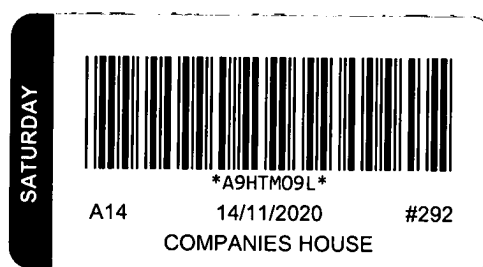


Financial Statements Congenica Ltd

For the year ended 31 December 2019



Company No. 08273616

Congenica Ltd

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Financial statements for the year ended 31 December 2019

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Congenica Ltd

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Financial statements for the year ended 31 December 2019

Company information

Company registration number:	08273616
Registered office:	c/o Taylor Vinters Merlin Place Milton Road Cambridge Cambridgeshire CB4 0DP
Directors:	Andy Richards David Atkins Nicholas Lench Matthew Hurles Michael Anstey Alastair Kilgour Pierre Socha (resigned 16 April 2019) Shi Wenzhao (appointed 2 April 2019) Heiner Dreismann (appointed 1 December 2019)
Bankers:	Barclays 54 Cornmarket Street Oxford OX1 3HB
Auditor:	Grant Thornton UK LLP 101 Cambridge Science Park Milton Road Cambridge CB4 0FY

Congenica Ltd

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Financial statements for the year ended 31 December 2019

Strategic report

Principal activities

The vision of Congenica Ltd (the “company”) and its subsidiaries (together the “group”) is to be the global leader in providing software-based interpretation platforms for all clinical use of complex genomic data for characterising and diagnosing disease and for maintenance of wellness. The company is developing software platforms that will become simpler to use and will be integrated as central components in the Electronic Health Records of health care systems around the world. The company and the group have developed and currently commercialises Congenica™, a clinical genomic analytics platform for processing genome wide data sets of human clinical phenotype and genotype information.

Business review

Series B Fundraising

In a further continuation of the Series B round signed in Q4 2018, £2.0m of additional funding was raised in April 2019. This combined with the £4.85m second close on the fund raise in Q4 2018, led to 4,405,710 A and B shares being issued in March and April 2019. In Q4 2019 a further 1,671,523 shares were issued with an additional £2.4m received before year end. Associated legal fees of £56,404 were incurred in securing the above gross funds.

Commercial progress

During the year, Congenica was successful in securing contract renewals with existing customers as well as winning sixteen new customer contracts, generating a 48% increase in revenue over the prior year. We have currently been unaffected by Brexit, but continue to monitor the situation.

UK National Genomic Medicine Service

Following the 2018 exclusive award of the Genomics England contract for its Clinical Decision Support Service for the delivery of the NHS Genomic Medicine Service, Congenica has continued to develop its platform and received £0.8m of development milestone payments. The system is anticipated to “go live” in Q3 2020 and the third annual licence fee was invoiced in July 2020 and expect increased sample processing throughput in Q4 2020.

Growth of operations in the US

Following the securing of New York Genome Centre and the New York Institute of Basic Research as new customers in 2019 Congenica continued to build its US commercial and customer support staff to drive expansion in the territory and contracted with two new customers; Rainbow Genomics and University of Connecticut Health.

Establishment of operations in China

Congenica continued to work closely with strategic partner Digital China Health Technologies Corporation Limited on market opportunities in China.

Research and development

R&D activity has focused on improving and augmenting our product, including delivery of an on-premise solution for customers.

Congenica Ltd

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Financial statements for the year ended 31 December 2019**Strategic report (continued)**

During the year work on the proof of concept for our Next Generation Prenatal Sequencing project was completed with two GB patent filings receiving granted status in 2019. Congenica continued to develop its data strategy and began to use advanced statistical methods to enhance the analytical capability of its core platform.

Marketing

In 2019 the software was rebranded to Congenica™ from Sapientia™. Congenica continues to publish many white papers and other research works in respected international journals. Congenica also hosted, very well attended, webinars presented by both customers and staff.

Regulatory matters

During the year, Congenica maintained its certification in ISO 13485:2016, a quality management system for medical devices that supports comprehensive policies and processes across the business.

Board changes

In April 2019, Shi Wenzhao was appointed to the Board to represent the interests of Digital China Health Technologies Corporation and Pierre Socha resigned from the board.

In December 2019, Heiner Dreismann was appointed to the Board as an independent non-executive director.

Strengthening of the Senior Leadership Team

During the year the group significantly strengthened its Senior Leadership Team with the appointment of Robert Denison as Chief Information Officer. In addition, it recruited senior sales executive Mike Buhle to drive commercialisation in the Americas, and Freddie Sharkey as Oncology Business Unit Lead.

COVID-19 pandemic

This has impacted the business in a number of areas:

- travel restrictions have led to a change in our ways of working and marketing the business. Our staff have adapted extremely well and the majority of the conferences we attend and present at have continued in a virtual format;
- quarantines and lockdowns have not directly affected the business, but have adversely impacted some of our customer base. In particular the re-purposing of medical staff to coronavirus related activity has reduced the use of our software; and
- government initiatives to support individuals and businesses have not been suitable for Congenica and we chose not to furlough any staff.

Congenica Ltd

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Financial statements for the year ended 31 December 2019**Strategic report (continued)****Results and position of the business**

Congenica's revenue in the year increased 48% on the previous 12-month period, amounting to £1,676,251 (2018: £1,130,211). This was supplemented by other income of £323,156 (2018: £89,663); predominantly arising from an Innovate UK grant.

After the costs of database license fees, computer infrastructure costs and sequencing costs, the gross profit for the year was £780,423 (2018: £158,923).

R&D costs totalled £2,745,491 (2018: £1,575,984), consisting of staff costs associated with the development of the core decision support software platform and the associated bioinformatic sequencing analysis pipeline, as well as the staff and infrastructural costs of the laboratory facility. Administrative expenses were £7,463,762 (2018: £5,595,913). This resulted in a loss after tax for the year of £8,322,363 (2018: £5,446,659).

Key performance indicators

The group raised further funding during 2019 totalling £9,194,873 (net of issue costs) and as at 31 December 2019, the cash and short-term deposits balance available to the group for investment during 2020 amounted to £6.6m.

The average monthly number of employees is considered a KPI of the group, with the expectation of this to increase for the foreseeable future as part of the long-term strategy. Including executive directors, the average monthly number of employees was as follows:

	Year ended 31 Dec 2019 Number	Year ended 31 Dec 2018 Number
Management, administrative, operations and marketing	34.7	42.0
Research and development	33.3	25.1
	68.0	67.1

Principal risks and uncertainties**Failure to recruit and retain talented staff**

The contribution made by Congenica's highly skilled and dedicated staff has been, and will continue to be, essential to our future success. We aim to provide employees with a positive, healthy and stimulating work environment where they are rewarded and recognised for their contributions.

Failure to protect intellectual property (IP) rights

At the core of Congenica is a broad portfolio of IP, know-how, and expertise built up over more than ten years of research at the Wellcome Trust Sanger Institute (WTSI). Through exclusive licensing agreements with the WTSI and UK Department of Health, Congenica has access to this IP and full freedom to operate, thus providing the group with a significant competitive advantage.

Congenica Ltd

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Financial statements for the year ended 31 December 2019

Strategic report (continued)

Cybersecurity risks resulting in loss of data or Congenica web-interface inaccessibility

Congenica's software is served in a cloud environment and clients' anonymised clinical and genomic data is stored within our servers. No patient data is personally identifiable. We monitor evolving threats and anticipate risks, improving our security systems as necessary. Physical and software safeguards are in place and we gain protection through third party providers. During the period we carried out an internal security audit and penetration testing of our systems. We maintain, review and continually improve, the controls and procedures required under our ISO27001 certification.

Increased competition

The market for the provision of genomic data solutions is fragmented and competitive. We operate a continuous commitment to product differentiation through innovation and product quality improvements. Our well-connected staff maintain close relationships with customers and industry leaders and monitor competitor developments.

COVID-19 impact

The potential for a re-emergence of serious COVID-19 outbreaks in areas where our customers operate could lead to a re-direction of the medical teams that routinely use our product.

Future developments and outlook

Congenica is well-placed to build the talent and infrastructure required to support our ambitious international expansion plans and develop further novel tools to ensure our technology remains at the forefront of the industry.

Approved by the board of directors and signed on behalf of the board on 25 September 2020.



David Atkins
Chief Executive Officer and Director

Congenica Ltd

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Financial statements for the year ended 31 December 2019

Directors' report

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

Pages 1-6 inclusive (together with the sections of the annual report incorporated by reference) consist of a Strategic report that has been drawn up and presented in accordance with and in reliance upon applicable English company law and the liabilities of the directors in connection with that report shall be subject to the limitations and restrictions provided by such law.

The following additional disclosures to be included in the Directors' report are made in compliance with the Companies Act 2006.

Likely future developments

The outlook for the business and likely future developments are outlined in the Strategic report on page 6 and are incorporated in the Directors' report by cross-reference.

Research and development activities

A description of the group's R&D activities is given in the Strategic report on pages 3-4 and is incorporated in the Directors' report by cross-reference.

Financial instruments

The group's financial risk management objectives and policies, including the policy for managing the group's exposure to foreign exchange risk, price risk, credit risk, liquidity risk and cash flow risk, are given in note 20 to the financial statements.

Information on the principal risks and uncertainties and how they are managed by the group is included in the Strategic report on page 5-6.

Directors

The directors of the company who were in office during the period and up to the date of signing the financial statements are as shown on page 2.

Qualifying third party indemnity provisions

The company has made qualifying third-party indemnity provisions for the benefit of its directors which were made during the reporting period and these remain in force at the date of this report.

Going concern

During the year, the group incurred a loss after tax of £8,322,363 (2018: £5,446,659). The group expects to continue to invest and incur losses before its technology and the market matures. The impact of COVID-19 on the group's forecast revenues and cashflows may be significant and is highly uncertain.

The group was able to raise further funding in 2019 totalling £9,194,872 after legal fees and as at 31 December 2019, the cash and short-term deposits balances available to the group was £6,590,984, however are not sufficient to cover the next 12 months of planned investment. This together with the factors above, indicate the existence of a material uncertainty which may cast significant doubt on the group's ability to continue as going concern.

Congenica Ltd

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Financial statements for the year ended 31 December 2019

Directors' report (continued)

To enable the group to continue these activities and to meet its liabilities as they fall due, it will utilise cash from recurring revenue streams, grant income, R&D tax credits and will also require the introduction of a minimum of £8m of capital via the issue of new equity from existing and new shareholders. This process is reaching a conclusion and includes committed funds from existing shareholders in excess of this requirement. Based on this, the board consider that the going concern basis remains appropriate.

Statement of directors' responsibilities

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law including International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the directors must not approve the financial statements unless they give a true and fair view of the state of affairs and profit or loss of the company and group 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 accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's transactions and disclose with reasonable accuracy at any time the financial position of the group 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.

The directors in office at the date the Directors' report is approved confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, has indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

Congenica Ltd

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Financial statements for the year ended 31 December 2019

Directors' report (continued)

On behalf of the Board

A handwritten signature in black ink, appearing to read 'David Atkins', with a stylized, cursive script.

David Atkins
Chief Executive Officer and Director
25 September 2020

Congenica Ltd

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Financial statements for the year ended 31 December 2019

Independent auditor's report to the members of Congenica Limited

Opinion

We have audited the financial statements of Congenica Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2019, which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated and company balance sheets, the consolidated and company statements of changes in equity and the consolidated and company cash flow statements, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2019 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements 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 under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the parent company's and group's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the parent company's and group's future

Congenica Ltd

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Financial statements for the year ended 31 December 2019

Independent auditor's report to the members of Congenica Limited (continued)

prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a parent company and group associated with these particular events.

Material uncertainty related to going concern

We draw attention to note 4 in these financial statements, which indicates that the group has incurred a loss after tax for the year of £8,322,363 and is expecting future losses. Current cash balances are insufficient to fund forecast net expenditure, and additional fundraising to address this is ongoing but not yet finalised. As stated in note 4, these events and conditions, along with other matters as set forth in note 4, indicate that a material uncertainty exists that may cast significant doubt on the group's and parent company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

Congenica Ltd

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Financial statements for the year ended 31 December 2019

Independent auditor's report to the members of Congenica Limited (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us 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.

Responsibilities of directors for the financial statements

As explained more fully in the Statement of directors' responsibilities, set out on page 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent 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 the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Congenica Ltd

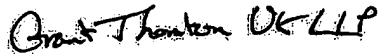
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Financial statements for the year ended 31 December 2019

Independent auditor's report to the members of Congenica Limited (continued)

Use of our report

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.



Adam Smith BA (Hons) BFP FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Cambridge
25 September 2020

Congenica Ltd

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Financial statements for the year ended 31 December 2019**Consolidated income statement**

		Year ended 31 Dec 2019	Year ended 31 Dec 2018
	Notes	£	£
Revenue	6	1,676,251	1,130,211
Cost of sales		(895,828)	(971,288)
Gross profit		780,423	158,923
Other income	7	323,156	89,663
Administrative expenses		(7,463,462)	(5,595,913)
Research and development costs		(2,745,491)	(1,575,984)
Operating loss		(9,105,374)	(6,923,311)
Finance income	11	2,956	8,428
Finance costs	18	(19,135)	-
Loss before tax	8	(9,121,553)	(6,914,883)
Taxation	12	799,190	1,468,224
Loss for the year and total comprehensive loss attributable to the equity shareholders of Congenica Ltd		(8,322,363)	(5,446,659)

All of the activities of the group in the current and preceding years are classed as continuing.

Consolidated statement of comprehensive income

	Year ended 31 Dec 2019	Year ended 31 Dec 2018
	£	£
Loss for the year	(8,322,363)	(5,446,659)
Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent years		
Exchange differences on translation of foreign operations	(1,796)	4,862
Other comprehensive (loss)/income for the year	(1,796)	4,862
Total comprehensive loss for the year	(8,324,159)	(5,441,797)

The accompanying accounting policies and notes form part of these financial statements.

Congenica Ltd

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Financial statements for the year ended 31 December 2019**Balance sheets**

	Notes	Consolidated		Company	
		31 Dec 2019	31 Dec 2018	31 Dec 2019	31 Dec 2018
		£	£	£	£
Non-current assets					
Intangible assets	13	–	645	–	645
Property, plant and equipment	14	331,785	295,191	331,785	295,191
Investments	15	–	–	15,559	15,559
		331,785	295,836	347,344	311,395
Current assets					
Trade and other receivables	16	841,796	864,991	933,188	881,674
Cash and cash equivalents		5,590,984	5,456,108	5,573,348	5,417,240
Short-term deposits		1,000,000	–	1,000,000	–
Inventory		22,258	7,592	22,258	7,592
Corporation tax receivable		1,430,336	621,341	1,430,336	621,341
		8,885,374	6,950,032	8,959,130	6,927,847
Total assets		9,217,159	7,245,868	9,306,474	7,239,242
Current liabilities					
Trade and other payables	17	(1,786,623)	(1,217,369)	(1,885,535)	(1,227,431)
Net current assets		7,098,753	5,732,663	7,073,595	5,700,416
Total assets less current liabilities being net assets		7,430,536	6,028,499	7,420,939	6,011,811
Equity					
Share capital	19	32,323	26,246	32,323	26,246
Share premium account	19	28,278,105	19,089,310	28,278,105	19,089,310
Share based payment reserve	21	553,288	–	553,288	–
Translation reserve	19	11,036	12,832	–	–
Retained earnings		(21,444,216)	(13,099,889)	(21,442,777)	(13,103,745)
Issued capital and reserves attributable to equity shareholders of Congenica Ltd		7,430,536	6,028,499	7,420,939	6,011,811

As permitted by Section 408 of the Companies Act 2006, the company has elected not to present its own Statement of comprehensive income for the year. Congenica Ltd reported a loss for the financial year ended 31 December 2019 of £8,317,067 (2018: £5,440,615).

These financial statements were approved by the board of directors and authorised for issue on 25 September 2020. They were signed on its behalf by:

The accompanying accounting policies and notes form part of these financial statements.

Congenica Ltd

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Financial statements for the year ended 31 December 2019

A handwritten signature in black ink, appearing to read 'David Atkins', with a stylized, cursive script.

David Atkins
Chief Executive Officer and Director

The accompanying accounting policies and notes form part of these financial statements.

Congenica Ltd

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Financial statements for the year ended 31 December 2019**Consolidated statement of changes in equity**

	Share capital £	Share premium account £	Share based payment reserve £	Translation reserve £	Retained earnings £	Total equity £
Balance at 31 December 2017	22,003	12,728,530	–	7,970	(7,653,230)	5,105,273
Transactions with owners:						
Issue of share capital	4,243	6,360,780	–	–	–	6,365,023
Loss for the year	–	–	–	–	(5,446,659)	(5,446,659)
Other comprehensive income	–	–	–	4,862	–	4,862
Total comprehensive loss for the year	–	–	–	4,862	(5,446,659)	(5,441,797)
Balance at 31 December 2018	26,246	19,089,310	–	12,832	(13,099,889)	6,028,499
Credit to equity for share based payments	–	–	553,288	–	(21,965)	531,323
Issue of share capital, net of issue costs	6,077	9,188,795	–	–	–	9,194,872
Total transactions with owners	6,077	9,188,795	553,288	–	(21,965)	9,726,196
Loss for the year	–	–	–	–	(8,322,363)	(8,322,363)
Other comprehensive loss	–	–	–	(1,796)	–	(1,796)
Total comprehensive loss for the year	–	–	–	(1,796)	(8,322,363)	(8,324,159)
Balance at 31 December 2019	32,323	28,278,105	553,288	11,036	(21,444,216)	7,430,536

Company statement of changes in equity

	Share capital £	Share premium account £	Share based payment reserve £	Retained earnings £	Total equity £
Balance at 31 October 2017	22,003	12,728,530	–	(7,663,130)	5,087,403
Transactions with owners:					
Issue of share capital	4,243	6,360,780	–	–	6,365,023
Loss and total comprehensive loss for the year	–	–	–	(5,440,615)	(5,440,615)
Balance at 31 December 2018	26,246	19,089,310	–	(13,103,745)	6,011,811
Credit to equity for share based payments	–	–	553,288	(21,965)	531,323
Issue of share capital, net of issue costs	6,077	9,188,795	–	–	9,194,872
Total transactions with owners	6,077	9,188,795	553,288	(21,965)	9,726,195
Loss and total comprehensive loss for the year	–	–	–	(8,317,067)	(8,317,067)
Balance at 31 December 2019	32,323	28,278,105	553,288	(21,442,777)	7,420,939

The accompanying accounting policies and notes form part of these financial statements.

Congenica Ltd

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Financial statements for the year ended 31 December 2019

Cash flow statements

	Notes	Consolidated		Company	
		Year ended 31 Dec 2019	Year ended 31 Dec 2018	Year ended 31 Dec 2019	Year ended 31 Dec 2018
		£	£	£	£
Loss before tax		(9,121,553)	(6,914,883)	(9,126,063)	(6,909,307)
Finance income	11	(2,956)	(8,428)	(2,954)	(8,428)
Finance costs	18	19,135	—	19,135	—
Operating loss for the year		(9,105,373)	(6,923,311)	(9,109,882)	(6,917,735)
Adjustments for:					
Depreciation of property, plant and equipment	14	245,310	128,806	245,310	128,806
Amortisation of intangible assets	13	645	805	645	805
Share-based payment charge	21	531,323	—	531,323	—
Net foreign exchange losses		61,204	25,194	55,062	25,224
Operating cash flows before movements in working capital		(8,266,890)	(6,768,506)	(8,277,542)	(6,762,900)
Decrease/(increase) in receivables		7,574	(447,408)	(67,134)	(464,091)
Increase in payables		513,333	508,299	608,324	499,769
(Increase) in inventory		(14,666)	(7,592)	(14,666)	(7,592)
Cash used in operations		(7,760,649)	(6,710,207)	(7,751,018)	(6,734,814)
Income taxes (paid)/received		(9,805)	846,883	—	847,351
Net cash outflow from operating activities		(7,770,445)	(5,868,324)	(7,751,018)	(5,887,463)
Investing activities					
Interest received		2,956	8,428	2,954	8,428
Purchase of property, plant and equipment		(103,902)	(45,971)	(103,902)	(45,971)
Movements in short term deposits		(1,000,000)	2,000,000	(1,000,000)	2,000,000
Net cash (used in) / generated from investing activities		(1,100,946)	1,962,457	(1,100,948)	1,962,457
Financing activities					
Proceeds on issue of shares		9,242,356	6,365,023	9,242,356	6,365,023
Payment for share issuance costs		(47,484)	—	(47,484)	—
Repayment of lease liability		(135,820)	—	(135,820)	—
Net cash from financing activities		9,059,052	6,365,023	9,059,052	6,365,023
Net increase in cash and cash equivalents		187,652	2,459,156	207,088	2,440,017
Cash and cash equivalents at beginning of year		5,456,108	3,007,482	5,417,240	2,992,615
Effect of foreign exchange rates on cash and cash equivalents		(52,775)	(10,530)	(59,980)	(15,392)
Cash and cash equivalents at end of period		5,590,984	5,456,108	5,573,348	5,417,240

The accompanying accounting policies and notes form part of these financial statements.

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Financial statements for the year ended 31 December 2019

Notes to the financial statements

1 Nature of operations

The principal activity of the company and its subsidiaries (together the Group) during the year was to develop and commercialise a clinical genomic analytics platform for processing genome wide data sets of human clinical phenotype and genotype information.

2 General information and statement of compliance with IFRSs

Congenica Ltd is a private limited liability company incorporated and domiciled in England. Its registered office is c/o Taylor Vinters, Merlin Place, Milton Road, Cambridge, Cambridgeshire, CB4 0DP and its principal place of business is Biodata Innovation Centre, Wellcome Genome Campus, Hinxton, Cambridge, CB10 1DR.

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

The financial statements for the period ended 31 December 2019 (including comparatives) were approved and authorised for issue by the board of directors on 25 September 2020 (see note 26).

3 Changes in accounting policies

New standards, amendments and interpretations adopted by the group

For the purposes of these financial statements, the Group has applied all standards and interpretations that are effective for accounting periods beginning on or after 1 January 2019.

The Group has adopted IFRS 16 'Leases' with effect from 1 January 2019. The adoption of this new standard results in the Group recognising a right-of-use asset and related lease liability in connection with all former operating leases except for those identified as low-value or having a life of less than 12 from the date of initial application.

The new standard has been applied using the modified retrospective approach with any cumulative effect of adopting IFRS 16 being recognised in equity as an adjustment to the opening balance of retained earnings for the current year. Prior periods are not required to be restated. At the date of the transition of 1 January 2019, all properly leases held were less than 12 months to expiry.

For contracts in place at the date of initial application, the Group has elected to apply the definition of a lease from IAS 17 and IFRIC 4 and has not applied IFRS 16 to arrangements that were previously not identified as lease under IAS 17 and IFRIC 4.

On transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for leases of low-value assets the Group has applied the optional exemptions to not recognise right-of-use assets but to account for the lease expense on a straight-line basis over the remaining lease term.

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Financial statements for the year ended 31 December 2019**Notes to the financial statements****3** Changes in accounting policies (continued)

The following is a reconciliation of total operating lease commitments at 31 December 2018 to the lease liabilities recognised at 1 January 2019:

	£
Total operating lease commitments as at 31 December 2018	221,030
Recognition exemption - short-term leases	(17,300)
Operating lease liabilities before discounting	203,730
Discount on lease liabilities using incremental borrowing rate	(25,727)
Total lease liabilities recognised under IFRS 16 at 1 January 2019	178,003

Standards and interpretations currently in issue but not yet effective

No new standards, amendments or interpretations to existing standards that have been published and that are mandatory for the Group's accounting periods beginning on or after 1 January 2020, or later periods, have been adopted early.

4 Summary of significant accounting policies

Basis of accounting

These financial statements are for the year ended 31 December 2019. They have been prepared in accordance with the accounting policies set out below which are based on the recognition and measurement principles of IFRS as adopted by the European Union (EU) and are effective at 31 December 2019.

These financial statements have been prepared under the historical cost convention.

Consolidation

The consolidated financial statements incorporate the financial statements of the company and entities controlled by the company. Control is achieved when the company has power over the entity and the ability to use its power to affect the returns it receives from its involvement with the entity. All intra-group transactions, balances, equity, income and expenses are eliminated on consolidation.

Going concern

During the year, the group incurred a loss after tax of £8,322,363 (2018: £5,446,659). The group expects to continue to invest and incur losses before its technology and the market matures. The impact of COVID-19 on the group's forecast revenues and cashflows may be significant and is highly uncertain.

The group was able to raise further funding in 2019 totalling £9,194,872 after legal fees and as at 31 December 2019, the cash and short-term deposits balances available to the group was £6,590,984, however are not sufficient to cover the next 12 months of planned investment. This together with the factors above, indicate the existence of a material uncertainty which may cast significant doubt on the group's ability to continue as going concern.

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Financial statements for the year ended 31 December 2019

Notes to the financial statements

4 Summary of significant accounting policies (continued)

To enable the group to continue these activities and to meet its liabilities as they fall due, it will utilise cash from recurring revenue streams, grant income, R&D tax credits and will also require the introduction of a minimum of £8m of capital via the issue of new equity from existing and new shareholders. This process is reaching a conclusion, albeit not yet finalised, and includes committed funds from existing shareholders in excess of this requirement. Based on this, the board consider that the going concern basis remains appropriate.

Foreign currency translation

For the purposes of the consolidated financial statements, the results and financial position of each group company are expressed in sterling, which is the functional currency of the parent company and the reporting currency for the consolidated financial statements.

Foreign currency transactions in the individual companies are booked in the functional currency of that entity at the exchange rate ruling at the date of the transaction. Foreign currency monetary assets and liabilities are retranslated into their functional currency at the rates of exchange ruling at the balance sheet date. Exchange differences are included in the consolidated income statement in the period in which they arise.

On consolidation, the results and cash flows of overseas subsidiaries are translated into sterling using the average exchange rates during the period, and the balance sheets translated at the rates ruling at the balance sheet date. Exchange differences arising on this translation are classified as equity and recognised in the translation reserve.

Revenue and income recognition

Revenue comprises (i) license fees for access to Congenica's software and bioinformatics analysis pipeline either on a fixed fee arrangement or on a per sample uploaded basis, (ii) service income from clinical review services and (iii) development income for bespoke software development.

Revenue is measured at the fair value of the consideration received or receivable, net of discounts, VAT and other sales-related taxes.

(i) License fee revenue is recognised in monthly amounts throughout the term of a fixed-fee license agreement, or per sample upload (ii) Service revenue is recognised once the work is completed (iii) development income is recognised straight line over the period to which it relates. Each completed software release is placed in escrow and if development ceased, control of the software would pass to our customers.

Where the group provides a license to its software which allows a customer to analyse its own samples, that software is hosted on Congenica's server and data storage is also provided. These various services are not distinct and therefore the revenues earned from the provision of the license and associated services are recognised over time.

Where the group provides its customers with (and bills for) individual sample analysis, the associated performance obligation is the provision of the final report with the associated analysis and at that point in time revenue is recognised.

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Financial statements for the year ended 31 December 2019

Notes to the financial statements

4 Summary of significant accounting policies (continued)

The group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as deferred income within trade and other payables in the balance sheet (see note 17). Similarly, if the group satisfies a performance obligation before it receives the consideration, the group recognises either a contract asset presented as accrued income in its balance sheet, depending on whether something other than a passage of time is required before the consideration is due.

Government grants are recognised as Other Income where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset.

Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rates applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Operating lease agreements

From 2019, at lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the lessee's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments, variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Financial statements for the year ended 31 December 2019**Notes to the financial statements****4 Summary of significant accounting policies (continued)**

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liability has been included in trade and other payables.

Prior to 2019, rentals payable under operating leases were chargeable to income statement on straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter operating lease were also spread over on a straight-line basis over lease term.

Retirement benefit costs

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due. The group has no further obligations once the contributions have been paid. Contributions totalling £31,350 (2018: £27,595) were payable at the balance sheet date and are included within other payables at the year end.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Tax losses available to be carried forward as well as other income tax credits to the company are assessed for recognition as deferred tax assets and are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Deferred tax liabilities are provided in full, with no discounting. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the consolidated income statement.

Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and any recognised impairment loss. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation is charged to write off the cost of the assets over their useful lives, using the straight-line method, on the following bases:

Leasehold:	term of the relevant lease
Office equipment, fixtures and fittings:	three - five years
Computer equipment:	three years
Laboratory equipment:	five years

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Financial statements for the year ended 31 December 2019

Notes to the financial statements

4 Summary of significant accounting policies (continued)

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income. Residual values of assets and their useful lives are reviewed and adjusted if appropriate at each balance sheet date.

Intangible assets

Payments made to acquire software are capitalised at cost and amortised on a straight-line basis over their estimated useful lives (one – five years).

Expenditure on development activities including internally generated intangible assets is recognised as an asset if and only if it meets the recognition criteria set out in IAS 38 *Intangible Assets*. Expenditure on research activities is recognised as an expense in the year in which it is incurred.

Impairment of tangible and intangible assets

At each balance sheet date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Financial instruments

Financial assets and financial liabilities are recognised on the balance sheet when the group becomes party to the contractual provisions of the instrument.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first-in first-out basis. Net realisable value is based on estimated selling price, in the ordinary course of business, less costs expected to be incurred to completion and sale. Provision is made for obsolete, slow moving or defective items where appropriate and recognised as an expense in the period in which the write-down or loss occurs.

Trade and other receivables

The group makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. The group assesses impairment of trade receivables on a collective basis as they possess shared credit risk characteristics, they have been grouped based on the days past due. Objective evidence of impairment could include the company's experience of collecting payments, an increase in the number of delayed payments, as well as observable changes in international or local economic conditions.

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Financial statements for the year ended 31 December 2019

Notes to the financial statements

4 Summary of significant accounting policies (continued)

Trade receivables are written off to the profit and loss (i.e. derecognised) when there is no reasonable expectation of recovery.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Short term deposits

Short term deposits represent bank deposits with an original maturity of over three months.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Trade payables

Trade payables are initially recognised at fair value and subsequently held at amortised cost.

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Share based payments

The group has applied the requirements of IFRS 2 *Share-based Payment*.

Incentives in the form of shares are provided to certain employees under the group share option scheme. Equity-settled share-based payments are measured at fair value (excluding the effect of non-market based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is measured by the use of the Black-Scholes method and is expensed on a straight-line basis over the vesting period, based on the group's estimate of the number of shares that will eventually vest.

The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. Changes made to the consolidated income statement in respect of share-based payments are credited to the share-based payments reserve.

At the end of each reporting year, the group revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated income statement, with a corresponding adjustment to equity.

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Financial statements for the year ended 31 December 2019

Notes to the financial statements

4 Summary of significant accounting policies (continued)

When the options are exercised the company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

5 Critical accounting judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, which are described in detail in note 4, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities as at the date of reporting the financial statements, and the reported amounts of revenue and expenditure during the year.

These estimates and judgements are continually evaluated and based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances prevailing at that time. In preparation of the group's financial statements, estimates and assumptions have been made by the directors concerning the expected term of service of fixed-license agreements, the determination of the fair value of share options, capitalisation of development costs, and non-recognition of deferred tax assets. Actual amounts may differ from those estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that year, or in the year of the revision and future periods if the revision affects both the current and future periods.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Revenue recognition

For fixed-fee licence agreements giving access to Congenica over a fixed term, the revenue is recognised over the period of access. In some cases, the period of access is extended based on levels of activity at the end of the initial term. Management regularly reviews customer activity and revenue is recognised over the final expected term.

Determination of fair value of share-based payments

Where employees are rewarded using share-based payments, the fair value of employees' services is determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions.

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to reserves. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest.

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any adjustments to

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Financial statements for the year ended 31 December 2019**Notes to the financial statements****5 Critical accounting judgements and key sources of estimation uncertainty (continued)**

cumulative share-based compensation resulting from a revision is recognised in the current period. The number of vested options ultimately exercised by holders does not impact the expense recorded in any period. As at 31 December 2019, the cumulative share-based payment charge is £553,288 (2018: £nil) presented as share-based payment reserve in the balance sheet (see note 20).

Capitalisation of development costs

The point at which development costs meet the criteria for capitalisation is critically dependant on management's judgment of the probability and measurability of future economic benefits. There are no capitalised development costs as at 31 December 2019 reflecting the early stage of commercialisation of the group's technology.

Recognition of deferred income tax assets

At balance sheet date, management assesses whether the Group tax losses as well as other income tax credits are recoverable as deferred income tax assets. As at 31 December 2019, no deferred tax asset has been recognised as management believes that there will be no sufficient future taxable profits against which the Group's unused tax losses can be used.

6 Revenue

The group's revenue from external customers by geographical location is described below:

	Year ended 31 Dec 2019	Year ended 31 Dec 2018
	£	£
UK	1,479,410	941,557
Rest of Europe	186,455	8,030
US	5,386	114,716
China	5,000	65,908
	1,676,251	1,130,211

License fee revenue amounted to £1,191,423 (2018: £882,364) and revenue from services totalled £484,828 (2018: £247,847).

Revenues of £25,395 recognised in the year (2018: £63,240) were previously deferred in the balance sheet as the associated performance obligations were not fully satisfied at that point in time. The group bills certain customers 3 - 12 months in advance of the delivery of the associated performance obligations, which led to the recognition of deferred income in the current year of £310,519 (2018: £33,542).

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Financial statements for the year ended 31 December 2019**Notes to the financial statements**

7 Other income

	Year ended 31 Dec 2019	Year ended 31 Dec 2018
	£	£
Grant income	319,540	87,474
Cycle scheme income	3,617	2,090
Miscellaneous income	-	99
	323,156	89,663

8 Loss for the year before tax

The loss for the year is stated after charging:

	Year ended 31 Dec 2019	Year ended 31 Dec 2018
	£	£
Research and development costs expensed as incurred	2,745,491	1,575,984
Rentals – short term property leases	36,448	172,663
Depreciation of property, plant and equipment	245,310	128,806
Amortisation of intangible assets	645	805
Net foreign exchange losses	61,204	25,193
Auditor's remuneration – Audit Services	25,145	14,852
– Non-audit services	-	2,300

9 Auditor's remuneration

The auditor's remuneration consists of £18,806 (2018: £12,852) in connection with the audit of the group and parent entity financial statements; £6,339 (2018: £2,000) for the statutory audit of subsidiaries; and £nil (2018: £2,300) for non-audit services performed for revenue recognition advice.

10 Employees and remuneration

The average monthly number of employees, including executive directors, was as follows:

	Year ended 31 Dec 2019	Year ended 31 Dec 2018
	Number	Number
Management, administrative, operations and marketing	39.4	42.0
Research and development	33.3	25.1
	72.7	67.1

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Financial statements for the year ended 31 December 2019**Notes to the financial statements****10 Employees and remuneration (continued)**

Their aggregate remuneration comprised:

	Year ended 31 Dec 2019 £	Year ended 31 Dec 2018 £
Wages and salaries	5,169,787	4,008,884
Social security costs	645,951	378,643
Other pension costs	213,111	163,418
Share based payment (see note 21)	531,323	15,570
	6,560,172	4,566,515

11 Finance income

	Year ended 31 Dec 2019 £	Year ended 31 Dec 2018 £
Bank interest	2,956	8,428

12 Tax

The tax charge is made up of follows:

	Year ended 31 Dec 2019 £	Year ended 31 Dec 2018 £
Current tax:		
Foreign tax on profit for the year	9,607	468
R&D tax credit claim	(808,996)	(1,468,692)
Prior year Adjustment	198	-
	(799,190)	(1,468,224)

The relationship between the expected tax expense based on the effective tax rate of the group at 19.0% (2018: 19.0%) and the tax expense recognised in the consolidated income statement can be reconciled as follows:

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Financial statements for the year ended 31 December 2019**Notes to the financial statements**

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Tax (continued)

	Year ended 31 Dec 2019 £	Year ended 31 Dec 2018 £
Loss for the year before taxation	9,121,553	6,914,883
Tax rate	19.0%	19.0%
Expected tax credit	(1,733,095)	(1,313,827)
Enhanced deduction for R&D expenditure	(590,129)	(460,184)
R&D tax losses surrendered	251,068	192,830
Tax losses not recognised	1,271,080	959,840
Difference in overseas tax rates	2,085	468
R&D tax credit received for 2016 expenditure	-	(303,785)
R&D tax credit received for 2017 expenditure	-	(543,566)
Adjustment in respect of prior years	(198)	-
Tax on loss on ordinary activities	(799,190)	(1,468,224)

The group has unused tax losses in the UK amounting to £16,355,731 (2018: £10,253,692). The directors have concluded that in accordance with IFRS a deferred tax asset as at 31 December 2019 amounting to £2,780,474 (2018: £1,948,201) should not be recognised in these financial statements as it is unlikely that the group will generate taxable profits in the foreseeable future to enable them to be utilised.

The UK Government previously announced that the rate of Corporation Tax would reduce to 17% with effect from 1 April 2020. In the Spring Budget 2020, the Government announced that the previously enacted decrease in corporation tax from 19% to 17% from 1 April 2020 would no longer happen and that rates would remain at 19% for the foreseeable future. The new law was substantively enacted by a resolution under the Provisional Collection of Taxes Act 1968 on 17 March 2020.

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Financial statements for the year ended 31 December 2019**Notes to the financial statements**

13 Intangible assets (Company and Group)

	Software £
Cost:	
At 31 October 2017	3,913
Additions	–
At 31 December 2018	3,913
Disposals	(1,800)
At 31 December 2019	2,113
Amortisation:	
At 31 October 2017	2,463
Charge for period	805
At 31 December 2018	3,268
Charge for year	645
Disposals for period	(1,800)
At 31 December 2019	2,113
Net book value:	
At 31 December 2019	–
At 31 December 2018	645
At 31 October 2017	1,450

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Financial statements for the year ended 31 December 2019**Notes to the financial statements**

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Property, plant and equipment (Company and Group)

	Office building £	Leasehold property £	Computer equipment £	Furniture, fittings and equipment £	Laboratory equipment £	Total £
Cost:						
At 31 October 2017	–	8,369	159,745	33,748	311,979	513,841
Additions	–	–	43,248	2,723	–	45,971
Disposals	–	–	(10,400)	–	–	(10,400)
At 31 December 2018	–	8,369	192,593	36,471	311,979	549,412
Additions	178,003	–	91,826	12,076	–	281,905
Disposals	–	–	(42,861)	(6,904)	–	(49,765)
At 31 December 2019	178,003	8,369	241,558	41,643	311,979	781,552
Depreciation:						
At 31 October 2017	–	6,277	84,281	10,465	34,792	135,815
Charge for period	–	2,092	55,901	8,417	62,396	128,806
Disposals for period	–	–	(10,400)	–	–	(10,400)
At 31 December 2018	–	8,369	129,782	18,882	97,188	254,221
Charge for year	118,668	–	53,622	10,624	62,396	245,310
Disposals for year	–	–	(42,861)	(6,904)	–	(49,765)
At 31 December 2019	118,668	8,369	140,543	22,602	159,584	449,766
Net book value:						
At 31 December 2019	59,335	–	101,015	19,041	152,395	331,785
At 31 December 2018	–	–	62,811	17,589	214,791	295,191
At 31 October 2017	–	2,092	75,464	23,283	277,187	378,026

The group and company have a right of use over the office building (see note 18).

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Investments

Investments on the company's balance sheet as at 31 December 2019 represents the cost and carrying value of the company's investments in its three wholly owned subsidiaries amounting to £15,559. Congenica, Inc is a directly and wholly owned US subsidiary of Congenica Ltd, carrying out sales and marketing activities. Congenica (Hong Kong) Limited is a directly and wholly owned HK subsidiary of Congenica Ltd and is a holding company. Suzhou Congenica Biotechnology Co., Ltd is a directly and wholly owned CN subsidiary of Congenica (Hong Kong), with the purpose of facilitating relationships with potential Chinese clients, and to allow Congenica access to research projects and data. The principal office for all three subsidiaries is Biodata Innovation Centre, Wellcome Genome Campus, Hinxton, Cambridgeshire, CB10 1DR, United Kingdom.

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Financial statements for the year ended 31 December 2019**Notes to the financial statements**

16 Trade and other receivables

	Group		Company	
	31 Dec 2019	31 Dec 2018	31 Dec 2019	31 Dec 2018
	£	£	£	£
Trade receivables	574,293	445,117	574,293	445,117
VAT recoverable	-	17,640	-	17,640
Amounts owed by group undertakings	-	-	47,239	16,683
Other debtors	44,998	33,955	44,998	33,955
Accrued income	-	150,474	-	150,474
Prepayments	222,505	217,805	221,498	217,805
	841,796	864,991	933,188	881,674

The average credit terms on sales of license fees and service income is 30 days. No interest has been charged on the receivables. Credit limits for each customer are reviewed on a monthly basis.

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

All of the group's and company's trade and other receivables in the comparative periods have been reviewed for indicators of impairment. The group and company have applied an expected credit loss model and an impairment of £141,007 (2018: £Nil) was deemed necessary.

The analysis below shows the balances included in trade receivables which are past due at the reporting date for which the group and the company have not provided. The group and the company hold no collateral or other credit enhancements over these balances, nor does it have a legal right to offset against any amounts owed to the counterparty.

Ageing of past due but not impaired receivables (Company and Group)	31 Dec 2019	31 Dec 2018
	£	£
0-30 days overdue	64,599	198,594
30+ days overdue	362,973	92,499
	427,572	291,093

17 Trade and other payables

	Group		Company	
	31 Dec 2019	31 Dec 2018	31 Dec 2019	31 Dec 2018
	£	£	£	£
Amounts falling due within one year				
Trade payables	233,485	123,526	229,896	122,356
Amounts owed to group undertakings	-	-	88,372	43,598
Other taxes and social security	175,667	127,863	175,667	127,863
Other payables	32,177	27,595	32,177	27,595
Lease liability (see note 18)	61,318	-	61,318	-
Accruals and deferred income	1,283,976	938,385	1,252,943	905,659
	1,786,623	1,217,369	1,840,373	1,227,431

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Trade payables and accruals principally comprise amounts outstanding for trade purchases and operating costs. At 31 December 2019, the company and group had an average of 17 days of purchases (2018: 16 days) outstanding in trade payables. Most suppliers do not charge interest for the first 60 days of the invoice.

The company and group have financial risk management policies in place to ensure that all payables are paid within the credit timetable. The directors consider that the carrying amount of trade and other payables approximates to their fair value.

18 Leases

The group leases its head office building in the United Kingdom. The lease has a fixed term of two years until June 2020. The lease payments were fixed for the duration of the lease. Due to the COVID pandemic, upon the expiry of the lease, Congenica did not agree a renewal, but has entered into a tenancy at will. During the lock-down period, the office has been inaccessible, and no rent or service charge has been levied. Congenica will negotiate a new lease once a date for access has been agreed; this is expected to be in 2021.

The right-of-use asset recognised is presented as "office building" under "Property, plant and equipment", with a carrying value of £59,335, net of accumulated depreciation of £118,668, as at 31 December 2019.

The lease liability, calculated as the present value of minimum lease payments discounted using the estimated incremental borrowing rate at application, is presented as part of "trade and other payables" in the balance sheet. Related finance costs on the amortisation of lease liability amounted to £19,135 in the year.

The lease liability is secured by the related underlying asset. The maturity analysis of the lease liability as at 31 December 2019 is as follows:

	Within 1 year £	Total £
Lease payments	67,910	67,910
Finance charges	(6,592)	(6,592)
Net present value	61,318	61,318

At 31 December 2018, the group and company's future aggregate minimum lease payments under these non-cancellable operating leases were as follows:

	Group £	Company £
Within one year	21,106	21,106
Payment made in the year recognised in profit or loss	35,993	35,993

At 31 December 2019, the group and company's total commitment to short term leases of less than twelve months was £19,607.

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Capital and reserves**Share capital and premium (Group and Company)**

	Number of 0.1p shares	Share Capital £	Share Premium £
Ordinary shares	5,540,749	5,540	86,952
A Ordinary shares	13,025,996	13,026	9,186,971
B Ordinary shares	7,679,219	7,680	9,942,320
Legal fees directly attributed to fundraising	–	–	(126,933)
At 31 December 2018	26,245,964	26,246	19,089,310
Issue of Ordinary shares under the Company's share option plan	127,917	128	1,151
Issue of A Ordinary shares pursuant to Series B fundraising	3,312,322	3,312	5,137,766
Issue of B Ordinary shares pursuant to Series B fundraising	2,636,994	2,637	4,097,361
Legal fees directly attributed to fundraising	–	–	(47,483)
Ordinary shares	5,668,666	5,668	88,103
A Ordinary shares	16,338,318	16,338	14,324,737
B Ordinary shares	10,316,213	10,317	14,039,681
Legal fees directly attributed to fundraising	–	–	(174,416)
At 31 December 2019	32,323,197	32,323	28,278,105

All shares are non-redeemable. Each holder of Ordinary, A Ordinary and B Ordinary shares has the right to vote on the basis of one vote per share held; the right to participate in a dividend in proportion to the number of shares held; and the right to participate in a distribution of assets on a liquidation or a return of capital, with the A Ordinary shares taking priority over any other classes of share.

In the year, the company issued 6,077,233 Ordinary, A and B shares for total consideration of £9,194,872 (net of £56,404 of legal fees directly attributable to fundraising).

Translation reserve

The translation reserve comprises foreign currency differences from the translation of the financial statements of foreign operations.

Called up share capital

The called-up share capital represents the nominal value of shares that have been issued.

Share premium account

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Profit and loss account

The profit and loss account includes all current period retained profits and losses less dividends paid.

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Financial instruments

Capital risk management

The group manages its capital to ensure it will be able to continue as a going concern whilst providing an adequate return to shareholders by balancing its trading performance with continuing investment in research and development. The capital structure of the company consists of cash and cash equivalents and equity attributable to the owners, comprising issued capital, reserves and retained earnings. Until the group achieves sustainable profitability it will be reliant on funding from new and existing shareholders.

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 4.

Categories of financial instruments

	Group Carrying value		Company Carrying value	
	31 Dec 2019	31 Dec 2018	31 Dec 2019	31 Dec 2018
	£	£	£	£
Financial assets				
Other financial assets at amortised cost				
Trade receivables	574,293	445,117	574,293	445,117
Other receivables	44,998	33,955	44,998	33,955
Intercompany receivables	–	–	47,239	16,683
Cash and cash equivalents and short-term deposits	6,590,984	5,456,108	6,573,348	5,417,240
Total financial assets	7,210,275	5,935,180	7,285,038	5,912,995
Financial liabilities				
Other financial liabilities at amortised cost				
Trade payables	(233,485)	(123,526)	(229,896)	(122,356)
Intercompany payables	–	–	(88,372)	(43,598)
Accruals	(973,458)	(904,843)	(942,425)	(872,117)
Other payables	(32,177)	(27,595)	(32,177)	(27,595)
Total financial liabilities	(1,206,943)	(1,055,964)	(1,292,870)	(1,010,476)

The directors consider there to be no material difference between the book value and the fair value of the company's and group's financial assets and liabilities at the balance sheet date. This is because most of the financial assets and liabilities are short term.

There are no financial instruments that have been measured subsequent to initial recognition at fair value.

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Financial instruments (continued)

Risk in relation to the use of financial instruments*Credit risk*

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company's and group's exposure to credit risk is limited to the carrying amount of financial assets recognised at the balance sheet date, as summarised above.

42% of the trade receivables balance is due from one customer, a NHS Trust customer while an additional 39% is due from an equivalent medical organisation in the Netherlands. Ongoing credit evaluation is performed on the financial condition of trade receivables and consideration is given on a collective basis as to whether there is any impairment in the value of any amounts owing. The company's and group's management considers that all the above financial assets for each of the balance sheet dates under review are of good credit quality, including those that are past due. See note 16 for additional information on trade receivables that are past due.

The standard payment terms for receivables are 30 days. Any variation in these terms requires authorisation by senior management. The average ageing of trade receivables at the balance sheet date is 129 days (2018: 49 days). The group assessed an impairment of £141,007 which reduced the average ageing to 104 days. The group assesses impairment of trade receivables on a collective basis as they possess shared credit risk characteristics, they have been grouped based on the days past due. Objective evidence of impairment could include the group's past experience of collecting payments, an increase in the number of delayed payments, as well as observable changes in international or local economic conditions.

The credit risk on liquid funds is limited because the counterparties are major financial institutions. The carrying amount best represents the maximum exposure to credit risk.

Market risk

The group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Foreign currency risk management

The group undertakes certain transactions denominated in foreign currencies. Where possible, contracts are negotiated in sterling, which is the group's functional currency. A small number of purchases are denominated in euros and US dollars. Until now this activity has been minimal, and no formal hedging policy is in place. The payments are made at spot exchange rates as necessary. The directors monitor and manage the level of exposure to foreign currencies on a monthly basis. The company holds small amounts of each currency to allow payments in those currencies directly and to serve as a natural hedge against future exchange rate movements.

As the company's international exposure increases, the directors will continue to monitor any change in its exposure to foreign currencies and will consider implementing further risk management strategies.

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Financial instruments (continued)

The carrying amounts of the group's foreign currency denominated monetary assets and liabilities at the reporting date, not denominated in the local functional currency, are disclosed below, translated into sterling at the closing rate. All represent short-term exposures.

	31 Dec 2019 USD £	31 Dec 2018 USD £	31 Dec 2019 EUR £	31 Dec 2018 EUR £
Financial assets	286,061	44,065	165,999	1,211
Financial liabilities	(179,734)	(68,838)	(3,740)	(3,811)
Total exposure	106,326	(24,773)	162,259	(2,600)

The following analysis details the company's and group's sensitivity to a 15% increase and decrease in the sterling exchange rate against the US dollar and the euro on the group's and group's profit before tax and equity. 15% represents management's assessment of the reasonable possible change in foreign exchange rates, taking into account the recent volatility experienced in relation to the Brexit decision. The sensitivity analysis includes only outstanding foreign currency denominated monetary items in the balance sheet at the end of the relevant accounting period and adjusts their translation at the period end for a 15% change in foreign currency rates. It does not represent the overall impact on the group's profitability if the exchange rate sensitivity had been applied through the reporting period. A positive number indicates an increase in profit or other comprehensive income.

If sterling had strengthened against the US dollar by 15%, profit and equity would have fallen by £11,812 (2018: increase by £3,231). If sterling had weakened against the US dollar by 15%, profit and equity would have increased by £43,299 (2018: decreased by £4,372).

If sterling had strengthened against the euro by 15%, profit and equity would have fallen by £22,140 (2018: risen by £339). If sterling had weakened against the euro by 15%, profit and equity would have increased by £29,737 (2018: fallen by £459).

Exposures to foreign exchange rates can vary during the year depending on the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the company's exposure to currency risk.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs.

The group manages liquidity risk by maintaining adequate reserves and banking facilities, continually monitoring cash flows and matching the maturity profiles of financial assets and liabilities.

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20 Financial instruments (continued)

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Summary of cash and equity				
Cash and cash equivalents and short-term deposits	6,590,984	5,456,108	6,573,348	5,417,240
Equity	7,430,536	6,028,499	7,240,329	6,011,811

Trade payables are normally payable within 30 days of invoice. At 31 December 2019, all trade and other payable balances are principal amounts due and do not include accrued interest and are payable in less than six months from the balance sheet date.

Interest rate risk sensitivity analysis

An increase of 0.25% in the average interest rate during the year would have resulted in an increase in interest received by the group of £16,379 (2018: £7,030). A decrease of 0.25% in the average interest rate during the period would have resulted in a decrease in interest received by the group of £16,379 (2018: £7,030).

The average cash and short-term deposit balance throughout the period has been used as the basis for the calculations. A 0.25% increase or decrease in interest rates represents management's assessment of the reasonable possible change in interest rates.

21 Share-based payments

Details of the employee share option plan of the company

The group operates a share option scheme for certain employees. Share options are exercisable at prices determined at the date of grant. The vesting periods range from one to four years. If the options remain unexercised after a period of ten years from the date of grant the options expire. Options are forfeited if the employee leaves the company before the options vest (unless deemed a good leaver as defined by the rules of the scheme), although the directors have discretion to allow acceleration of vesting and exercise before an exit.

Current vested options can only be exercised on an exit, although the directors have discretion to allow acceleration of vesting and exercise before an exit. The following share-based payment arrangements were in existence during the current period and prior year.

All the options granted on 6 October 2014 and 24 October 2014 vested on their date of grant. For the remaining options, 25% of the options vest on the first date of vesting as shown in the above table and 1/48th of the options vest on the last day of each month thereafter over the following three years. Vested options may only be exercised on an exit. All options expire on the date of leaving the company or within ten years of the date of grant, whichever is sooner.

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21 Share-based payments (continued)

Options series	Number	Grant date	First date of vesting	Expiry date	Exercise price £
(1) Granted on 6 October 2014	400,000	06/10/14	06/10/14	05/10/24	0.01
(2) Granted on 24 October 2014	200,000	24/10/14	24/10/14	23/10/24	0.01
(3) Granted on 10 February 2015	200,000	10/02/15	10/02/16	09/02/25	0.01
(4) Granted on 25 September 2015	40,000	25/09/15	15/06/16	24/09/25	0.01
(5) Granted on 25 September 2015	10,000	25/09/15	01/07/16	24/09/25	0.01
(6) Granted on 23 February 2016	160,000	23/02/16	27/10/16	22/02/26	0.01
(7) Granted on 23 February 2016	310,000	23/02/16	01/11/16	22/02/26	0.01
(8) Granted on 23 February 2016	600,000	23/02/16	01/04/16	22/02/26	0.01
(9) Granted on 15 August 2017	420,000	15/08/17	13/03/18	14/08/27	0.01
(10) Granted on 15 August 2017	160,000	15/08/17	13/03/18	14/08/27	0.01
(11) Granted on 15 August 2017	20,000	15/08/17	14/08/18	14/08/27	0.01
(12) Granted on 2 February 2018	75,000	02/02/18	01/11/18	02/02/28	0.01
(13) Granted on 2 February 2018	750,000	02/02/18	02/01/19	02/02/28	0.01
(14) Granted on 4 March 2018	25,000	04/03/18	04/03/19	04/03/28	0.01
(15) Granted on 1 October 2018	250,000	01/10/18	28/08/19	01/10/28	0.01
(16) Granted on 1 October 2018	75,000	01/10/18	04/06/19	01/10/28	0.01
(17) Granted on 15 November 2018	375,000	15/11/18	02/01/19	15/11/28	0.01
(18) Granted on 11 March 2019	25,000	11/03/19	26/11/19	11/03/29	0.01
(19) Granted on 11 March 2019	3,500	11/03/19	10/12/19	11/03/29	0.01
(20) Granted on 11 March 2019	321,100	11/03/19	01/01/20	11/03/29	0.01
(21) Granted on 11 March 2019	25,000	11/03/19	11/03/20	11/03/29	0.01
(22) Granted on 01 April 2019*	15,000	01/04/19	01/01/20	01/04/29	0.56
(23) Granted on 04 April 2019	300,000	04/04/19	13/05/20	04/04/29	0.01
(24) Granted on 07 August 2019	52,000	07/08/19	01/07/20	07/08/29	0.01
(25) Granted on 02 September 2019	200,000	02/09/19	02/09/20	02/09/29	0.01
(26) Granted on 23 October 2019*	200,000	23/10/19	01/12/20	23/10/29	0.56

*US share option implemented in 2019 (409A valuation completed)

Fair value of share options granted in the period

Options were priced using the Black-Scholes option pricing model.

Expected volatility used was 48.8% determined based on the historic volatility of comparable companies. The expected life of 5 years is the expected period from grant to exercise based on management's best estimate. The risk-free return of 2.51% is the rate offered for UK gilt deposits at the time of the grant.

The share-based payment charge for the year ended 31 December 2019 was £531,324, whilst the charge for 2018 was £15,570.

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21 Share-based payments (continued)

Movements in share options during the period

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	31 Dec 2019		31 Dec 2018	
	Number of share options	Weighted average exercise price per share £	Number of share options	Weighted average exercise price per share £
Outstanding at beginning of period	2,877,500	0.01	1,650,000	0.01
Granted during period	1,141,600	0.01	1,550,000	0.01
Lapsed	(367,133)	0.01	(195,417)	0.01
Exercised	(127,917)	0.01	(127,083)	0.01
Outstanding at end of period	3,524,050	0.01	2,877,500	0.01
Exercisable at end of period	2,141,650	0.01	1,856,250	0.01

The share options outstanding at the end of the year had weighted average remaining contractual life of 8.1 years (2018: 8.5 years).

Share options exercised during the year

The following share options have been exercised to date:

Options series	Number exercised	Exercise date	Share price at exercise date £
(4) Granted on 25 September 2015	14,166	15/02/17	0.01
(7) Granted on 23 February 2016	120,000	11/12/17	0.01
(6) Granted on 23 February 2016	127,083	30/04/18	0.01
(3) Granted on 10 February 2015	100,000	25/05/19	0.01
(7) Granted on 23 February 2016	20,000	25/05/19	0.01
(9) Granted on 15 August 2017	7,917	25/05/19	0.01
	389,166		

22 Related party transactions

The company's related parties include its investors: Genome Research Limited (GRL) and Parkwalk Ltd; Elite Medicine Ltd, a private healthcare and genetic counselling clinic, of which Nicholas Lench and Philip Beales are also directors; Croggan Limited, which provides consultancy services including business development and corporate development advice and administrative services, of which Andy Richards is a director and key management personnel, as described below.

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

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Related party transactions (continued)**Transactions with investors**

During the year the group made purchases of £231,222 (2018: £291,249) from GRL, of which £nil was outstanding at the year end (2018: £nil).

During the year the group also made purchases of £174 (2018: £nil) from Parkwalk Advisors, of which £nil was outstanding at the year end (2018: £nil).

Transactions with Croggan Ltd

During the year the group made purchases of £36,281 (2018: £27,195) from Croggan Ltd, of which £nil was outstanding at the year end (2018: £nil).

Transactions with Elite Medicine

During the year the group made purchases of £133 (2018: £nil) from Elite Medicine Ltd, of which £nil was outstanding at the year end (2018: £nil).

Company transactions with its subsidiaries

The company was charged fees in the year by its subsidiary, Congenica Inc, related to intra-group trading of £717,161 (2018: £426,461). The company also bills the Hong Kong and China subsidiaries for expenses paid on their behalf. Outstanding balance of transactions with subsidiaries as at the year end is presented within trade and other receivables (note 16); Congenica (Hong Kong) Ltd (£8,953) and Suzhou Biotechnology Co., Ltd (£38,286) owed Congenica Ltd and trade and other payables (note 17); Congenica Ltd (£88,372) owed Congenica Inc.

Transactions with key management personnel

Key management of the company comprise the executive directors of the company. Their remuneration includes the following expenses:

	2019 £	2018 £
Salaries including bonuses	449,688	381,459
Social security costs	56,760	43,764
Benefits in kind	623	1,282
Defined contribution pension costs	20,550	20,853
Share based payment	422,527	772
	950,148	448,130

Highest paid director:	2019 £	2018 £
Emoluments	286,750	190,955
Defined contribution pension costs	12,900	11,500
Share based payment	422,188	-
	721,838	202,455

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23 Directors' remuneration

Total executive and non-executive director emoluments

	2019	2018
	£	£
Salaries/fees	502,051	409,459
Benefits in kind	623	1,282
Defined contribution pension costs	20,550	20,853
Share based payment	422,583	1,022
	945,807	432,616

Contributions to the group's defined contribution pension scheme were made on behalf of one director (2018: two). One further director elected for pension contributions to be made to a personal SIPP (2018: two).

24 Income statement for the Company

As permitted by Section 408 of the Companies Act 2006, the company has elected not to present its own Statement of comprehensive income for the year. Congenica Ltd reported a loss for the financial year ended 31 December 2019 of £8,317,067 (2018: £5,440,615).

25 Post-reporting date events

The COVID-19 pandemic has impacted the business in a number of areas:

- travel restrictions have led to a change in our ways of working and marketing the business. Our staff have adapted extremely well and the majority of the conferences we attend and present at have continue in a virtual format
- quarantines and lockdowns have not directly affected the business, but have adversely impacted some of our customer base. In particular the re-purposing of medical staff to coronavirus related activity has reduced the use of our software
- government initiatives to support individuals and businesses have not been suitable for Congenica and we chose not to furlough any staff

The departure of the UK from the EU on 31 January 2020 has so far had negligible impact on Congenica. We continue to monitor the situation and comply with all relevant legislation in the member countries.

26 Authorisation of financial statements

The financial statements for the year ended 31 December 2019 (including comparatives) were approved by the board of directors on 25 September 2020.



David Atkins
Chief Executive Officer