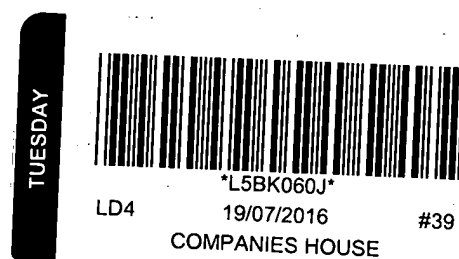


Financial Statements

Seren Medical Limited

For the year ended 31 March 2016



Registered number: 04825121

Seren Medical Limited

Company Information

Directors	J Davies-Scourfield R H Davies
Company secretary	Jennifer Davies-Scourfield
Registered number	04825121
Registered office	Spring Gardens Whitland Carmarthenshire SA34 0HR

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Directors' Report

For the year ended 31 March 2016

The directors present their report and the financial statements for the year ended 31 March 2016.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company financial statements and then apply them consistently;
- make judgments and accounting 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 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 Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who served during the year were:

J Davies-Scourfield
R H Davies

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditors

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Directors' Report

For the year ended 31 March 2016

Small Companies Note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 14 July 2016 and signed on its behalf.

J. Davies-Scourfield.

J Davies-Scourfield
Director

Independent Auditor's Report to the Shareholders of Seren Medical Limited

We have audited the financial statements of Seren Medical Limited for the year ended 31 March 2016, which comprise the Profit and loss account, the Balance sheet, the Statement of changes in equity, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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, the directors are responsible for the preparation of the 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 financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

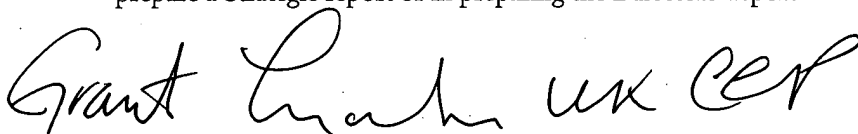
In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements and the directors' report has been prepared in accordance with applicable legal requirements.

Independent Auditor's Report to the Shareholders of Seren Medical Limited

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 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 take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Directors' report.



Rhian Owen (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Chartered Accountants

Statutory Auditor

Cardiff

Date:

14 July 2016

Profit and Loss Account

For the year ended 31 March 2016

		2016 £	2015 £
Administrative expenses		<u>(4,526)</u>	<u>(1,105)</u>
Operating loss		(4,526)	(1,105)
Tax on loss	3	<u>1,971</u>	<u>3,004</u>
(Loss)/profit for the year		<u>(2,555)</u>	<u>1,899</u>

The notes on pages 9 to 14 form part of these financial statements.

Balance Sheet

As at 31 March 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	5	-	4,405
		-	4,405
Current assets			
Debtors: amounts falling due within one year	6	-	12,860
Cash at bank and in hand	7	22,414	7,704
		22,414	20,564
Creditors: amounts falling due within one year	8	(22,412)	-
Net current assets		2	20,564
Total assets less current liabilities		2	24,969
Net assets		2	24,969
Capital and reserves			
Called up share capital	10	2	2
Profit and loss account	11	-	24,967
		2	24,969

The Company's financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14/7/16

J. Davies-Scourfield

J Davies-Scourfield
Director

The notes on pages 9 to 14 form part of these financial statements.

Statement of Changes in Equity

For the year ended 31 March 2016

	Share capital £	Retained earnings £	Total equity £
At 1 April 2015	2	24,967	24,969
Comprehensive income for the year			
Loss for the year	-	(2,555)	(2,555)
Total comprehensive income for the year	-	(2,555)	(2,555)
Dividends: Equity capital	-	(22,412)	(22,412)
Total transactions with owners	-	(22,412)	(22,412)
At 31 March 2016	2	-	2

Statement of Changes in Equity

For the year ended 31 March 2015

	Share capital	Retained earnings	Total equity
	£	£	£
At 1 April 2014	2	39,663	39,665
Comprehensive income for the year			
Profit for the year	-	1,899	1,899
Total comprehensive income for the year	-	1,899	1,899
Dividends: Equity capital	-	(16,595)	(16,595)
Total transactions with owners	-	(16,595)	(16,595)
At 31 March 2015	2	24,967	24,969

The notes on pages 9 to 14 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 March 2016

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

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

The following principal accounting policies have been applied:

1.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of The Magstim Company Limited as at 31 March 2016 and these financial statements may be obtained from Spring Gardens, Whitland, SA34 0HR.

1.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Plant and machinery	- 10% on a straight line basis
Fixtures and fittings	- 10% on a straight line basis
Computer equipment	- 30% on a straight line basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Income Statement.

Notes to the Financial Statements

For the year ended 31 March 2016

1. Accounting policies (continued)

1.4 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

1.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.7 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

1.8 Creditors

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

1.9 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

1.10 Taxation

Tax is recognised in the Profit and loss account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Notes to the Financial Statements

For the year ended 31 March 2016

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

Many of the amounts included in the financial statements involve the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimation is contained in the accounting policies and/or the notes to the financial statements. The key areas are summarised below:

Depreciation

The company exercises judgement to determine useful lives and residual values of tangible fixed assets. The assets are depreciated down to their residual values over their estimated useful lives.

Provision for trade debtors

Provisions have been made for potential trade debtors which will not be collected. This provision is an estimate based on management's understanding, knowledge of customers and historic trends.

3. Taxation

	2016 £	2015 £
Corporation tax		
Adjustments in respect of previous periods	(1,971)	(3,004)
	<u>(1,971)</u>	<u>(3,004)</u>
Total current tax	<u>(1,971)</u>	<u>(3,004)</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2015 - lower than) the standard rate of corporation tax in the UK of 20% (2015 - 20%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	(4,526)	(1,105)
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20%)	(905)	(221)
Effects of:		
Deferred tax unprovided	905	221
Adjustments in respect of prior periods	(1,971)	(3,004)
Total tax charge for the year	<u>(1,971)</u>	<u>(3,004)</u>

Notes to the Financial Statements

For the year ended 31 March 2016

4. Dividends

	2016 £	2015 £
Dividends	22,412	16,595
	<u>22,412</u>	<u>16,595</u>

5. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2015	7,324	1,800	1,500	10,624
At 31 March 2016	<u>7,324</u>	<u>1,800</u>	<u>1,500</u>	<u>10,624</u>
Depreciation				
At 1 April 2015	4,503	403	1,313	6,219
Charge owned for the period	367	187	179	733
Impairment charge	2,454	1,210	8	3,672
At 31 March 2016	<u>7,324</u>	<u>1,800</u>	<u>1,500</u>	<u>10,624</u>
At 31 March 2016	-	-	-	-
At 31 March 2015	<u>2,821</u>	<u>1,397</u>	<u>187</u>	<u>4,405</u>

6. Debtors

	2016 £	2015 £
Other debtors	-	12,860
	<u>-</u>	<u>12,860</u>

Notes to the Financial Statements

For the year ended 31 March 2016

7. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	22,414	7,704
	<u>22,414</u>	<u>7,704</u>

8. Creditors: Amounts falling due within one year

	2016 £	2015 £
Amounts owed to group undertakings	22,412	-
	<u>22,412</u>	<u>-</u>

9. Financial instruments

	2016 £	2015 £
Financial assets		
Financial assets measured at fair value through profit or loss	22,414	20,564
	<u>22,414</u>	<u>20,564</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(22,412)	-
	<u>(22,412)</u>	<u>-</u>

Financial assets measured at amortised cost comprise of cash and other debtors.

Financial liabilities measured at amortised cost comprise of amounts owed to group undertakings.

10. Share capital

	2016 £	2015 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

Notes to the Financial Statements

For the year ended 31 March 2016

11. Reserves

Profit and loss account

The profit and loss account includes all current and prior period profits and losses.