

Registered number: 10636359

SANO GENETICS LTD

UNAUDITED
FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE PERIOD ENDED 31 DECEMBER 2020

THURSDAY



AAE4CED4

A22

30/09/2021

#240

COMPANIES HOUSE

SANO GENETICS LTD

CONTENTS

	Page
Balance Sheet	1 - 2
Notes to the Financial Statements	3 - 9

SANO GENETICS LTD
REGISTERED NUMBER: 10636359

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	31 December 2020 £	28 February 2020 £
FIXED ASSETS			
Tangible assets	4	20,963	-
		<u>20,963</u>	<u>-</u>
CURRENT ASSETS			
Stocks		14,962	16,625
Debtors: amounts falling due within one year	5	203,616	88,009
Cash at bank and in hand		1,768,057	45,015
		<u>1,986,635</u>	<u>149,649</u>
Creditors: amounts falling due within one year	6	(94,394)	(59,975)
NET CURRENT ASSETS		<u>1,892,241</u>	<u>89,674</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,913,204</u>	<u>89,674</u>
NET ASSETS		<u><u>1,913,204</u></u>	<u><u>89,674</u></u>
CAPITAL AND RESERVES			
Called up share capital	7	181	133
Share premium account		2,951,865	500,709
Profit and loss account		(1,038,842)	(411,168)
		<u>1,913,204</u>	<u>89,674</u>

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 period 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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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 profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

SANO GENETICS LTD
REGISTERED NUMBER: 10636359

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2020

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

Patrick Short

P Short
Director

Date: 27/09/2021

The notes on pages 3 to 9 form part of these financial statements.

SANO GENETICS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020**

1. GENERAL INFORMATION

Sano Genetics Ltd is a private company limited by shares and incorporated in England and Wales. Its registered office address is Salisbury House, Station Road, Cambridge, CB1 2LA.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 GOING CONCERN

The financial statements have been prepared on the going concern basis which assumes that the Company will continue as a going concern for the foreseeable future. The trading losses reported to date are consistent with the Company's business plan as it progresses its research and development activities.

Given the investment received, together with the development progress achieved, the directors have a reasonable expectation that the Company will be able to meet its liabilities as they fall due for the foreseeable future and therefore continue to adopt the going concern basis.

The directors also continue to assess the extent to which the COVID-19 pandemic, or its after effects, presents a risk to the business; none of which create a going concern issue.

2.3 TURNOVER

Turnover comprises revenue recognised by the Company in respect of DNA kits and services supplied during the year, exclusive of Value Added Tax. Revenue is recognised as the fair value of the consideration received or receivable and is recognised in the period in which the DNA kits and the services are supplied.

2.4 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.

SANO GENETICS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020**

2. ACCOUNTING POLICIES (CONTINUED)

2.4 TANGIBLE FIXED ASSETS (CONTINUED)

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:

Fixtures and fittings	-	33% straight-line
Computer equipment	-	33% 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.

2.5 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 and includes all direct costs.

At each balance sheet 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.

2.6 DEBTORS

Short term debtors are measured at transaction price, less any impairment.

2.7 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.

2.8 CREDITORS

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

SANO GENETICS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020**

2. ACCOUNTING POLICIES (CONTINUED)

2.9 TAXATION

Tax is recognised in profit or loss 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 balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.10 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.

SANO GENETICS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020**

2. ACCOUNTING POLICIES (CONTINUED)

2.11 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 profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.12 OPERATING LEASES

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.13 RESEARCH AND DEVELOPMENT

Research and development costs are recognised in the Profit and Loss Account in the period in which they are incurred.

2.14 GOVERNMENT GRANTS

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss 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 Profit and Loss Account in the same period as the related expenditure.

3. EMPLOYEES

The average monthly number of employees, including directors, during the period was 11 (2020 - 7).

SANO GENETICS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020**

4. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Total £
COST OR VALUATION			
Additions	575	24,885	25,460
At 31 December 2020	<u>575</u>	<u>24,885</u>	<u>25,460</u>
DEPRECIATION			
Charge for the period on owned assets	61	4,436	4,497
At 31 December 2020	<u>61</u>	<u>4,436</u>	<u>4,497</u>
NET BOOK VALUE			
At 31 December 2020	<u>514</u>	<u>20,449</u>	<u>20,963</u>
At 28 February 2020	<u>-</u>	<u>-</u>	<u>-</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2020 £	28 February 2020 £
Trade debtors	55,084	-
Other debtors	86,696	57,351
Prepayments and accrued income	61,836	30,658
	<u>203,616</u>	<u>88,009</u>

SANO GENETICS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020**

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2020 £	28 February 2020 £
Other loans	-	40,000
Trade creditors	19,700	8,258
Other taxation and social security	22,314	6,797
Other creditors	3,593	1,597
Accruals and deferred income	48,787	3,323
	<u>94,394</u>	<u>59,975</u>

Other creditors include contributions of £3,093 (28 February 2020 - £1,097) payable to the Company's defined contribution pension scheme at the balance sheet date.

7. SHARE CAPITAL

	31 December 2020 £	28 February 2020 £
ALLOTTED, CALLED UP AND FULLY PAID		
1,000,000 Ordinary shares of £0.0001 each	100	100
336,421 A Ordinary shares of £0.0001 each	34	33
468,612 Seed Shares shares of £0.0001 each	47	-
	<u>181</u>	<u>133</u>

On 2 April 2020, the Company issued 7,203 A Ordinary shares of £0.0001 each for total consideration of £37,553.

On 2 April 2020, the Company issued 425,456 Seed shares of £0.0001 each for total consideration of £2,218,153.

On 1 July 2020, the Company issued 43,156 Seed shares of £0.0001 each for total consideration of £224,998.

8. SHARE BASED PAYMENTS

In December 2020, share options were granted to key employees.

No share based payment charge has been recognised in respect of these share options as it has been assessed as trivial.

SANO GENETICS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020**

9. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2020 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	31 December 2020 £	28 February 2020 £
Not later than 1 year	-	11,970
	<hr/>	<hr/>
	-	11,970
	<hr/> <hr/>	<hr/> <hr/>