

COMPANY REGISTRATION NUMBER: SC559230

**Enterobiotix Limited**  
**Filleted Financial Statements**  
**31 March 2021**

# Enterobiotix Limited

## Financial Statements

Year ended 31 March 2021

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# Enterobiotix Limited

## Officers and Professional Advisers

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**The board of directors**

Dr J McIlroy  
Mr M Butler (Resigned 15 July 2020)  
Mr I Baird  
Mr M Bamforth  
Mr D Thomson

**Registered office**

1 West Regent Street  
Glasgow  
Scotland  
G2 1AP

**Auditor**

FourM Limited  
Chartered Accountants & Statutory Auditor  
Stannergate House  
41 Dundee Road West  
Broughty Ferry  
Dundee  
DD5 1NB

# **Enterobiotix Limited**

## **Directors' Responsibilities Statement**

**Year ended 31 March 2021**

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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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the profit or loss of the company for that period. In preparing these financial statements, the directors are required to: - select suitable accounting policies and then apply them consistently; - make judgments and accounting estimates that are reasonable and prudent. The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose 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.

**Enterobiotix Limited**  
**Statement of Financial Position**

**31 March 2021**

		<b>2021</b>	<b>2020</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>			
Tangible assets	<b>6</b>	390,932	102,417
<b>Current assets</b>			
Stocks		–	34,770
Debtors	<b>7</b>	937,258	297,695
Cash at bank and in hand		5,501,965	7,991,106
		-----	-----
		6,439,223	8,323,571
<b>Creditors: amounts falling due within one year</b>	<b>8</b>	538,343	123,879
		-----	-----
<b>Net current assets</b>		5,900,880	8,199,692
		-----	-----
<b>Total assets less current liabilities</b>		6,291,812	8,302,109
<b>Creditors: amounts falling due after more than one year</b>	<b>9</b>	–	5,247
		-----	-----
<b>Net assets</b>		6,291,812	8,296,862
		-----	-----
<b>Capital and reserves</b>			
Called up share capital	<b>10</b>	2,246	2,246
Share premium account	<b>11</b>	10,100,526	10,100,526
Profit and loss account	<b>11</b>	( 3,810,960)	( 1,805,910)
		-----	-----
<b>Shareholders funds</b>		6,291,812	8,296,862
		-----	-----

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 22 December 2021, and are signed on behalf of the board by:

Dr J McIlroy

CEO

Company registration number: SC559230

# Enterobiotix Limited

## Notes to the Financial Statements

**Year ended 31 March 2021**

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### **1. General information**

The company is a private company limited by shares, registered in Scotland. The address of the registered office is 1 West Regent Street, Glasgow, G2 1AP, Scotland. The principal place of business is Unit 2.3, Western Campus, Strathclyde Business Park, Scotland, ML4 3LJ.

### **2. Statement of compliance**

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis. The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Going concern**

The company made a loss for the year of £2,005,050 (2020 - £970,522) The Board of Directors confirms that, after making appropriate enquiries, it has reasonable expectation that the company has adequate cash resources primarily from share issues to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing these financial statements.

#### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **Revenue recognition**

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax. Research and development Research expenditure is written off in the period in which it is incurred.

#### **Corporation tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised 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 that are expected to apply to the reversal of the timing difference.

**Foreign currencies**

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

**Operating leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

**Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

**Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Tenants improvements	-	10% straight line
Lab equipment	-	20% straight line
Fixtures and fittings	-	25% straight line
Office equipment	-	33% straight line

**Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs.

**Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

### **Finance leases and hire purchase contracts**

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

### **Government grants**

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

### **Financial instruments**

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost.

### **4. Employee numbers**

The average number of persons employed by the company during the year amounted to 18 (2020: 11 ).

### **5. Tax on loss**

#### **Major components of tax income**

	<b>2021</b>	2020
	<b>£</b>	£
<b>Current tax:</b>		
R&D tax credit refundable	( 306,263)	( 214,017)
	-----	-----
<b>Tax on loss</b>	<b>( 306,263)</b>	<b>( 214,017)</b>
	-----	-----

## 6. Tangible assets

	Tenants improvements	Lab equipment	Fixtures and fittings	Office equipment	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2020	–	134,677	3,275	13,847	151,799
Additions	107,434	187,554	3,210	34,398	332,596
Disposals	–	(2,100)	–	–	(2,100)
	-----	-----	-----	-----	-----
<b>At 31 March 2021</b>	<b>107,434</b>	<b>320,131</b>	<b>6,485</b>	<b>48,245</b>	<b>482,295</b>
	-----	-----	-----	-----	-----
<b>Depreciation</b>					
At 1 April 2020	–	43,435	478	5,469	49,382
Charge for the year	1,257	31,967	1,219	8,517	42,960
Disposals	–	(979)	–	–	(979)
	-----	-----	-----	-----	-----
<b>At 31 March 2021</b>	<b>1,257</b>	<b>74,423</b>	<b>1,697</b>	<b>13,986</b>	<b>91,363</b>
	-----	-----	-----	-----	-----
<b>Carrying amount</b>					
<b>At 31 March 2021</b>	<b>106,177</b>	<b>245,708</b>	<b>4,788</b>	<b>34,259</b>	<b>390,932</b>
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At 31 March 2020	–	91,242	2,797	8,378	102,417
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### Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Lab equipment
	£
<b>At 31 March 2021</b>	<b>16,821</b>
	-----
At 31 March 2020	21,805
	-----

## 7. Debtors

	2021	2020
	£	£
Other debtors	937,258	297,695
	-----	-----

The debtors above include the following amounts falling due after more than one year:

	2021	2020
	£	£
Other debtors	308,217	1,963
	-----	-----

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

	2021	2020
	£	£
Trade creditors	423,297	51,847
Accruals and deferred income	82,345	41,207
Social security and other taxes	27,453	21,829
Obligations under finance leases and hire purchase contracts	5,248	8,996
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	<b>538,343</b>	<b>123,879</b>
	-----	-----

## 9. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Obligations under finance leases and hire purchase contracts	–	5,247
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## 10. Called up share capital

### Issued, called up and fully paid

	2021		2020	
	No.	£	No.	£
Ordinary shares of £ 0.001 each	2,245,819	2,246	2,245,819	2,246
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## 11. Reserves

Share premium account - This reserve records the amount above the nominal value received for shares sold, less transaction costs. Profit and loss account - This reserve records retained earnings and accumulated losses.

## 12. Capital commitments

Capital expenditure contracted for but not provided for in the financial statements is as follows:

	2021	2020
	£	£
Tangible assets	122,545	–
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## 13. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	58,173	11,059
Later than 1 year and not later than 5 years	204,000	–
Later than 5 years	402,334	–
	-----	-----
	664,507	11,059
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## 14. Events after the end of the reporting period

On the 25 August 2021 1,200,499 £0.001 ordinary shares were issued at a price of £6.25 per share. The total amount received, less arrangement fees, from the issue was £7,455,340. After the year end, the company has committed to capital expenditure amounting to £1.9m and it is anticipated that this will increase in line with the scaling up of the product development.

## 15. Summary audit opinion

The auditor's report for the year dated 22 December 2021 was unqualified .

The senior statutory auditor was Karen Henderson MCIBS, BA(Hons), CA , for and on behalf of FourM Limited .

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.