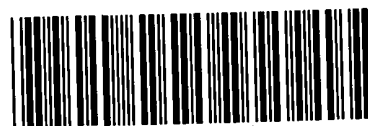


Antidote Technologies Ltd

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2016

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Contents

Company Information	3
Directors' report	4
Statement of directors' responsibilities in respect of the annual report and the financial statements	6
Independent auditor's report to the members of Antidote Technologies Ltd	7
Consolidated Profit and Loss Account and Other Comprehensive Income	9
Consolidated Balance Sheet	10
Company Balance Sheet	11
Company Statement of Changes in Equity	12
Notes	13

Company Information

Directors: P Graiver Brodsky
J Mayo
D Currie
M Ferguson
P Socha
J Hewett
K Lovell

Registered Office: 39 Earlham Street
London
WC2H 9LT

Registered Number: 07611221 (England)

Auditor: KPMG LLP
15 Canada Square
Canary Wharf
London
E14 5GL

Directors' report

Principal activities

The principal activity of the Company during the period was that of developing a search and referral engine for clinical trials, dedicated to making clinical trials easy to find, understand and access.

Review of business

During the year the Group continued to invest in new product development and continues to improve upon the services provided.

Going Concern

The directors have reviewed the financial forecasts of the Group and consider it appropriate to prepare the accounts on a going concern basis as the Group raised new investment of US\$11M in September 2017.

Strategic report

The directors have not prepared a Strategic report as the Company and its subsidiaries are entitled to the special provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Political contributions

Neither the Company nor any of its subsidiaries made any political contributions during the year (2015: £nil).

Proposed dividend

The directors do not recommend the payment of a dividend (2015: £nil).

Directors

The following directors held office during the whole period from 1 January 2016 to the date of this report:

P Graiver Brodsky

J Mayo

D Currie

M Ferguson

P Socha

J Hewett

K Lovell

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

Pablo Graiver
Director

A handwritten signature in black ink, appearing to read 'Pablo Graiver', is written over the printed name and title.

39 Earltam Street
London
WC2H 9LT
29th September 2017

Statement of directors' responsibilities in respect of the annual report and the financial statements

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 they have elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company and its subsidiaries will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and irregularities.

Independent auditor's report to the members of Antidote Technologies Ltd

We have audited the consolidated financial statements of Antidote Technologies Ltd for the year ended 31 December 2016 set out on pages 9 to 23. The financial reporting framework that has been applied in their preparation is applicable law and Section 1a of FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice applicable to smaller Entities)

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the directors are responsible for the preparation of the consolidated financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the consolidated financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the consolidated financial statements

A description of the scope of an audit of consolidated financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on consolidated financial statements

In our opinion the consolidated financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year is consistent with the consolidated financial statements.

Based solely on the work required to be undertaken in the course of the audit of the consolidated financial statements and from reading the Directors' report:

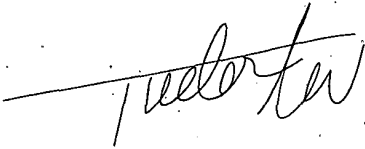
- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the consolidated 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; or
- the directors were not entitled to prepare the consolidated financial statements in accordance with the small companies regime.



Tudor Aw (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

29th September 2017

Consolidated Profit and Loss Account and Other Comprehensive Income *for the year ended 31 December 2016*

	<i>Note</i>	2016 £	2015 £
Turnover	3	2,409,168	2,237,765
Cost of sales		(1,132,856)	(912,334)
Gross profit		1,276,312	1,325,431
Administrative expenses		(4,914,683)	(3,796,167)
Share based payment charge	15	(21,092)	-
Group operating loss		(3,659,463)	(2,470,736)
Other interest receivable and similar income	7	2,198	2,905
Interest payable and similar expenses	8	(1)	(7)
Loss on ordinary activities before taxation		(3,657,266)	(2,467,838)
Tax on loss on ordinary activities	9	375,310	218,480
Loss for the financial year		(3,281,956)	(2,249,358)
Other comprehensive income			
Currency translation differences		-	-
Total comprehensive income for the year		(3,281,956)	(2,249,358)

All results derive from continuing operations.

The loss for the Company for the year was £3,281,956 (2015: £2,249,358).

There are no recognised gains and losses other than those stated above and therefore no separate statement of other comprehensive income has been prepared.

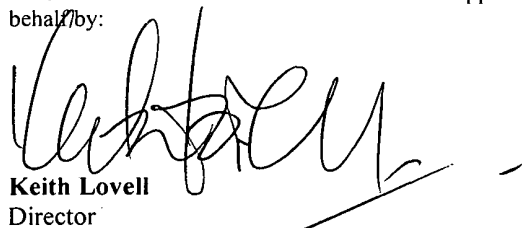
The notes on pages 13 to 23 form part of these consolidated financial statements.

Consolidated Balance Sheet
at 31 December 2016

	Note	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	10		77,042		85,494
			<u>77,042</u>		<u>85,494</u>
Current assets					
Debtors (including £90,300 (2015: £90,300) due after more than one year)	12	1,537,492		1,052,732	
Cash at bank and in hand		2,258,386		1,254,104	
		<u>3,795,878</u>		<u>2,306,836</u>	
Creditors: amounts falling due within one year	13	(638,842)		(442,079)	
Net current assets		<u>3,157,036</u>		<u>1,864,757</u>	
Total assets less current liabilities			<u>3,234,078</u>		<u>1,950,251</u>
Creditors: amounts falling due after more than one year	14	(132,545)		(53,960)	
		<u>(132,545)</u>		<u>(53,960)</u>	
Net assets			<u>3,101,533</u>		<u>1,896,291</u>
Capital and reserves					
Called up share capital	16	45,910		44,975	
Share premium account	16	11,742,603		7,277,433	
Other reserves		21,933		841	
Profit and loss account		(8,708,913)		(5,426,958)	
Shareholders' funds		<u>3,101,533</u>		<u>1,896,291</u>	

The notes on pages 13 to 23 form part of these consolidated financial statements.

These consolidated financial statements were approved by the board of directors on 29th September 2017 and were signed on its behalf by:


Keith Lovell
 Director

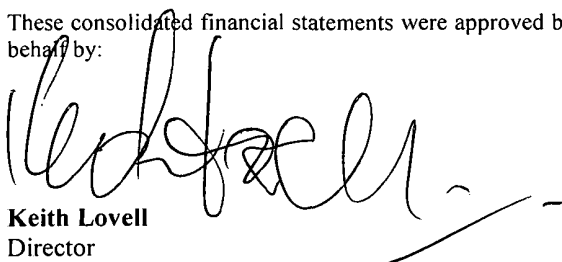
Company registered number: 07611221

Company Balance Sheet
at 31 December 2016

	Note	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	10		60,484		75,393
Investments	11		1		1
			<u>60,485</u>		<u>75,394</u>
Current assets					
Debtors (including £90,300 (2015: £90,300) due after more than one year)	12	1,561,614		1,097,514	
Cash at bank and in hand		2,191,028		1,205,753	
		<u>3,752,642</u>		<u>2,303,267</u>	
Creditors: amounts falling due within one year	13	(579,049)		(428,410)	
Net current assets		<u>3,173,593</u>		<u>1,874,857</u>	
Total assets less current liabilities			<u>3,234,078</u>		<u>1,950,251</u>
Creditors: amounts falling due after more than one year	14	(132,545)		(53,960)	
		<u>(132,545)</u>		<u>(53,960)</u>	
Net assets			<u>3,101,533</u>		<u>1,896,291</u>
Capital and reserves					
Called up share capital	16	45,910		44,975	
Share premium account	16	11,742,603		7,277,432	
Other reserves		21,933		841	
Profit and loss account		(8,708,913)		(5,426,957)	
Shareholders' funds			<u>3,101,533</u>		<u>1,896,291</u>

The notes on pages 13 to 23 form part of these consolidated financial statements.

These consolidated financial statements were approved by the board of directors on 29th September 2017 and were signed on its behalf by:


Keith Lovell
Director

Company registered number: 07611221

Company Statement of Changes in Equity

	Called up Share Capital £	Share Premium account £	Other reserves £	Profit and loss account £	Total equity £
Balance at 1 January 2015	44,299	2,769,108	841	(3,177,601)	(363,353)
	_____	_____	_____	_____	_____
Total comprehensive income for the period					
Loss for the financial year	-	-	-	(2,249,356)	(2,249,356)
Share issue	676	4,508,324	-	-	4,509,000
Expenses of share issue	-	-	-	-	-
	_____	_____	_____	_____	_____
Balance at 31 December 2015 and 1 January 2016	44,975	7,277,432	841	(5,426,957)	1,896,291
	_____	_____	_____	_____	_____
Total comprehensive income for the period					
Loss for the financial year	-	-	-	(3,281,956)	(3,281,956)
Share issue	935	4,499,066	-	-	4,500,001
Expenses of share issue	-	(33,895)	-	-	(33,895)
Share based payment charge	-	-	21,092	-	21,092
	_____	_____	_____	_____	_____
Balance at 31 December 2016	45,910	11,742,603	21,933	(8,708,913)	3,101,533
	=====	=====	=====	=====	=====

Notes

(forming part of the consolidated financial statements)

1 General Information

Antidote Technologies Ltd (the “Company”) together with its subsidiary (the “Group”) provides a search and referral engine for clinical trials, dedicated to making clinical trials easy to find, understand and access. Antidote Technologies Ltd is a private company, limited by shares and incorporated, domiciled and registered in England in the UK. The registered number is 07611221 and the registered address is 39 Earlam Street, London, WC2H 9LT.

2 Accounting policies

These Group and parent company consolidated 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”) Section 1A Small Entities as issued in August 2014. The amendments to FRS 102 issued in July 2015 have been applied. The presentation currency of these consolidated financial statements is sterling. All amounts in the consolidated financial statements have been rounded to the nearest pound.

In the transition to FRS 102 from Financial Reporting Standards for Small Entities (“FRSSE”), the Company has made no measurement and recognition adjustments.

A key point of difference arising from the transition related to share-based payments. The Company has taken advantage of the exemption afforded to it under first time adoption and has not applied Section 26 Share-based Payment to equity instruments granted before the date of transition to FRS 102. The Company evaluated the share-based payment transactions prior to the date of transition and established they are not material.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these consolidated financial statements. On first time adoption of FRS 102, the Company has not retrospectively changed its accounting under Financial Reporting Standards for Small Entities (“FRSSE”) for derecognition of financial assets and liabilities before the date of transition or accounting estimates.

2.1 Measurement convention

The consolidated financial statements are prepared on the historical cost basis and in accordance with the Companies Act 2006 and applicable accounting standards.

2.2 Going concern

The Directors consider it appropriate to prepare the accounts on a going concern basis, since the company has raised further investment funding of US\$11M in September 2017. Based on this funding and working capital forecasts, management consider the company will therefore be able to meet its liabilities as they fall due for the foreseeable future.

2.3 Basis of consolidation

The Group consolidated financial statements contain the financial statements of the company and all its subsidiary undertakings as at 31 December 2016. A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. 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. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group.

Under Section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Notes (continued)

2.4 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for services rendered, net of discounts, rebates and value added taxes. The Group recognises revenue when a) the amount can be reliably measured; (b) it is probable that the economic benefits associated with the transaction will flow to the entity; (c) the stage of completion of the transaction at the end of the reporting period can be measured reliably; and (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

2.5 Foreign currency

Transactions in foreign currencies are translated to the Group and 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. Foreign exchange differences arising on translation are recognised in the profit and loss account.

The assets and liabilities of foreign operations, are translated to the Group's presentational currency, Sterling, at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Foreign exchange differences arising on retranslation are recognised in other comprehensive income.

2.6 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus 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.

2.7 Tangible fixed assets

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

The Group 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:

- plant and equipment - 3 years
- fixtures and fittings - 4 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 Group expects to consume an asset's future economic benefits.

2.8 Intangible assets

Research and development

The Group invested significantly in the development of new products and services in the year. Expenditure on research and development activities is recognised in the profit and loss account as an expense as incurred.

Notes (continued)

2.9 Exemption from preparing a cash flow statement

Exemption has been taken from preparing a cash flow statement under the terms of FRS 102 Section 1A Small Entities.

2.10 Employee benefits

Defined contribution plans

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.

Group Plans

Share-based payment transactions

Share-based payment arrangements in which the entity receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions, regardless of how the equity instruments are obtained by the entity.

Where the entity is part of a group share-based payment plan, it recognises and measures its share-based payment expense on the basis of a reasonable allocation of the expense recognised for the group.

2.11 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 receivable on the taxable 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 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. Deferred tax balances are not discounted.

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.

Notes (continued)

3 Turnover

	2016 £	2015 £
Rendering of services	2,409,168	2,237,765
Total turnover	<u>2,409,168</u>	<u>2,237,765</u>

4 Expenses and auditor's remuneration

Included in the operating loss are the following:

	2016 £	2015 £
Research & development expensed as incurred	1,125,368	659,802

Auditors remuneration:

Audit of these consolidated financial statements	15,000	6,000
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Amounts receivable by the company's auditor and its associates in respect of:

Taxation compliance services	14,756	12,004
Other tax advisory services	5,153	-
Other corporate finance services	10,000	-

5 Staff numbers and costs

Average monthly number of persons employed by the Group during the year:

	2016	2015
Employees including executive directors	34	24

The aggregate payroll costs of these persons were as follows:

	2016 £	2015 £
Wages and salaries	2,660,681	1,856,930
Social security costs	286,684	200,923
Contributions to defined contribution plans	5,217	-
	<u>2,952,582</u>	<u>2,057,853</u>

Notes (continued)

6 Directors remuneration

	2016 £	2015 £
Directors' remuneration	351,856	233,333
Contributions to defined contribution plans	544	-
Amounts paid to third parties in respect of directors' services	64,417	62,459
	<u>416,817</u>	<u>295,792</u>

The remuneration of the highest paid director was £169,920 (2015: £195,000).

7 Other interest receivable and similar income

	2016 £	2015 £
Bank interest received	2,198	2,905
	<u>2,198</u>	<u>2,905</u>

8 Interest payable and similar charges

	2016 £	2015 £
Bank interest paid	1	7
	<u>1</u>	<u>7</u>

9 Taxation

	2016 £	2015 £
Tax credit for the period included in profit and loss account	(375,310)	(218,480)
	<u>(375,310)</u>	<u>(218,480)</u>

Notes (continued)

9 Taxation (continued)

Reconciliation of effective tax rate

	2016 £	2015 £
Loss on ordinary activities before tax	(3,636,174)	(2,467,838)
Tax on loss on ordinary activities at standard CT rate of 20.00%	(727,235)	(493,568)
Expenses not deductible for tax purposes	1,167	22,537
Other permanent differences	15	-
Additional deduction for R&D expenditure	(292,595)	(170,190)
Surrender of tax losses for R&D tax credit refund	142,359	131,960
Adjust closing deferred tax to average rate of 20.00%	196,310	-
Adjust opening deferred tax to average rate of 20.00%	(80,775)	-
Deferred tax not recognised	385,444	290,780
Tax charge/(credit) for the period	(375,310)	(218,480)

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future tax charge accordingly. The deferred tax asset/(liability) at 31 December 2016 has been calculated on these rates.

The Group has accumulated tax losses available for offset against future profits of £6.6m (2015: £4.1m). A deferred tax asset has not been recognised in respect of these losses as there is uncertainty regarding the timing of when these losses will be recovered.

Notes (continued)

10 Tangible fixed assets - Group

	Plant and Equipment £	Fixtures & fittings £	Total £
Cost			
Balance at 1 January 2016	53,403	60,391	113,794
Other acquisitions	21,799	662	22,461
Effect of movements in foreign exchange	2,220	287	2,507
Balance at 31 December 2016	77,422	61,340	138,762
Depreciation and impairment			
Balance at 1 January 2016	26,694	1,606	28,300
Depreciation charge for the year	17,036	15,375	32,411
Effect of movements in foreign exchange	913	96	1,009
Balance at 31 December 2016	44,643	17,077	61,720
Net book value			
At 1 January 2016	26,709	58,785	85,494
At 31 December 2016	32,779	44,263	77,042

Tangible fixed assets - Company

	Plant and Equipment £	Fixtures & fittings £	Total £
Cost			
Balance at 1 January 2016	42,015	58,918	100,933
Other acquisitions	10,312	661	10,973
Balance at 31 December 2016	52,327	59,579	111,906
Depreciation and impairment			
Balance at 1 January 2016	24,278	1,262	25,540
Depreciation charge for the year	10,918	14,964	25,882
Balance at 31 December 2016	35,196	16,226	51,422
Net book value			
At 1 January 2016	17,737	57,656	75,393
At 31 December 2016	17,131	43,353	60,484

Notes (continued)

11 Fixed asset investments - Company

	Shares in group undertakings £
At beginning of year	1
At end of year	1

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

<i>Subsidiary name</i>	Country of Incorporation	Principal Activity	Class of shares held	Percentage of shares held
Antidote Technologies Inc	USA	Support Services	Ordinary	100%

Registered address of Antidote Technologies Inc; C/O NRAI Inc, 160 Greentree DR STE 101, Dover, DE 19904, USA
Profit for the year was £0 (2015: £0). Balance of reserves for the year was £0 (2015: £0).

12 Debtors

	Group 2016 £	2015 £	Company 2016 £	2015 £
Trade debtors	967,541	647,077	967,541	647,077
Amounts owed by group undertakings	-	-	43,700	56,656
Other debtors	107,125	161,447	92,671	156,680
Corporation tax repayable	375,310	218,480	375,310	218,480
Prepayments and accrued income	87,516	25,728	82,392	18,621
	<u>1,537,492</u>	<u>1,052,732</u>	<u>1,561,614</u>	<u>1,097,514</u>
Due within one year	1,447,192	962,432	1,471,314	1,007,214
Due after more than one year	90,300	90,300	90,300	90,300
	<u>1,537,492</u>	<u>1,052,732</u>	<u>1,561,614</u>	<u>1,097,514</u>

13 Creditors: amounts falling due within one year

	Group 2016 £	2015 £	Company 2016 £	2015 £
Trade creditors	77,462	226,257	64,649	215,357
Amounts owed to group undertakings	-	-	-	-
Taxation and social security	129,796	54,348	120,084	54,348
Other creditors	10	10	10	10
Accruals and deferred income	431,574	161,464	394,306	158,695
	<u>638,842</u>	<u>442,079</u>	<u>579,049</u>	<u>428,410</u>

Notes (continued)

14 Creditors: amounts falling after more than one year

	Group 2016 £	2015 £	Company 2016 £	2015 £
Other creditors				
Accruals and deferred income	132,545	53,960	132,545	53,960
	<u>132,545</u>	<u>53,960</u>	<u>132,545</u>	<u>53,960</u>

15 Employee benefits

Defined contribution pension plans

The Group operates a number of defined contribution pension plans for its employees.

The total expense relating to the plans in the current year was £5,217 (2015: £0)

Other long-term benefits

Share options scheme

The Company has established an Enterprise Management Incentive Scheme ("EMI") and an Unapproved Share Option Scheme ("Unapproved"). Generally, options vest over a four-year period, with a one year cliff, and expire on the tenth anniversary from date of grant. Options granted become exercisable on vesting subject to the employee remaining in employment of the group.

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

	Weighted average exercise price 2016	Number of options 2016	Weighted average exercise price 2015	Number of options 2015
Outstanding at the beginning of the year	£0.28729	1,471,318	£0.25000	755,591
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	£0.50000	18,000
Granted during the year	£0.09945	2,384,808	£0.26178	837,512
Expired during the year	£0.25000	124,486	£0.25000	103,785
	<u>£0.16850</u>	<u>3,731,640</u>	<u>£0.28729</u>	<u>1,471,318</u>
Outstanding at the end of the year	£0.16850	3,731,640	£0.28729	1,471,318
	<u>£0.27638</u>	<u>882,725</u>	<u>£0.27792</u>	<u>554,346</u>
Exercisable at the end of the year	£0.27638	882,725	£0.27792	554,346

Notes (continued)

15 Employee benefits (continued)

Share options (continued)

The fair value of services received in return for share options granted are measured by reference to the fair value of share options granted. The fair value of employee share options granted was arrived at by taking into account the price of shares in recent investment rounds together with historic and future expected volatility using a Black-Scholes pricing model.

The total expenses for the year arising from share-based payments are as follows:

	2016	2015
	£	£
Total share based payment expense	21,092	0

16 Capital and reserves

Share capital

	2016	2015
	£	£
<i>Allotted, called up and fully paid;</i>		
4,225,853 ordinary shares of £0.01 each	42,259	42,259
2,220,419 "A" shares of £0.001 each	2,220	2,220
4,955,947 "B" shares of £0.0001 each	496	496
9,355,510 "C" shares of £0.0001 each	935	-
	<u>45,910</u>	<u>44,975</u>

During the year, the Company issued 9,355,510 "C" shares for cash consideration of £4,500,000.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Share premium

	2016	2015
	£	£
Balance brought forward	7,277,432	2,769,108
Premium on shares issued in the year	4,465,171	4,508,324
	<u>11,742,603</u>	<u>7,277,432</u>

Notes (continued)

17 Operating leases

Non-cancellable operating lease rentals are payable as follows:

	Group 2016 £	2015 £	Company 2016 £	2015 £
Less than one year	222,092	170,407	116,393	148,999
Between one and five years	298,890	449,540	297,998	448,648
More than five years	-	-	-	-
	<u>520,982</u>	<u>619,947</u>	<u>414,391</u>	<u>597,647</u>

During the year £286,074 was recognised as an expense in the profit and loss account in respect of operating leases (2015: £263,613).

The Group had no other off-balance sheet commitments.

18 Related parties

Identity of related parties with which the Group has transacted

There are no related party transactions other than those noted below with key management personnel.

Transactions with key management personnel

Total compensation of key management personnel in the year amounted to £352,400 (2015: £233,333).

19 Ultimate parent company and parent company of larger group

No other group financial statements include the results of the Company.

20 Subsequent events

Subsequent to the balance sheet date a funding round was completed with both new and existing investors taking part and US\$11M was raised.