balance.

IMMJ Systems Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

9 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments in respect of operating leases not included in the balance sheet is £47,667 (2020 - £83,417).

10 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary shares of £0.001 (2020 - £0.01) each	1,037,839	1,037.84	101,252	1,012.52
A Ordinary shares of £0.001 (2020 - £0) each	326,317	326.32	-	-
Preference shares of £0.0001 (2020 - £0) each	420,000	42.00	-	-
	<u>1,784,156</u>	<u>1,406</u>	<u>101,252</u>	<u>1,013</u>

New shares allotted

During the year, the 101,252 Ordinary shares brought forward of £0.01 each were redesignated as 1,012,520 Ordinary shares of £0.001 each. Subsequently 25,319 Ordinary shares having an aggregate nominal value of £25.319 were allotted for an aggregate consideration of £298,004.

During the year 326,317 A Ordinary shares having an aggregate nominal value of £326.32 were allotted for an aggregate consideration of £2,100,000.

During the year 420,000 Preference shares having an aggregate nominal value of £42 were allotted for an aggregate consideration of £420,000.

11 Related party transactions

Summary of transactions with other related parties

The company has taken advantage of the exemption in FRS 102 33.1A "Related Party Disclosures" from disclosing transactions with other members of the group.