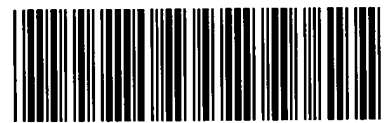


Registered number: 09668487

**METABOLIC HEALTHCARE LIMITED  
(TRADING AS ECHO)**

**UNAUDITED REPORT & FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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# METABOLIC HEALTHCARE LIMITED

## COMPANY INFORMATION

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### DIRECTORS

Stephen Bourke  
Roger Hassan  
Christian Hernandez Gallardo

### REGISTERED NUMBER

09668487

### REGISTERED OFFICE

21 Dartmouth Street  
London  
SW1H 9BP

# METABOLIC HEALTHCARE LIMITED

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**METABOLIC HEALTHCARE LIMITED**  
**REGISTERED NUMBER: 09668487**

**DIRECTORS REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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The Directors present their report and the financial statements for the year ended 31 December 2017.

**DIRECTORS RESPONSIBILITIES STATEMENT**

The Directors are responsible for preparing the Directors report and the financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 year.

In preparing these financial statements the Directors are required to:

- Select suitable accounting policies for the Company's financial statements and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclosure 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. They 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.

**RESULTS AND DIVIDENDS**

The loss for the year, after taxation, amounted to £1,413,340 (2016 as restated: loss £852,015). The Directors do not recommend the payment of a dividend (2016: nil).

**DIRECTORS**

The Directors of the Company during the year and since the year-end were as follows:

Stephen Bourke  
Roger Hassan (appointed 31 August 2018)  
Sai Lakshmi (resigned 31 August 2018)  
Christian Hernandez Gallardo (appointed 26 June 2018)

This report was approved by the board on 31 August 2018 and signed on its behalf.



Stephen Bourke  
Director

# METABOLIC HEALTHCARE LIMITED

## INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2017

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	Note	Year ended 31 December 2017 £	Year ended 31 December 2016 as restated £
Turnover	3	191,885	7,262
Cost of goods		-	-
<b>Gross profit</b>		<u>191,885</u>	<u>7,262</u>
Other operating income	4	324,373	-
Administrative expenses		<u>(1,957,886)</u>	<u>(861,440)</u>
<b>Operating loss</b>	5	<u>(1,441,628)</u>	<u>(854,178)</u>
Interest receivable		3,101	2,168
Interest payable		<u>(231)</u>	<u>(5)</u>
<b>Loss before tax</b>		<u>(1,438,758)</u>	<u>(852,015)</u>
Tax on loss on ordinary activities	7	<u>(25,418)</u>	-
<b>Loss for the year</b>		<u><u>(1,413,340)</u></u>	<u><u>(852,015)</u></u>

There were no items of comprehensive income in the current or prior period other than the loss for the period and, accordingly, a statement of comprehensive income has not been presented.

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

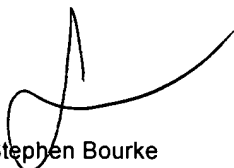
**METABOLIC HEALTHCARE LIMITED**  
**REGISTERED NUMBER: 09668487**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2017**

	Note	31 December 2017 £	31 December 2016 as restated £
<b>Fixed assets</b>			
Tangibles	8	66,388	96,648
<b>Current Assets</b>			
Debtors	9	412,517	23,672
Cash at bank and in hand		<u>6,542,323</u>	<u>1,122,585</u>
		6,954,840	1,146,257
Creditors: amounts falling due within one year	10	<u>(242,346)</u>	<u>(25,266)</u>
<b>Net current assets</b>		<u>6,712,494</u>	<u>1,120,991</u>
<b>Total assets less current liabilities</b>		6,778,882	1,217,639
Provisions for liabilities	11	<u>-</u>	<u>(25,418)</u>
<b>Net assets</b>		<u>6,778,882</u>	<u>1,192,221</u>
<b>Capital and reserves</b>			
Called up share capital	12	315	199
Share premium account	13	9,194,766	2,194,881
Profit and loss account	13	(2,416,199)	(1,002,859)
<b>Shareholders' funds</b>		<u>6,778,882</u>	<u>1,192,221</u>

The Directors are satisfied that the Company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006. The members have not required the Company to obtain an audit in accordance with section 476 of the Act. The directors acknowledge their responsibilities for complying with the requirements of the act with respect to accounting records and the preparation of the accounts. These accounts have been prepared in accordance with the 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:

  
 Stephen Bourke  
 Director

31 August 2018

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

# METABOLIC HEALTHCARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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### 1. Accounting policies

#### 1.1 Basis of preparation

The financial statements have been prepared under historic cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006. The financial statements are prepared in sterling which is the functional currency and rounded to the nearest £.

The preparation of the financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 2).

The Company has claimed exemption from preparation of a cash flow statement under the small entity provisions of Section 1A of FRS 102.

The following principle accounting policies have been applied:

#### 1.2 Turnover

Turnover is measured at fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the rendering of services and is recognised by reference to the stage of completion of the contract.

#### 1.3 Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life as follows:

Plant and machinery	Over 3 years
Computer equipment	Over 3 years

#### 1.4 Pension costs

Contributions to the Company's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable. The assets of the scheme are held separately from those of the Company in an independently administered fund.

#### 1.5 Debtors

Short-term debtors are measured at transaction price, less any impairment losses for bad or doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

#### 1.6 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.

#### 1.7 Creditors

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

# METABOLIC HEALTHCARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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### 1.8 Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss than can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply at the reversal of the timing difference. Current and deferred tax assets and liabilities are not discounted.

### 1.9 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 measure.

## 2. Judgements in applying accounting policies and key sources of estimation and uncertainty

In preparing these financial statements the Directors have made the following judgements:

- Tangible fixed assets are depreciated over their useful economic lives, which are assessed annually.
- Research costs are expensed as incurred.

## 3. Analysis of revenue

All revenue arose within the United Kingdom in both the current year and the prior year and relates to the provision of services.

## 4. Other operating income

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Grant income	14,955	-
R&D expenditure tax credits	309,418	-
	<u>324,373</u>	<u>-</u>

The Directors have chosen to disclose the Company's R&D expenditure tax credit within other operating income.

## 5. Operating loss

The operating loss is stated after charging/(crediting):

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Depreciation of tangible fixed assets (note 7)	63,254	60,830
Grant income	<u>(14,955)</u>	<u>-</u>

**METABOLIC HEALTHCARE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**6. Employees**

	2017 Number	2016 Number
The average number of employees, including directors, during the year were:		
Average number of employees	23	7

**7. Taxation on loss from ordinary activities**

	2017 £	2016 £
<i>Deferred tax:</i>		
Movement in deferred tax liability (note 10)	(25,418)	-
Total deferred tax	(25,418)	-
Total tax credit on ordinary activities	(25,418)	-

The tax assessed for the year differs from the standard rate of corporation tax in the UK. The differences are explained below:

	2017 £	2016 £
Loss on ordinary activities before tax	(1,441,628)	(852,015)
Loss on ordinary activities at the standard rate of corporation tax in the UK of 20% (2016: 20%)	(288,326)	(170,403)
Effects of:		
Losses carried forward	288,326	170,403
Current tax credit for the year	-	-

**8. Tangible fixed assets**

	Plant and machinery £	Computer equipment £	Total £
<b>Cost</b>			
At 1 January 2017	146,500	35,992	182,492
Additions	-	32,994	32,994
At 31 December 2017	146,500	68,986	215,486
<b>Depreciation</b>			
At 1 January 2017	73,247	12,597	85,844
Charge for the year	48,834	14,420	63,254
At 31 December 2017	122,081	27,017	149,098
<b>Net book value</b>			
At 31 December 2017	24,419	41,969	66,388
At 31 December 2016	73,253	23,395	96,648

# METABOLIC HEALTHCARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

### 9. Debtors

	31 December 2017	31 December 2016
	£	£
Other debtors	209,699	23,672
Prepayments and accrued income	46,369	-
R&D tax credit	156,449	-
	412,517	23,672

### 10. Creditors: amounts falling due within one year

	31 December 2017	31 December 2016
	£	£
Trade creditors	188,625	25,266
Other creditors	44,989	-
Accruals and deferred income	8,732	-
	242,346	25,266

### 11. Provisions for liabilities

	2017
	£
At 1 January 2017	25,418
Credit to profit and loss account (note 6)	(25,418)
At 31 December 2017	-

### 12. Share capital

Shares classified as equity; authorised, allotted, called up and fully paid

	2017	2016
	£	£
1,486,335 Ordinary shares of £0.0001 each	149	149
508,337 Preference shares of £0.0001 each	51	51
1,151,316 Series A shares of £0.0001 each	115	-
	315	199

# METABOLIC HEALTHCARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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### 13. Reserves

#### *Share premium account*

This reserve records the premium on issue of equity shares, net of any issue costs.

#### *Profit and loss account*

There have been no direct charges to the profit and loss account in the period and no dividends have been paid or proposed in relation to the period.

### 14. Related party transactions

Directors' loans totalling £130,000 (2016: £nil) are included in other debtors. The loans are interest free and repayable upon demand. Post year-end they have been re-paid in full.

### 15. Re-statement of prior year figures

There was an adjustment of £24,405 to the prior year equity figure to reflect an incorrect disclosure of share issues. The converse entry was to legal fees within admin expense in the P&L.

	2016 accounts	2016 as re-stated
Share premium	2,170,476	2,194,881
Retained earnings	(978,454)	(1,002,859)

### 16. Ultimate parent company and controlling party

The ultimate controlling party of Metabolic Healthcare Limited, a Company incorporated in England and Wales, is White Star Capital.