

Registered number: 04549890

**PLASTICELL LTD**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 OCTOBER 2019**



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**PLASTICELL LTD**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 OCTOBER 2019**

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The directors present their report and the financial statements for the year ended 31 October 2019.

**Principal activity**

The company's principal activity during the year continued to be that of research and development of biological research reagents, pharmaceuticals and cell therapies.

**Directors**

The directors who served during the year were:

Mr P Andurand

Dr E Choo

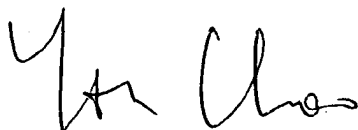
Mr D Saw (resigned 30 November 2019)

Dr M J Ferris (appointed 23 March 2018, resigned 22 July 2019)

**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 6 July 2020 and signed on its behalf.



Dr E Choo  
Director

**PLASTICELL LTD**  
**REGISTERED NUMBER: 04549890**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 OCTOBER 2019**

	Note	2019 £	Restated 2018 £
<b>Fixed assets</b>			
Intangible assets	4	3,698,717	3,500,825
Tangible assets	5	16,353	22,100
		<u>3,715,070</u>	<u>3,522,925</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	416,739	1,030,935
Cash at bank and in hand	7	247,133	555,660
		<u>663,872</u>	<u>1,586,595</u>
Creditors: amounts falling due within one year	8	(769,344)	(945,401)
<b>Net current (liabilities)/assets</b>		<u>(105,472)</u>	<u>641,194</u>
<b>Total assets less current liabilities</b>		<u>3,609,598</u>	<u>4,164,119</u>
<b>Net assets</b>		<u><u>3,609,598</u></u>	<u><u>4,164,119</u></u>
<b>Capital and reserves</b>			
Called up share capital		1	1
Share premium account		7,129,142	7,129,142
Profit and loss account		(3,519,545)	(2,965,024)
		<u><u>3,609,598</u></u>	<u><u>4,164,119</u></u>

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**PLASTICELL LTD**  
**REGISTERED NUMBER: 04549890**

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**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 OCTOBER 2019**

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The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

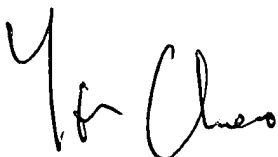
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 comprehensive income 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 on



**Dr E Choo**  
Director

The notes on pages 4 to 10 form part of these financial statements.

PLASTICELL LTD

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 OCTOBER 2019**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 November 2018	1	7,129,142	(2,965,024)	4,164,119
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(554,521)	(554,521)
<b>At 31 October 2019</b>	<b>1</b>	<b>7,129,142</b>	<b>(3,519,545)</b>	<b>3,609,598</b>

The notes on pages 4 to 10 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 OCTOBER 2018**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 November 2017 (as previously stated)	1	6,009,142	(5,723,552)	285,591
Prior year adjustment	-	-	2,923,965	2,923,965
At 1 November 2017 (as restated)	1	6,009,142	(2,799,587)	3,209,556
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(165,437)	(165,437)
Shares issued during the year	-	1,120,000	-	1,120,000
<b>At 31 October 2018</b>	<b>1</b>	<b>7,129,142</b>	<b>(2,965,024)</b>	<b>4,164,119</b>

The notes on pages 4 to 10 form part of these financial statements.

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## PLASTICELL LTD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2019

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#### 1. General information

The company's principal activity during the year continued to be that of research and development of biological research reagents, pharmaceuticals and cell therapies.

#### 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 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 the Statement of Comprehensive Income 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 Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

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## PLASTICELL LTD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2019

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#### 2. Accounting policies (continued)

##### 2.3 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:

##### 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.

##### 2.4 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which is 12 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

##### 2.5 Government grants

Grants are accounted under the performance model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Comprehensive Income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

##### 2.6 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

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

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**2. Accounting policies (continued)**

**2.7 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

**2.8 Taxation**

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income 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 income.

**2.9 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are internally generated development costs that are amortised over twelve years on a straight line basis.

**2.10 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:

Plant and machinery	- over 4 years
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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 the Statement of Comprehensive Income.



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PLASTICELL LTD

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

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**2. Accounting policies (continued)**

**2.11 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.

**2.12 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.13 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.

Other loans represent convertible loan notes totalling £170,000 (2018: £Nil) which were outstanding as at 31 October 2019 and £75,000 (2018: £Nil) for subscription to shares but repayable on demand until the shares are issued. The convertible loans have no fixed repayment date and convert, on the occurrence of contingent events or at the Board's discretion, into a variable number of shares depending on the circumstances related to these events.

**2.14 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 non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

**2.15 Change in accounting policy**

During the year, the Directors implemented a change in accounting policy whereby expenditure on internally developed intangible assets is capitalised as opposed to recognised as an expense, where the relevant criteria as laid out by Section FRS 102 are considered to be met.

The impact of this change in policy has been retrospectively applied, with the following adjustments to previously reported results:

- Increase in capital and reserves as at 1 November 2018: £2,965,024 (from previously reported £6,465,849).
- Reduction in loss for the year ended 31 October 2018 of £576,860 (from previously reported of £742,297).

Prior year comparative information affected by this adjustment is marked as restated.

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**PLASTICELL LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2019**

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**3. Employees**

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

	2019 No.	2018 No.
Average number of employees	12	11

**4. Intangible assets**

	Development expenditure £
<b>Cost</b>	
At 1 November 2018	4,934,691
Additions - internal	664,492
At 31 October 2019	5,599,183
<b>Amortisation</b>	
At 1 November 2018	1,433,866
Charge for the year	466,599
At 31 October 2019	1,900,465
<b>Net book value</b>	
At 31 October 2019	3,698,718
At 31 October 2018	3,500,825

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**PLASTICELL LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2019**

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**5. Tangible fixed assets**

	Plant and machinery £
<b>Cost or valuation</b>	
At 1 November 2018	480,966
Additions	42,250
At 31 October 2019	<u>523,216</u>
<b>Depreciation</b>	
At 1 November 2018	458,866
Charge for the year on owned assets	47,997
At 31 October 2019	<u>506,863</u>
<b>Net book value</b>	
At 31 October 2019	<u><u>16,353</u></u>
At 31 October 2018	<u><u>22,100</u></u>

**6. Debtors**

	2019 £	2018 £
Trade debtors	73,725	4,888
Other debtors	330,369	1,009,308
Prepayments	12,645	16,739
	<u>416,739</u>	<u>1,030,935</u>

**7. Cash and cash equivalents**

	2019 £	2018 £
Cash at bank and in hand	247,133	555,660
	<u>247,133</u>	<u>555,660</u>

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PLASTICELL LTD

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

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**8. Creditors: Amounts falling due within one year**

	2019 £	2018 £
Other loans	245,000	-
Trade creditors	82,721	241,351
Other taxation and social security	25,791	45,440
Other creditors	411,632	658,610
Accruals and deferred income	4,200	-
	<u>769,344</u>	<u>945,401</u>

Other loans represent convertible loan notes totalling £170,000 (2018: £Nil) which were outstanding as at 31 October 2019 and £75,000 (2018: £Nil) for subscription to shares but repayable on demand until the shares are issued. The convertible loans have no fixed repayment date and convert, on the occurrence of contingent events or at the Board's discretion, into a variable number of shares depending on the circumstances related to these events.

**9. Related party transactions**

As at 31 October 2019 the Company owed £145,000 (2018: £Nil) to its directors by way of convertible loan notes issued during the year and £75,000 (2018: £Nil) to a director, by way of a subscription to shares but repayable on demand until the shares are issued.