

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2019

G MEDICAL INNOVATIONS UK
LIMITED

MENZIES

G MEDICAL INNOVATIONS UK LIMITED

COMPANY INFORMATION

Directors	Mr L J Cochrane (appointed 12 April 2019, resigned 13 September 2019) Mr Y Geva
Registered number	11077480
Registered office	3000a Parkway Whiteley Hampshire PO15 7FH
Independent auditors	Menzies LLP Chartered Accountants & Statutory Auditor 3000a Parkway Whiteley Hampshire PO15 7FX

G MEDICAL INNOVATIONS UK LIMITED

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G MEDICAL INNOVATIONS UK LIMITED

REGISTERED NUMBER:11077480

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	28,860	1,250
		<u>28,860</u>	<u>1,250</u>
Current assets			
Stocks		5,787	-
Debtors: amounts falling due within one year	6	4,080	5,336
		<u>9,867</u>	<u>5,336</u>
Creditors: amounts falling due within one year	7	(171,622)	(63,709)
Net current liabilities		<u>(161,755)</u>	<u>(58,373)</u>
Total assets less current liabilities		<u>(132,895)</u>	<u>(57,123)</u>
Net liabilities		<u>(132,895)</u>	<u>(57,123)</u>
Capital and reserves			
Called up share capital		10	10
Profit and loss account		(132,905)	(57,133)
		<u>(132,895)</u>	<u>(57,123)</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....
Mr Y Geva
Director

Date: 13 October 2020

The notes on pages 4 to 8 form part of these financial statements.

G MEDICAL INNOVATIONS UK LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2019	10	(57,133)	(57,123)
Comprehensive income for the year			
Loss for the year	-	(75,772)	(75,772)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	(75,772)	(75,772)
Total transactions with owners	-	-	-
At 31 December 2019	10	(132,905)	(132,895)

The notes on pages 4 to 8 form part of these financial statements.

G MEDICAL INNOVATIONS UK LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 November 2017	10	-	10
Comprehensive income for the period			
Loss for the period	-	(57,133)	(57,133)
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	(57,133)	(57,133)
Total transactions with owners	-	-	-
At 31 December 2018	10	(57,133)	(57,123)

The notes on pages 4 to 8 form part of these financial statements.

G MEDICAL INNOVATIONS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

G Medical Innovations UK Limited is a private company limited by shares, registered in England and Wales. The address of its registered office is disclosed on the company information page.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of G Medical Innovations Holdings Limited as at 31 December 2019 and these financial statements may be obtained from the company website.

2.3 Going concern

At the period end date, the company's liabilities exceed its assets, therefore the company is reliant on the continued support provided to it by group companies by way of loans provided.

These companies have confirmed that they will not seek to call in loans until there are sufficient means for repayment. The directors consider that the company is able to meet its obligations as they fall due for the foreseeable future. As a result the accounts have been prepared on a going concern basis.

G MEDICAL INNOVATIONS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

G MEDICAL INNOVATIONS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.6 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	-	25%	straight line
Computer equipment	-		straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

3. Employees

The average monthly number of employees, including the director, during the year was as follows:

	2019 No.	2018 No.
	1	2
Directors		

4. Tangible fixed assets

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2019	1,667	-	1,667
Additions	40	34,319	34,359
At 31 December 2019	1,707	34,319	36,026
Depreciation			
At 1 January 2019	417	-	417
Charge for the year on owned assets	207	6,542	6,749
At 31 December 2019	624	6,542	7,166
Net book value			
At 31 December 2019	1,083	27,777	28,860
At 31 December 2018	1,250	-	1,250

5. Stocks

	2019 £	2018 £
Finished goods and goods for resale	5,787	-
	5,787	-

6. Debtors

	2019 £	2018 £
Other debtors	4,080	2,794

G MEDICAL INNOVATIONS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

6. Debtors (continued)

Prepayments and accrued income	-	2,542
	<u>4,080</u>	<u>5,336</u>

7. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	7,778	12,563
Amounts owed to group undertakings	154,638	45,146
Other creditors	3,206	-
Accruals and deferred income	6,000	6,000
	<u>171,622</u>	<u>63,709</u>

8. Controlling party

The ultimate parent company is G Medical Innovations Holdings Limited, a company based in the Cayman Islands. Consolidated financial statements are available on the company website. The registered office is Willow House, Cricket Square, Grand Cayman, KY1-1001, Cayman Islands.

9. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2019 was unqualified.

The audit report was signed on 14 October 2020 by James Hadfield FCA (Senior statutory auditor) on behalf of Menzies LLP.

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.