

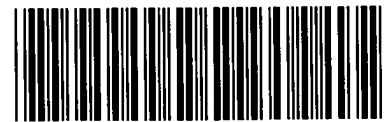
Perspectum Limited – formerly Perspectum Diagnostics Limited

Annual report and consolidated financial statements

Registered number 08219473

For the year ended 31 December 2019

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Strategic Report

The directors present their Strategic Report and the audited financial statements for the year ended 31 December 2019.

Principal activities

The principal activities of the Company are research and development of non-invasive medical devices and commercialisation of these through a pharma solutions sales and operations team and a clinical sales team.

Business review and future developments

Perspectum Limited – formerly Perspectum Diagnostics Limited is a Medical Image Processing and Software Engineering Company. The key activity continues to be the development of non-invasive medical devices that allows us to measure liver health from magnetic resonance imaging (MRI) scans in patients. The market driver for this is a global epidemic in liver and metabolic disease, affecting over 250 million adults significantly today. Fatty liver disease and specifically non-alcoholic steatohepatitis (NASH) is one of the great unmet needs in modern medicine, and there are considerable efforts to improve diagnosis and treatment. These have been accelerated by the recent coronavirus pandemic, where NASH is the biggest risk factor in people aged under 50 for hospitalisation and death. The first drug to treat NASH has had positive Phase 3 clinical trial results and been fast-tracked by the FDA for release in 2020 (Ocaliva, Intercept Pharmaceuticals). Our company's first product, LiverMultiScan, we believe is the best and most scalable non-invasive test for NASH. It is used by pharmaceutical companies in clinical trials for new NASH therapies in a variety of ways – identifying and stratifying the right patients, determining efficacy in the first few weeks of administration of the new drug and determining safety of the new drug. This has led to the development of a business unit in Perspectum Limited - formerly Perspectum Diagnostics Limited providing services to pharma as a Contract Research Organisation (CRO). Our CRO business contracted over \$20m in 2019, up from \$10.6m in 2018 and \$4.3m in 2017. \$8.7m was recognised in 2019, with the remainder carried over as backlog into 2020. As an imaging CRO in NASH, Perspectum Limited - formerly Perspectum Diagnostics Limited has a significant market share of a rapidly growing field and is now ranked as the fastest-growing biotech in the UK (Beauhurst, Plimsoll).

The other two business units in the company are Medical Engineering (MedEng) and Clinical Services. MedEng is based in Oxford and builds medical devices to aid physicians with interpreting medical imaging (e.g. MRI, pathology) data. In 2019, MedEng obtained FDA clearance for MRCP+ for clinical use in January 2019, and it is being rolled out for use by the CRO and Clinical Services business units now. This group also built a strong partnership with GE Healthcare, with whom we have won large Innovate UK grants for projects in the field of gynaecological imaging. MedEng also works with scanner manufacturers to allow our software to be operated automatically in the Cloud, which is how we envisage future utilisation, especially in Clinical Services. We have also worked with Siemens and Ambra Health to ensure that imaging data acquired by MRI scanners across the world can be processed by our Quantitative Analysis Service, which has been built and maintained to enable secure data transfer that meets legal and regulatory quality standards in different territories. MedEng employed 109 people at the end of 2019, with an age range of 20-74, and is the creative hub of the company. In creating a product such as LiverMultiScan, the multidisciplinary team works closely to frame the healthcare problem to address, prototype a solution, test it with experimental and then clinical studies, and then build to FDA standards a medical device. Beyond this, we have also conducted our own cost-effectiveness studies and utility studies to show customers (healthcare systems and doctors) why they should use LiverMultiScan, and there is a body of published literature from our research. This has led to recent investment from strategic partners, Blue Cross Ventures, HealthQuest and Puhua Capital. Perspectum is Blue Cross Ventures first major investment outside North America.

In current development within MedEng are products for pathology, liver cancer and metabolic disease (including diabetes). These represent huge opportunities to develop better diagnostics, and thus enable the development of new therapies. Current worldwide estimates show that 844 million people have chronic liver disease with a mortality rate of 2 million deaths per year - these are usually from liver failure and liver cancer. Medical imaging is a huge and rapidly growing sector of the \$35Bn healthcare market and is critical to the care pathway of liver patients. Formerly, market growth has been led by hardware companies, though the costs of imaging technology have reduced substantially over the past decade. CT and MRI hardware are increasingly installed in individual hospital departments (Emergency Departments, Cardiology, Neurology, Oncology) and are used more and more by clinicians other than radiologists. This trend, together with the advent of networked workstations, and cloud computing, are the basis for the very rapid increase in "smart software" that optimises patient care and allies

Strategic Report *(continued)*

established technologies (imaging physics and signal/image processing) to artificial intelligence and big data. Perspectum Limited - formerly Perspectum Diagnostics Limited was founded by scientists and engineers who specialise in the application of all these methods to medical problems, and we are regularly invited to comment at academic meetings as industry leaders in medical applications of AI.

The newest business unit, Clinical Services with a team 23 at the end of 2019, reflects our aim to deliver digital technologies that help clinicians to provide better care for patients with liver disease. Patients are at the heart of our design and motivation. Our technology is convenient, non-invasive and supports patient engagement in their own care by providing clear and understandable results. Delivering CRO services to pharma generates considerable revenues and has also allowed us to set up in over 200 imaging centres globally. In 2018, we commenced small trial enabling use of LiverMultiScan clinically. This allowed us to test the delivery model, with an emphasis on data protection and security. In 2019 we are growing the clinical service with more patients getting LiverMultiScan, mainly in the US. The key metrics of performance are patients scanned, customer/physician satisfaction and revenues gained. In the long term, if LiverMultiScan can become the default test for liver disease and replace liver biopsy as the key gateway for access to new NASH drugs, it will be a huge commercial success.

Our offices in Oxford, San Francisco, Dallas and Singapore offer round the clock first level support for our clients. Further growth is aimed at the biotech and contract research organisation (CRO) sectors in the USA, and at the private health sector in USA, APAC and Europe.

Financial risk management

The Group's finance department has procedures which are reviewed as operations change in size and nature to manage credit, foreign exchange and liquidity risks and in circumstances where it would be appropriate to use financial instruments to manage these.

Price risk

The Group has little exposure to price risk on commodities and services used in its operations and the costs of managing exposure to such price risks exceed any potential benefits.

Credit risk

The Group's material receivables are from pharmaceutical companies, sub-tenants and amounts paid in advance to third party providers including Contract Research Organisations. Appropriate due diligence is performed on these organisations before agreements are entered.

Funding risk

The Group's cash utilisation is continually monitored to provide an appropriate lead time for raising further funding.

Liquidity risk

The Group's cash position is continually monitored to assess how cash balances should be distributed across Group activities.

Foreign exchange risk

The Group makes purchases and pays staff in foreign currencies. In order to mitigate the exposure to foreign currencies, the Group holds cash balances in the appropriate currencies to meet obligations as they fall due.

Results and performance

The consolidated Perspectum Limited - formerly Perspectum Diagnostics Limited - results for the year, as set out on pages 9 and 10, show revenues increasing from £3.8m to £6.8m with two cleared products in the clinical market, increased headcount and payroll costs and additional office costs lead to a loss on ordinary activities before tax and exchange adjustments on consolidation, of £9.3m (2018: £5.9m). The shareholders' funds total £3.0m (2018: £9.195m).

The performance and growth of Perspectum Limited - formerly Perspectum Diagnostics Limited - during FY2019 has been extremely encouraging as we saw our FTE employee numbers increase from 123 to 182. During the year, we, again, outgrew our offices in San Francisco & Singapore, where we have moved to larger offices, and we have opened an office in Dallas, a clinical hub. In Oxford, we moved into larger premises to accommodate all UK employees in February 2020.

Strategic Report (continued)

Risks and uncertainties

The directors have identified the following risks and uncertainties in the environment in which Perspectum Limited - formerly Perspectum Diagnostics Limited operates:

- **Socio-political following coronavirus:**

The public health crisis from COVID-19 will affect our business, especially our pharma solutions sales, in the short term. However, as a software based company, we are not hit by supply chain or other hardware issues, and so remain productive, albeit with reduced recognised revenues as pharma trials are delayed. We anticipate China will recover faster than the USA, and with our new investment from strategic partner Puhua Capital, we have a plan to develop in China which has a lot of liver disease. The pharma solutions activity will be impacted for 3-6 months.

- **Market:**

The current NASH market is large, and there is potentially competition in the pharma industry. If growth falls our CRO business could be exposed. However, more broadly as we continue to diversify, metabolic and GI disease are stable growth areas with many patients and drug development which will protect against NASH fluctuations.

For clinical services using software as a service we have IP that differentiates us and gives us competitive advantage to gain and keep market share in the imaging CRO sector. In the clinical services space, there is huge interest and a trend towards digital health and smart software applications in healthcare. This has been accelerated by COVID-19. A key focus for the Company is proving that diagnosing liver disease with smart software is commercially viable and likely to be highly scalable and profitable across many territories. Use of our services clinically also drives CRO revenues, as companies are more likely to use us for drug development if we have a higher clinical profile.

- **Financial:**

Our financial position has enabled us to grow the company organically with licensed relevant IP that has allowed us to develop new regulatory cleared product offerings. Along with LiverMultiScan we also have MRCP+, a quantitative AI tool for biliary disease, also FDA cleared. Our contracted sales have risen from \$4.3m (2017), \$10.6m (2018) to over \$20m in 2019.

- **Management:**

We have evolved the management structure to cover our global operations and our four business units and our new organisation chart reflect this.

Analysis of financial key performance indicators

Perspectum Limited - formerly Perspectum Diagnostics Limited has developed and operates with a raft of KPIs to monitor, control and steer its business including:

- Performance against budget. The Group contracted revenue for 2019 was \$20m, up from \$10.6m in 2018.
- Working capital was 7.6% below budget due to effective cost management.
- Operating cash flow – the 2019 year end cash balance was £6.7m above budget.
- Payroll headcount and employee retention. A key measure to ensure retention of talent. Staff retention for 2019 was 81%.
- Customer satisfaction and performance against service agreements. 98% of pharma and 90% of clinical scans (96% overall) were delivered within Service Level Agreements targets.
- Performance against corporate, team and individual milestones are monitored quarterly against objectives.
- Achieved targeted \$36m investment from strategic partners. Blue Cross Ventures, HealthQuest and Puhua Capital, to support our growth.

Strategic Report *(continued)*

Going Concern

The Group reported net current assets of £2.1m (2018: £8.8m) and was holding combined cash of £10.1m (2018: £10.0m) as at 31 December 2019. Since the balance sheet date, the Group has secured investment from strategic partners, receiving £19.3m (\$24m) and simultaneously converted the loan notes to equity (£9.1m). The cash balance as at 19 June 2020 was £24m (unaudited).

Since the global impact of the Coronavirus pandemic began, the Group's key markets, including the US pharma trials, have been impacted by the pandemic as non-urgent medical procedures have been deprioritised during the lockdown period, which has resulted in a 3 month reduction in certain revenue streams. Trials have subsequently re-started in June and the Group expects that the number of patients in trials will return to pre-pandemic budgeted levels by the end of September 2020. The Group has continued to work with its Strategic partners and customers during this time to continue trials where possible. The company has also continued to generate revenue and collect receivables for the activities not directly linked to the trials during the pandemic period.

The Directors have prepared cash flow forecasts for a period of 18 months from the date of approval of these financial statements. The Group's base case scenario includes a short-term delay of three to six months in certain revenues due to the delay in trials, especially in the US market offset by a reduction in variable and controllable clinical costs and associated operational costs. In addition, the company have utilised government support, including the UK's Coronavirus Job Retention Scheme. The Directors have also carried out a severe but plausible downside scenario of a more prolonged delay in trials or that disruption continues for a longer period of twelve months and have determined that the Group will continue to be able to cover its obligations as they fall due over the future period considered under the going concern review.

Consequently, the Directors believe that the Group will have sufficient funds to continue to meet its liabilities as they fall due for at least twelve months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

By order of the Board



Rajarshi Banerjee
Director

Gemini One, 5520 John Smith Drive,
Oxford, OX4 2LL,
United Kingdom

Directors' report

Directors

The directors who held office during the year were as follows:

Rajarshi Banerjee

Stefan Neubauer (resigned 28 May 2019)

Matthew Robson (resigned 17 March 2020)

John Michael Brady

Elizabeth Fagan

Adam Whittaker (resigned 17 March 2020)

Chun Hou Tan

Chin Lam See (appointed 12 September 2019 and resigned 17 March 2020)

James Wilkinson (appointed 12 September 2019 and resigned 17 March 2020)

Gillian Bonthron (appointed 17 March 2020)

George Embiricos (appointed 17 March 2020)

Thomas Hawes (appointed 17 March 2020)

Garheng Kong (appointed on 1 April 2020)

Kevin Jong Lin Lim (appointed on 22 April 2020)

Proposed dividend

The directors do not recommend the payment of a dividend (2018: *£nil*).

Financial Instruments

Details of Financial Instruments are given in the Strategic Report.

Political contributions

The Company made no political donations or incurred any political expenditure during the year.

Events after the balance sheet date

In December 2019, a novel strain of coronavirus (COVID-19) was identified in China and subsequently has spread globally. Whilst COVID-19 is disrupting the Group's operations, the majority of this disruption has been mitigated through amended working practices with all employees who are able to work from home doing so. The Group's operations are proving resilient and flexible at the current time. However, as the length of time COVID-19 will continue to impact is not currently known and continues to evolve rapidly, the Group will continue to monitor, assess and mitigate the impact of COVID-19 to its operations.


Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



Rajarshi Banerjee
Director

Statement of directors' responsibilities in respect of the Strategic Report, Directors' Report and the financial statements

The directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Perspectum Limited - formerly Perspectum Diagnostics Limited

Opinion

We have audited the financial statements of Perspectum Limited - formerly Perspectum Diagnostics Limited ("the company") for the year ended 31 December 2019 which comprise the Consolidated Profit and Loss Account and Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Changes in Equity, Consolidated Cash Flow Statement and related notes including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below.

We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the group or the company or to cease their operations, and as they have concluded that the group and the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the group's business model and analysed how those risks might affect the group and company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the group or the company will continue in operation.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Independent auditor's report to the members of Perspectum Limited - formerly Perspectum Diagnostics Limited (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 6, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

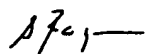
Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Shirley Rogan (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants and Registered Auditor
2 Forbury Place
33 Forbury Road
Reading
RG1 3AD
UK

26/06/2020

**Consolidated Profit and Loss Account and Other Comprehensive Income
 for the year ended 31 December 2019**

	<i>Note</i>	2019 £	2018 £
Turnover	2	6,819,796	3,813,582
Cost of sales		(21,490)	(9,782)
Gross profit		6,798,306	3,803,800
Administrative expenses	3, 4, 5	(16,804,403)	(10,220,185)
Group operating loss		(10,006,097)	(6,416,385)
Interest receivable and other income	6	732,870	479,469
Interest payable and similar expenses		(12,789)	-
Loss on ordinary activities before taxation		(9,286,016)	(5,936,916)
Tax on loss on ordinary activities	7	1,789,719	1,112,282
Loss for the financial year		(7,496,297)	(4,824,634)
Other comprehensive income			
Foreign exchange differences on translation of foreign operations		125,747	(27,180)
Total comprehensive income for the year		(7,370,550)	(4,851,814)

The notes on pages 15 to 26 form part of these accounts.

Consolidated Balance Sheet
at 31 December 2019

	<i>Note</i>	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Tangible assets	8	885,831		365,269	
			885,831		365,269
Current assets					
Debtors	10	4,331,447		3,276,226	
Cash at bank and in hand		10,085,569		9,960,891	
		14,417,016		13,237,117	
Creditors: amounts falling due within one year	11	(12,284,925)		(4,407,819)	
Net current assets			2,132,091		8,829,298
Net assets			3,017,922		9,194,567
Capital and reserves					
Called up share capital	13		55,353		54,488
Share premium account			19,826,150		19,671,933
Other reserve			2,407,881		1,369,058
Profit and loss account			(19,271,462)		(11,900,912)
Shareholders' funds			3,017,922		9,194,567

These financial statements were approved by the board of directors on 26th June 2020 and were signed on its behalf by:



Rajarshi Banerjee
Director

The notes on pages 15 to 26 form part of these accounts.

Company Balance Sheet
at 31 December 2019

	<i>Note</i>	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Investments	9	64		64	
Tangible assets	8	728,792		277,517	
Current assets			728,856		277,581
Debtors	10	4,227,934		3,242,482	
Cash at bank and in hand		9,947,960		9,748,921	
		14,175,894		12,991,403	
Creditors: amounts falling due within one year	11	(12,088,051)		(4,177,581)	
Net current assets			2,087,843		8,813,822
Net assets			2,816,699		9,091,403
Capital and reserves					
Called up share capital	13		55,353		54,488
Share premium account			19,826,150		19,671,933
Other reserves			2,407,881		1,369,058
Profit and loss account			(19,472,685)		(12,004,076)
Shareholders' funds			2,816,699		9,091,403

These financial statements were approved by the board of directors on 26th June 2020 and were signed on its behalf by:



Rajarshi Banerjee
Director

The notes on pages 15 to 26 form part of these accounts.

Consolidated Statement of Changes in Equity

	Called up share capital £	Share premium £	Profit and loss account £	Other reserves £	Total equity £
Balance at 1 January 2018	53,550	19,567,384	(7,049,098)	599,153	13,170,989
Loss for the period	-	-	(4,824,634)	-	(4,824,634)
Other comprehensive income – foreign exchange on consolidation	-	-	(27,180)	-	(27,180)
Share option credit	-	-	-	769,905	769,905
Issue of shares	938	104,549	-	-	105,487
Balance at 31 December 2018	54,488	19,671,933	(11,900,912)	1,369,058	9,194,567
	£	£	£	£	£
Balance at 1 January 2019	54,488	19,671,933	(11,900,912)	1,369,058	9,194,567
Loss for the period	-	-	(7,496,297)	-	(7,496,297)
Other comprehensive income – foreign exchange on consolidation	-	-	125,747	-	125,747
Share option credit	-	-	-	1,038,823	1,038,823
Issue of shares	865	154,217	-	-	155,082
Balance at 31 December 2019	55,353	19,826,150	(19,271,462)	2,407,881	3,017,922

The notes on pages 15 to 26 form part of these accounts.

Company Statement of Changes in Equity

	Called up share capital £	Share premium £	Profit and loss account £	Other reserves £	Total equity £
Balance at 1 January 2018	53,550	19,567,384	(7,115,769)	599,153	13,104,318
Loss for the period	-	-	(4,888,307)	-	(4,888,307)
Share option credit	-	-	-	769,905	769,905
Issue of shares	938	104,549	-	-	105,487
Balance at 31 December 2018	54,488	19,671,933	(12,004,076)	1,369,058	9,091,403
	Called up share capital £	Share premium £	Profit and loss account £	Other reserves £	Total Equity £
Balance at 1 January 2019	54,488	19,671,933	(12,004,076)	1,369,058	9,091,403
Loss for the period	-	-	(7,468,609)	-	(7,468,609)
Share option credit	-	-	-	1,038,823	1,038,823
Issue of shares	865	154,217	-	-	155,082
Balance at 31 December 2019	55,353	19,826,150	(19,472,685)	2,407,881	2,816,699

The notes on pages 15 to 26 form part of these accounts.

Consolidated Cash Flow Statement
for year ended 31 December 2019

	2019	2018
	£	£
Cash flows from operating activities		
Group loss for the year	(7,496,297)	(4,824,634)
<i>Adjustments for:</i>		
Depreciation and amortisation	227,244	114,068
Foreign exchange differences	243,652	(27,180)
Interest receivable and other income	(47,407)	(63,678)
Interest payable	12,790	-
Loss on disposal of fixed assets	702	52,764
Equity settled share-based payment expenses	1,038,823	769,905
Taxation	(1,789,946)	(1,112,282)
(Increase) in trade and other debtors	(1,376,507)	(877,551)
(Decrease)/increase in trade and other creditors excluding balance held for purchase of shares (note 11)	(380,717)	1,449,577
	<hr/>	<hr/>
Net cash from operations	(9,567,663)	(4,519,011)
	<hr/>	<hr/>
R&D Tax refund	2,160,687	480,827
Tax paid	(55,851)	(26,609)
	<hr/>	<hr/>
Net cash from operating activities	(7,462,287)	(4,064,793)
	<hr/>	<hr/>
Cash flows from investing activities		
Interest received	47,407	63,678
Acquisition of tangible fixed assets	(552,705)	(284,879)
	<hr/>	<hr/>
Net cash from investing activities	(505,298)	(221,201)
	<hr/>	<hr/>
Cash flows from financing activities		
Proceeds from the issue of share capital	155,082	105,486
Proceeds from loans & borrowings	9,112,549	-
	<hr/>	<hr/>
Net cash from financing activities	9,267,631	105,486
	<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents	1,300,046	(4,180,508)
Movement in cash held on behalf of purchasers of shares (notes 11)	(1,061,487)	1,061,487
Effect of exchange rate fluctuations on cash held	(113,881)	-
	<hr/>	<hr/>
Movement in cash during the year	124,678	(3,119,021)
Cash and cash equivalents at 1 January	9,960,891	13,079,912
	<hr/>	<hr/>
Cash and cash equivalents at 31 December	10,085,569	9,960,891
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 15 to 26 form part of these accounts.

Notes
(forming part of the financial statements)

1 Accounting policies

Perspectum Limited - formerly Perspectum Diagnostics Limited (the “Company”) is a company limited by shares and incorporated and domiciled in the UK.

These Group and parent company financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland (“FRS 102”). The presentation currency of these financial statements is sterling.

The parent company is included in the consolidated financial statements and is considered a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the parent company financial statements have been applied:

- The reconciliation of the number of shares outstanding from the beginning to the end of the period has not been included a second time;
- No separate parent company Cash Flow Statement with related notes is included; and
- Key Management Personnel compensation has not been included a second time.
- Certain disclosures required by FRS 102.26 Share Based Payments; and,
- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. The financial statements are prepared on the historical cost basis.

Going concern

The Group reported net current assets of £2.1m (2018: £8.8m) and was holding combined cash of £10.1m (2018: £10.0m) as at 31 December 2019. Since the balance sheet date, the Group has secured investment from strategic partners, receiving £19.3m (\$24m) and simultaneously converted the loan notes to equity (£9.1m). The cash balance as at 19 June 2020 was £24m (unaudited).

Since the global impact of the Coronavirus pandemic began, the Group’s key markets, including the US pharma trials, have been impacted by the pandemic as non-urgent medical procedures have been deprioritised during the lockdown period, which has resulted in a 3 month reduction in certain revenue streams. Trials have subsequently restarted in June and the Group expects that the number of patients in trials will return to pre-pandemic budgeted levels by the end of September 2020. The Group has continued to work with its Strategic partners and customers during this time to continue trials where possible. The company has also continued to generate revenue and collect receivables for the activities not directly linked to the trials during the pandemic period.

The Directors have prepared cash flow forecasts for a period of 18 months from the date of approval of these financial statements. The Group’s base case scenario includes a short-term delay of three to six months in certain revenues due to the delay in trials, especially in the US market offset by a reduction in variable and controllable clinical costs and associated operational costs. In addition, the company have utilised government support, including the UK’s Coronavirus Job Retention Scheme. The Directors have also carried out a severe but plausible downside scenario of a more prolonged delay in trials or that disruption continues for a longer period of twelve months and have determined that the Group will continue to be able to cover its obligations as they fall due over the future period considered under the going concern review.

Consequently, the Directors believe that the Group will have sufficient funds to continue to meet its liabilities as they fall due for at least twelve months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Notes (continued)

1 Accounting policies (continued)

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 December 2019. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated profit and loss account from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

Tangible Fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

The company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows:

- leasehold property improvements 10 years
- furniture and equipment 3 – 5 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

Classification of financial instruments issued by the group

In accordance with FRS 102.22, financial instruments issued by the group are treated as equity only to the extent that they meet the following two conditions:

- they include no contractual obligations upon the group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the group; and
- where the instrument will or may be settled in the entity's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the entity's own equity instruments or is a derivative that will be settled by the entity exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the entity's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Where a financial instrument that contains both equity and financial liability components exists these components are separated and accounted for individually under the above policy. Transaction costs are allocated between the debt component and the equity component on the basis of their relative fair values.

Notes (continued)

1 Accounting policies (continued)

Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Employee benefits

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Leases

Operating leases

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

Research and development

Expenditure on research activities is recognised in the profit and loss account as an expense as incurred.

Expenditure on development activities may be capitalised if the product or process is technically and commercially feasible and the Company intends and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the Company can measure reliably the expenditure attributable to the intangible asset during its development. Development activities involve design for, construction or testing of the production of new or substantially improved products or processes. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads and capitalised borrowing costs. Other development expenditure is recognised in the profit and loss account as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and less accumulated impairment losses. No development costs to date have been capitalised as intangible assets.

Interest receivable and Interest payable

Interest payable and similar charges include interest payable that are recognised in the profit and loss account.

Other interest receivable and similar income include interest receivable on funds invested.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

Notes (continued)

1 Accounting policies (continued)

Turnover

Turnover is earned through contracts in respect of services provided. Turnover is recognised as earned when, and to the extent that, the company earns the right to the consideration in exchange for its performance. The difference between the amount of income recognised and the amount invoiced, excluding VAT, on a particular contract is included in the balance sheet as either accrued or deferred income.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. 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.

Government grants

Government grants are included within accruals and deferred income in the balance sheet and credited to the profit and loss account over the expected useful lives of the assets to which they relate or in periods in which the related costs are incurred.

2 Turnover

	2019	2018
	£	£
<i>Split by geographical market:</i>		
United Kingdom	39,431	251,115
Continental Europe	503,297	240,593
Rest of the world	6,277,068	3,321,874
	<u>6,819,796</u>	<u>3,813,582</u>

Notes (continued)

3 Expenses and auditor's remuneration

Included in the loss are the following:

	2019 £	2018 £
Depreciation – owned assets	232,034	114,067
Operating lease rentals	987,432	571,186
Foreign exchange gain	225,482	27,706
Research and development costs expensed as incurred	5,474,529	3,200,000
<hr/>		
<i>Auditor's remuneration:</i>		
Audit of these financial statements	42,000	25,000
Amounts receivable by the company's auditor and its associates in respect of:		
Taxation compliance services	24,108	3,500
Other tax advisory services	17,500	6,500
All other services	-	750
<hr/>		

4 Staff numbers and costs

The average number of persons employed by the Group (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2019	2018
Research & Development and Other Technical	93	45
Sales & Marketing	18	10
Management & Administration	56	47
	<hr/>	<hr/>
	167	102
	<hr/>	<hr/>

The aggregate payroll costs of these persons were as follows:

	2019 £	2018 £
Wages and salaries	9,269,274	5,620,828
Social security costs	895,263	491,620
Contributions to defined contribution plans	294,364	145,425
Share option costs	1,038,823	769,905
	<hr/>	<hr/>
	11,497,724	7,027,778
	<hr/>	<hr/>

Notes (continued)

5 Directors' remuneration

	2019	2018
	£	£
Directors emoluments	472,537	403,803
Contributions to defined contribution pension plans	22,889	12,637
Amounts paid to third parties in respect of director services	16,800	18,175

The aggregate emoluments (2018 includes the fair value of share-based payments) receivable by the highest paid director was £150,798 (2018: £212,298). During the year, the highest paid director exercised share options under a long-term incentive scheme. The number of directors in the share incentive scheme is 5 (2018:4); 3 directors exercised share options in the year (2018:1). The number of directors receiving pension contributions is 3 (2018:2).

6 Interest receivable and other income

	2019	2018
	£	£
Grant receivable	685,463	415,790
Interest receivable	47,407	63,679
	<hr/>	<hr/>
Total interest receivable and other income	<u>732,870</u>	<u>479,469</u>

Notes (continued)

7 Taxation

	2019	2018
	£	£
Total tax credit recognised in the profit and loss account:		
<i>Current tax</i>		
Overseas tax	56,077	26,609
R&D tax claim – prior years	(345,796)	(238,891)
R&D Tax claim – current year	(1,500,000)	(900,000)
Total tax credit	(1,789,719)	(1,112,282)

R&D tax credits are accounted for on the accrual's basis given proven methodology. The 2019 prior years' claim relates to 2018: £345,796 (2018: claim relates to 2017: £238,891).

Reconciliation of effective tax rate

	2019	2018
	£	£
Loss for the year	(7,496,297)	(4,824,634)
Total tax credit	(1,789,719)	(1,112,281)
Loss before tax	(9,286,016)	(5,936,916)
Tax using the UK corporation tax rate of 19% (2018: 19%)	(1,764,343)	(1,128,014)
Effect of tax rates in foreign jurisdictions	61,337	14,512
Non-deductible expenses	258,220	182,447
Adjustment in respect of prior years	(345,796)	(238,891)
Current year R&D tax credit	(1,500,000)	(900,000)
Current year losses for which no deferred tax asset was recognised	1,500,863	957,665
Total tax credit included in profit and loss	(1,789,719)	(1,112,282)

A reduction in the UK corporation tax rate from 19% to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. This will increase the company's future current tax charge accordingly.

The company has tax losses arising in the UK of approximately £4.9m (2018: £4.9m) that are available indefinitely for offset against future taxable profits or which can be offset against claims for research and development tax credits. Deferred tax assets have not been recognised in respect of these losses as there is no certainty that they may not be used to offset against future taxable profits for some time.

Notes (continued)

8 Tangible fixed assets

<i>Group</i>	Leasehold Property improvements £	Furniture & equipment £	Total £
Cost			
At 1 January 2019	97,150	455,927	553,077
Additions	330,395	422,846	753,241
Disposals	-	(8,438)	(8,438)
	<hr/>	<hr/>	<hr/>
At 31 December 2019	427,545	870,335	1,297,880
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Depreciation			
At 1 January 2019	14,542	173,266	187,808
Depreciation charge for the Year	16,153	215,881	232,034
Disposals	-	(7,793)	(7,793)
	<hr/>	<hr/>	<hr/>
At 31 December 2019	30,695	381,354	412,049
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Net book value			
At 31 December 2019	396,850	488,981	885,831
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2018	82,608	282,661	365,269
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<i>Company</i>	Leasehold Property improvements £	Furniture & equipment £	Total £
Cost			
At 1 January 2019	33,254	414,763	448,017
Additions	314,398	323,576	637,974
Disposals	-	(7,029)	(7,029)
	<hr/>	<hr/>	<hr/>
At 31 December 2019	347,652	731,310	1,078,962
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Depreciation			
At 1 January 2019	3,190	167,309	170,499
Depreciation charge for the Year	6,628	180,072	186,700
Disposals	-	(7,029)	(7,029)
	<hr/>	<hr/>	<hr/>
At 31 December 2019	9,818	340,352	350,170
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Net book value			
At 31 December 2019	337,834	390,958	728,792
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2018	30,064	247,454	277,518
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Notes (continued)

9 Fixed asset investments

	Company
	Shares in group undertakings
	£
Cost at beginning of the year	64
Additions	-
Cost at the end of the year	<u>64</u>

The undertakings in which the Group's and Company's interest at the year-end is more than 20% are as follows:

Subsidiary undertakings	Country of incorporation	Business activity	Equity Holding
Perspectum Diagnostics Inc	United States of America	Project Management	100%
Perspectum Asia Pte Ltd	Singapore	Marketing	100%

10 Debtors

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Trade debtors	1,049,180	542,953	1,049,180	542,953
Other debtors	226,889	127,103	218,609	119,195
R&D tax recoverable	1,500,000	1,814,891	1,500,000	1,814,891
Prepayments and accrued income	1,555,378	791,279	1,398,875	655,506
Amounts owed by group undertakings	-	-	61,270	109,937
	<u>4,331,447</u>	<u>3,276,226</u>	<u>4,227,934</u>	<u>3,242,482</u>

11 Creditors: amounts falling due within one year

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Trade creditors	947,209	794,202	941,554	722,415
Other tax and social security	227,873	168,854	227,873	168,012
Other creditors	9,144,859	1,115,942	9,127,851	1,098,246
Accruals and deferred income	1,964,984	2,328,821	1,790,773	2,188,908
	<u>12,284,925</u>	<u>4,407,819</u>	<u>12,088,051</u>	<u>4,177,581</u>

The other creditors amount for 2019 includes a convertible loan of £9,112,550 (plus accrued interest of £12,789) during a funding round that closed September 2019. Conversion completed 1 April 2020. The other creditors amount in 2018 includes £1,061,487 which relates to funds received from buyers to facilitate their purchase of shares in the Company from existing shareholders. Share certificates were issued to the buyers and payment released to the sellers of these shares in February 2019.

Notes (continued)

12 Employee Benefits

The terms and conditions of the grants issued during the year are as follows:

Grant date / employees entitled	Method of settlement accounting	Number of instruments	Vesting conditions	Contractual life of options
Share options award to PD Staff granted by parent in January 2019	Equity	13,712,402	Equally over 4 years	10 years from grant
Share options award to PD Staff granted by parent in March 2019	Equity	4,360,000	Equally over 4 years	10 years from grant
Share options award to PD Staff granted by parent on September 2019	Equity	666,666	Equally over 8 quarters	10 years from grant
Share options award to PD Staff granted by parent on October 2019	Equity	9,624,428	Equally over 4 years	10 years from grant

The employee share option grants for the Parent Company are the same as the Group.

The number and weighted average exercise prices of share options are as follows:

	Weighted average exercise price 2019	Number of options 2019	Weighted average exercise price 2018	Number of options 2018
Outstanding at the beginning of the year	0.0222	46,767,945	0.01125	47,247,311
Forfeited during the year	0.0400	(6,200,001)	0.01125	(4,793,243)
Exercised during the year	0.0172	(8,649,086)	0.01125	(9,376,569)
Granted during the year	0.0502	28,363,496	0.05	13,690,446
Expired during the year	-	-	-	-
Outstanding at the end of the year	0.0324	60,282,354	0.0222	46,767,945
Exercisable at the end of the year	0.0191	13,188,116	0.0258	7,671,612

The fair value of employee share options is measured using the Black Scholes model as a widely accepted valuation method where no dividends are paid in the year. The weighted average fair value of the options granted in the year was £0.0633 (2018: £0.06).

The total charge for the period relating to shared based payment plans was £1,038,823 (2018: £769,905) all of which related to equity-settled share-based payment transactions.

Notes (continued)

13 Share Capital

	2019	2018
	£	£
<i>Allotted, called up and fully paid</i>		
553,526,848 (2018: 544,877,762) A Ordinary shares of £0.0001 each	55,353	54,488

During the year 8,649,086 A Ordinary shares of £0.0001 each were issued for £155,082.

14 Related Parties

Identity of related parties with which the Group has transacted

A director paid £7,096 for 74,692 shares on 2 November 2018.

A corporate shareholder, with Board representation, paid £298,740 for 3,144,635 shares on 25 January 2019.

An executive director received £366,489 for the sale of 3,857,778 shares on 27 February 2019. The net amount received from shareholder transactions was held in other creditors at 31 December 2018 until the transaction was completed in February 2019.

During the year, non-executive director fees for E Pagan were granted in the form of share options valued at £20,000. These options were exercised in the year. The director invested £16,000 in convertible loan notes. The director also received £16,800 in consultancy fees during the year.

Director, R Banerjee exercised share opinions in the year for £17,210 (2018: £38,500).

Directors have purchased £820,390 of convertible loan notes.

Oxford Sciences Innovation invested £5,000,000 in convertible loan notes.

Oxford University Innovation was paid £16,800 (2018: £18,175) for consultancy fees for Stefan Neubauer, a director. A further £76,000 was paid to Oxford University Innovation in 2019 with £12,253 outstanding at year end.

During the year, the spouse of a director purchased £43,237 of shares and invested £50,000 in convertible loan notes.

15 Operating leases

Non-cancellable operating lease rentals are payable as follows:

	Group 2019	Group 2018	Company 2019	Company 2018
	£	£	£	£
Less than one year	1,283,327	471,578	800,360	160,000
Between one and five years	4,962,864	1,818,421	3,416,027	640,000
Over five years	303,620	678,614	303,620	400,000
	<u>6,549,811</u>	<u>2,968,613</u>	<u>4,520,007</u>	<u>1,200,000</u>

During the year £987,432 was recognised as an expense in the profit and loss account in respect of operating leases (2018: £571,186). Not included in the above commitments is £1,155,475 due from a sub-lease on the US North Carolina office for the period 2020 to 2024.

Notes (continued)

16 Post balance sheet events

On 30 January 2020, the World Health Organisation (WHO) announced Coronavirus as a global health emergency, further announcing on 11 March 2020 that Coronavirus was a global pandemic. All employees have been working from home since March 2020. From April 2020, the Group has taken advantage of several COVID-19 stimulus packages offered by the UK, US and Singaporean governments.

As detailed in Note 11, at the year end, the other creditors amount for 2019 includes a convertible loan of £9,112,550 during a funding round that closed September 2019. Conversion to equity was completed 1 April 2020.

The Group received investment from Strategic Partners totalling \$24m with three key industry leaders, two in the US and one in China, issuing a new share class for both this Strategic Partners investment and the convertible loan note

After the year end, the group entered into additional lease agreements with a commitment of £250,058 per annum with a minimum period of 5 years. Note 15, operating expenses, does not include this commitment.

One of the properties rented by the Group is now empty and our intention is to sub-lease that property.

The Company changed its name to Perspectum Limited from Perspectum Diagnostics Limited at Companies House in February 2020.