

Registration number: 07581310

# Igene London Limited

Financial Statements

for the Period from 1 July 2017 to 29 June 2018



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# **Igene London Limited**

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# Igene London Limited

(Registration number: 07581310)

## Balance Sheet as at 29 June 2018

|                                                                | Note | 2018<br>£   | (As restated)<br>2017<br>£ |
|----------------------------------------------------------------|------|-------------|----------------------------|
| <b>Fixed assets</b>                                            |      |             |                            |
| Tangible assets                                                | 4    | 1,740,728   | 1,449,438                  |
| <b>Current assets</b>                                          |      |             |                            |
| Debtors                                                        | 5    | 106,155     | 41,485                     |
| Cash at bank and in hand                                       |      | 63,711      | 291,990                    |
|                                                                |      | 169,866     | 333,475                    |
| <b>Creditors: Amounts falling due within one year</b>          | 6    | (8,025,085) | (7,197,997)                |
| <b>Net current liabilities</b>                                 |      | (7,855,219) | (6,864,522)                |
| <b>Total assets less current liabilities</b>                   |      | (6,114,491) | (5,415,084)                |
| <b>Creditors: Amounts falling due after more than one year</b> | 6    | (503,295)   | -                          |
| <b>Net liabilities</b>                                         |      | (6,617,786) | (5,415,084)                |
| <b>Capital and reserves</b>                                    |      |             |                            |
| Called up share capital                                        |      | 2           | 2                          |
| Profit and loss account                                        |      | (6,617,788) | (5,415,086)                |
| <b>Total equity</b>                                            |      | (6,617,786) | (5,415,084)                |

The notes on pages 3 to 8 form an integral part of these financial statements.

# Igene London Limited

(Registration number: 07581310)

## Balance Sheet as at 29 June 2018 (continued)

The company's annual accounts and reports have been delivered in accordance with the provisions applicable to companies subject to the small companies regime. The directors' report and profit and loss account have therefore not been filed.

The Independent Auditors' Report was qualified and included the following notes on qualification and emphasis of matter:

### Basis for qualified opinion

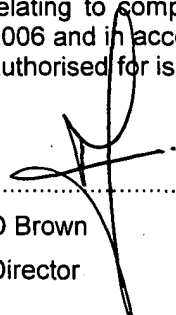
The financial statements of the company included income within administrative expenses amounting to £102,755 arising from a release of provisions extant at the prior period balance sheet date. We were unable to obtain sufficient appropriate audit evidence to support these provisions and the resulting creditor has been partially written back to comparative amounts as a prior period adjustment. Additionally, comparative amounts in respect of fixed assets, trade creditors, cash and bank balances, prepayments, other taxes and social security costs and accruals have all been restated to correct numerous misstatements and errors for which we were unable to obtain sufficient appropriate evidence as to their accuracy or existence. There is no material impact on the result for the current period, however we were unable to determine whether the Statement of Income and Retained Earnings is fairly stated in respect of comparative amounts and whether proper accounting records were maintained.

### Emphasis of matter

We have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The company made a loss of £1,202,702 during the period ended 29 June 2018 and the company's liabilities exceeded its total assets by £6,617,786. These conditions along with other matters explained in note 1 to the financial statements, indicate existence of a material uncertainty which may cast doubt over the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern. Our opinion is not modified in this respect.

The name of the Senior Statutory Auditor who signed the audit report was Scott Sanderson, who signed for and on behalf of Hawsons Chartered Accountants.

These financial statements, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS 102 Section 1A Small Entities, were approved and authorised for issue by the Board on 25/6/19 and signed on its behalf by:

  
D Brown  
Director

The notes on pages 3 to 8 form an integral part of these financial statements.

# **Igene London Limited**

## **Notes to the Financial Statements for the Period from 1 July 2017 to 29 June 2018**

### **1 Accounting policies**

#### **Statutory information**

Igene London Limited is a private company, limited by shares, domiciled in England and Wales, company number 07581310. The registered office is at 30 Watery Street, Sheffield, S3 7ES.

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. There has been no material departure from this standard.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value. The presentation currency is United Kingdom pounds sterling, which is the functional currency of the company. The financial statements are those of an individual entity.

#### **Going concern**

The company made a loss of £1,202,702 during the period ended 29 June 2018 and the company's liabilities exceeded its total assets by £6,617,786. The company is supported by an intercompany loan from the majority shareholder of the parent company and they have written to confirm that they will continue to provide adequate funding to enable Igene London Limited to meet its liabilities and obligations as they fall due for a period of a least 12 months. Therefore, after due consideration of all relevant factors, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts. Income is recognised when services are delivered to the customer.

#### **Tax**

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

#### **Defined contribution pension obligation**

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

# Igene London Limited

## Notes to the Financial Statements for the Period from 1 July 2017 to 29 June 2018 (continued)

### 1 Accounting policies (continued)

#### Prior period errors

Comparative amounts in the financial statements have been restated to remove errors and misstatements arising from amounts included in the prior period financial statements at the balance sheet date for which there is insufficient evidence for their inclusion.

|                                       | Relating to<br>the current<br>period<br>disclosed<br>in these<br>financial<br>statements<br>£ | Relating to<br>the prior<br>period<br>disclosed<br>in these<br>financial<br>statements<br>£ | Relating to<br>periods<br>before the<br>prior<br>period<br>disclosed<br>in these<br>financial<br>statements<br>£ |
|---------------------------------------|-----------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|
| Plant and machinery cost              | -                                                                                             | (86,958)                                                                                    | (269,625)                                                                                                        |
| Plant and machinery depreciation      | -                                                                                             | 23,093                                                                                      | 30,845                                                                                                           |
| Trade creditors                       | -                                                                                             | 15,099                                                                                      | 208,500                                                                                                          |
| Other taxes and social security costs | -                                                                                             | (51,441)                                                                                    | -                                                                                                                |
| Cash at bank and in hand              | -                                                                                             | (6,221)                                                                                     | -                                                                                                                |
| Prepayments                           | -                                                                                             | (6,093)                                                                                     | -                                                                                                                |
| Accruals                              | -                                                                                             | 81,797                                                                                      | -                                                                                                                |
| Retained earnings brought forward     | (8,610)                                                                                       | 69,614                                                                                      | -                                                                                                                |
| Exceptional administrative expenses   | 8,610                                                                                         | (102,755)                                                                                   | -                                                                                                                |
| Loss on disposal of fixed assets      | -                                                                                             | 63,865                                                                                      | 30,280                                                                                                           |

#### Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

| Asset class                   | Depreciation method and rate |
|-------------------------------|------------------------------|
| Short-term leasehold property | Over the life of the lease   |
| Fixtures and fittings         | 10% straight line            |
| Office equipment              | 33.33% straight line         |
| Medical equipment             | 33.33% straight line         |

# Igene London Limited

## Notes to the Financial Statements for the Period from 1 July 2017 to 29 June 2018 (continued)

### 1 Accounting policies (continued)

#### Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

#### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the statement of comprehensive income.

### 2 Loss before tax

Arrived at after charging/(crediting)

|                                                    | 2018            | (As restated)<br>2017 |
|----------------------------------------------------|-----------------|-----------------------|
|                                                    | £               | £                     |
| Depreciation expense                               | 221,388         | 543,385               |
| Impairment loss                                    | -               | 18,190                |
| Auditor's remuneration                             | 7,500           | 7,500                 |
| (Profit)/loss on disposal of tangible fixed assets | <u>(24,263)</u> | <u>94,145</u>         |

### 3 Staff numbers

The average number of persons employed by the company (including directors) during the period, was 27 (2017 - 28).

# Igene London Limited

## Notes to the Financial Statements for the Period from 1 July 2017 to 29 June 2018 (continued)

### 4 Tangible assets

|                               | Short<br>leasehold<br>land and<br>buildings<br>£ | Plant and<br>machinery<br>£ | Furniture,<br>fixture and<br>fittings<br>£ | Total<br>£       |
|-------------------------------|--------------------------------------------------|-----------------------------|--------------------------------------------|------------------|
| <b>Cost or valuation</b>      |                                                  |                             |                                            |                  |
| At 1 July 2017 (as restated)  | 1,379,011                                        | 1,272,100                   | 436,922                                    | 3,088,033        |
| Additions                     | 156,442                                          | 528,000                     | 23,973                                     | 708,415          |
| Disposals                     | -                                                | (254,999)                   | -                                          | (254,999)        |
| At 29 June 2018               | <u>1,535,453</u>                                 | <u>1,545,101</u>            | <u>460,895</u>                             | <u>3,541,449</u> |
| <b>Depreciation</b>           |                                                  |                             |                                            |                  |
| At 1 July 2017 (as restated)  | 368,085                                          | 867,284                     | 403,226                                    | 1,638,595        |
| Charge for the period         | 118,721                                          | 78,398                      | 24,269                                     | 221,388          |
| Eliminated on disposal        | -                                                | (59,262)                    | -                                          | (59,262)         |
| At 29 June 2018               | <u>486,806</u>                                   | <u>886,420</u>              | <u>427,495</u>                             | <u>1,800,721</u> |
| <b>Carrying amount</b>        |                                                  |                             |                                            |                  |
| At 29 June 2018               | <u>1,048,647</u>                                 | <u>658,681</u>              | <u>33,400</u>                              | <u>1,740,728</u> |
| At 30 June 2017 (as restated) | <u>1,010,926</u>                                 | <u>404,816</u>              | <u>33,696</u>                              | <u>1,449,438</u> |

Plant and machinery includes assets with a net book value amounting to £484,440 (2017 - £nil) held under finance lease and hire purchase contracts. Depreciation charged on those assets amounted to £43,560 (2017 - £nil) in the period.

### 5 Debtors

|               | 2018<br>£      | (As restated)<br>2017<br>£ |
|---------------|----------------|----------------------------|
| Trade debtors | 41,162         | 21,524                     |
| Other debtors | -              | 5,966                      |
| Prepayments   | <u>64,993</u>  | <u>13,995</u>              |
|               | <u>106,155</u> | <u>41,485</u>              |

# Igene London Limited

## Notes to the Financial Statements for the Period from 1 July 2017 to 29 June 2018 (continued)

### 6 Creditors

|                                                             | 2018<br>£        | (As restated)<br>2017<br>£ |
|-------------------------------------------------------------|------------------|----------------------------|
| <b>Due within one year</b>                                  |                  |                            |
| Obligations under finance lease and hire purchase contracts | 16,238           | -                          |
| Trade creditors                                             | 165,144          | 25,294                     |
| Amounts owed to related undertakings                        | 7,745,514        | 7,082,148                  |
| Taxation and social security                                | 84,325           | 78,183                     |
| Accruals and deferred income                                | 12,500           | 11,851                     |
| Other creditors                                             | 1,364            | 521                        |
|                                                             | <u>8,025,085</u> | <u>7,197,997</u>           |
|                                                             | 2018<br>£        | 2017<br>£                  |
| <b>Due after one year</b>                                   |                  |                            |
| Obligations under finance lease and hire purchase contracts | <u>503,295</u>   | <u>-</u>                   |

Obligations under finance lease and hire purchase contracts are secured upon the assets financed.

### 7 Financial commitments, guarantees and contingencies

#### Operating leases

As at the balance sheet date, the company had total commitments under non-cancellable operating leases over the remaining term of those leases of £256,116 (2017 - £237,860).

#### Pensions

At the balance sheet date, the total amount included in other creditors in respect of pensions is £1,364 (2017 - £Nil).

#### Amounts disclosed in the balance sheet

Included in the balance sheet are financial commitments of £869,250 (2017 - £Nil).

### 8 Related party transactions

The company incurred uncategorised expenses as advised by an overseas director during the period which are not thought to be identifiable or recoverable. The expenditure was classified as a director's current account within the accounting records. Consequently, a balance of £133,362 has been provided as a doubtful debt in the absence of any detail or evidence to the contrary.

The company has taken advantage of the exemptions available under FRS102 and has not disclosed transactions with group undertakings.

## **Igene London Limited**

### **Notes to the Financial Statements for the Period from 1 July 2017 to 29 June 2018 (continued)**

#### **9 Parent and ultimate parent undertaking**

The company's immediate and ultimate parent undertaking is iGene Sdn Bhd, a company incorporated in Malaysia. Consolidated group accounts can be obtained from Units 3&4, Level 7 Block C MINES Waterfront Business Park, No. 3, Jalan Tasik, MINES Resort City, Seri Kembangan, Selangor, Malaysia, 43300.

#### **10 Non adjusting events after the financial period**

Subsequent to the balance sheet date, the company entered into sale and leaseback contracts to raise finance for working capital. The assets are still used within the company but are now re-financed on terms lasting for four years.