Concepta

Annual Report & Accounts **2016**

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2016 HIGHLIGHTS

- Significant progress made advancing flagship myLotus fertility product towards market launch in China and Europe
- Manufacturing Agreement signed with a leading Chinese manufacturer Shijiazhuang Huanzhong Biotech Limited to assemble and package myLotus
- Appointment of China Country Manager Kevin Su Wei to build distributor network in China
- Opening of new UK headquarters in Bedfordshire – doubling the size of Concepta's laboratory operational headquarters to increase R&D capacity
- 10 year lease signed for new manufacturing facility in Doncaster, Yorkshire
- Achievement of ISO13485 accreditation – a key step in attaining CE marking for EU and UK launch of myLotus
- New product development – signing of technology transfer and licence agreement with Selective Antibodies Limited to develop stress test for myLotus fertility product

Financial Overview

EBITDA loss

£1.82m

excluding deemed reverse takeover costs

(£2.46m including deemed reverse takeover costs)

Cash at year end

£2.7m

£3.4m

(net of issue expenses) share placing secured in July 2016

CHAIRMAN'S STATEMENT

Business Progress

It gives me great pleasure to report a successful start for Concepta PLC ("Company" or "Concepta") since it joined AIM in July 2016, and on the progress Concepta has made during the period under review as it builds itself into a leading health diagnostics company focused on women's fertility and specifically unexplained infertility.

It has been an exciting year for Concepta following our reverse takeover and admission to AIM in July 2016 having successfully raised £3.4 million with the aim to launch our proprietary fertility product myLotus into China in 2017 and thereafter into the UK and Europe.

To this end, we enjoyed an active second half of 2016 which saw us setting up product manufacturing and logistics in both the UK and China and making a number of necessary preparations ahead of myLotus' launch. In tandem with this we have continued to build on the scope of our product offering through continued research and new product development and have forged partnerships with players in the same space in this respect.

A significant market opportunity exists to develop a 'best in class' product to help women with unexplained infertility to conceive. We believe our myLotus product delivers this being the only product that allows both quantitative and qualitative measurement of a woman's personal LH and hCG hormone levels to help increase conception probability. Concepta's platform allows the measurement of hormones and small molecules in the consumer's home. The ability to see quantitative as well as qualitative results, and the link with a mobile app, make us unique within the rapidly growing mobile health market. It is our intention to capitalise upon this opportunity and deliver value for shareholders as we continue to build this Group in 2017 and beyond.

Our initial focus is on helping women / couples with unexplained infertility, a highly motivated group but with very few medical options available to them. myLotus provides them with unique and personal information that allows them to increase their chances to conceive.

Strategy underpinned by results-driven operational focus

Our growth strategy is focused on the commercial launch of our flagship myLotus product in the highly lucrative Chinese and EU infertility market where we see an addressable market of £600m. We have a defined route to market for myLotus with regulatory approvals for launch in China already secured and the process of obtaining CE-Marking for the UK and Europe well underway for a 2017 launch. Our primary focus on unexplained infertility presents a fantastic opportunity to grow our market share in the personalised mobile health space; the issue of infertility is universal and largely unaffected by demographics, resulting in a target consumer that is highly driven.

As we progress towards the launch of myLotus we plan to increase the scope of the product's applications through research and development, creating new means by which we can capitalise on the profitability of the mobile health sector; a huge global market which is set to grow at an exponential rate. We remain dedicated to engaging in partnerships which complement our business model and further our ability to provide products that tackle the issue of unexplained infertility.

> *"Our platform is currently unique and offers the potential to develop a wide range of additional tests that could dramatically change how we look after our own health"*

Within Concepta PLC (together "Group") our structure initially centered on its fertility focused subsidiary, Concepta Diagnostics Limited, and as a result with cFDA product registration achieved in China, we are starting commercialisation in this large and important market. We aim to maximize fertility sales in China and then launch in subsequent markets, allowing us to develop other opportunities in parallel.

Managerial expertise

We have assembled a management team with many years of experience in Women's Health across many areas and, in particular, international product development within Asia.

The Sales & Marketing team has substantial experience of gaining consumer insights and have contributed to the development of products that are unique and highly relevant to our target group.

Financial position

Financially, the Group is in the early stages of it's development, and in 2016 concentrated on the steps required to launch the myLotus product in China. The funds raised in July 2016, supported by Mercia Technologies PLC, underpin the Group's Business Plan for the commercialisation of its products and the R&D on its next generation of products.

Outlook

Our strategy remains unchanged and we expect to continue to focus our efforts on the Chinese and European launch of our myLotus product. We believe we are well positioned to deliver strong, organic growth from our myLotus product and also plan to continue concentrating additional efforts on research and development to expand the breadth and depth of the platform's features, building ourselves as a highly cash generative healthcare company and market leaders within the growing market for personalised mobile health.

A key challenge for companies is the transition from laboratory-based small volume manufacturing, to full-scale commercial manufacturing. Concepta is setting up a dedicated manufacturing facility in Doncaster, with initial manual assembly progressing to automated assembly, making us far less dependent on the lead times of our supply chain.

The Group has made huge steps so far since its admission to AIM in July 2016 and it goes without saying that we couldn't have done this without the help and support of our employees, shareholders and advisors. We have no doubt that Concepta will continue to excel and deliver on its objectives from here onwards.

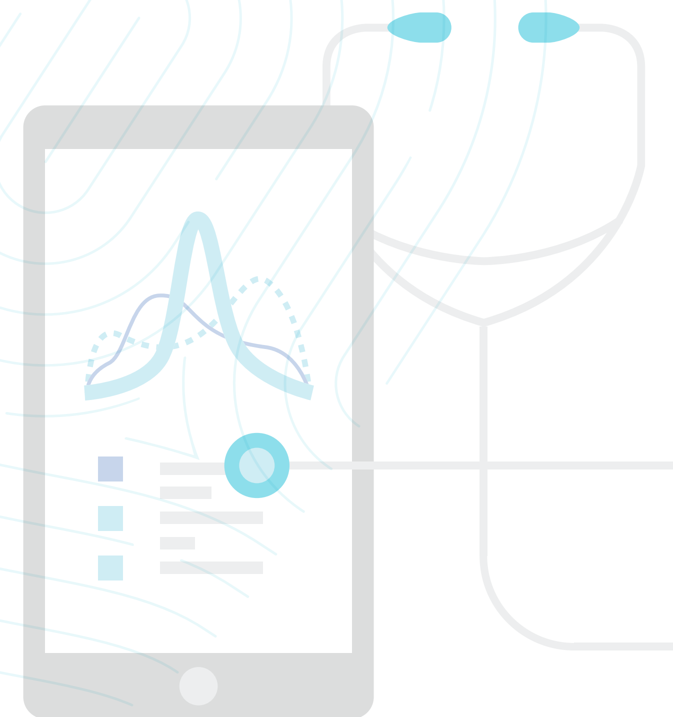
We are building a business that has an exciting future and I look forward to the journey of building an international mobile health business.

Board change

We are pleased to welcome Neil Mesher to the Board as Non-Executive Director, who joined with effect from 29 March 2017. His experience and insight within the healthcare industry and consumer electronics in particular will complement our existing expertise in diagnostics and will also supplement our efforts to diversify our offering to improve users' ability to manage a range of conditions beyond our current core fertility business.

Finally, I would like to take this opportunity to thank Neil Herbert for remaining as a Non-Executive Director during the reverse takeover and over the previous 2 years.

Adam Reynolds
Chairman



CHIEF EXECUTIVE'S REVIEW

Millions of women worldwide find it difficult to conceive. The medical profession cannot find anything physically wrong with them or their partner. They enter an agonising and frustrating period of waiting or contemplate IVF.

Concepta is addressing common factors that can affect fertility in any given cycle. The initial product range offers personalised measurement of hormones at home and the ability to see whether they may be the cause of the lack of success.

myLotus is the only known home platform to offer both qualitative and quantitative results.

In 2013 the idea for the products grew out of a lack of solutions that targeted the women most at need: those with unexplained infertility rather than the "average woman".

The idea for the product grew into a prototype and, after an initial fundraising in April 2014, Concepta Diagnostics Limited was formed to further develop and commercialise the product.

The myLotus brand name was created, laboratory testing refined the product and thanks to founder member contacts we put the products through cFDA registration in China.

We achieved product registration for China in January 2016 and sought funding to start commercialisation. After listing on AIM in 2016 we obtained the funding to put a commercial organisation in place. We signed a manufacturing agreement for the final products in China, set up a manufacturing site in Doncaster to manage the production of the medical devices in the UK and are in the final stages of non-regulatory trials prior to obtaining our first order from China.

> "The **myLotus** products allow women with unexplained infertility to increase their chances of conception"

Strategy

Whilst the system was designed to support fertility it became apparent that we had a platform that fits in perfectly with the aims of mobile health: provide better patient outcomes at home at a reduced cost to healthcare systems.

The ability to monitor what is wrong with you and have results sent to a medical professional through the app is appealing in a variety of conditions.

Unexplained infertility is a global issue. We will roll the products out to other markets after appropriate regulatory approvals. Where possible we will handle the operations directly.

Our product developments are initially focused on addressing different parameters that can affect women with unexplained infertility. We aim to offer cumulatively improved chances of conception through an understanding of issues linked to unexplained infertility.

Our ability to develop quantitative home tests could take us outside the industries we are familiar with. Where this is in the interest of creating shareholder value we will evaluate the merits of OEM opportunities. Our structure is such that this would not detract from our core fertility business.

Markets

Our initial product offering in fertility offers a simple message to a motivated target group: a potential to increase your chances to conceive if you have been trying for 6 months or longer.

The technology of using urine tests is well established and consumers are used to obtaining these products direct.

In many markets we can reach these women without the need for an expensive infrastructure. We will establish learning of the sales & marketing activities that work best before rolling out to additional markets.

Both the rate of sale and production capacity will be managed to avoid out of stock periods or large overcapacity.

Products

We have announced that our next product in development is a test to differentiate chronic stress from acute stress.

The impact of chronic stress on both male and female fertility is well documented. Monitoring this will allow the couple to help manage their levels and the impact.

A chronic stress test would also have large applications outside of fertility.

We will continue to develop our own Intellectual Property but will enter into collaborative deals as and when appropriate.

Scientific support

The management team has many years of experience in Women's Health in a variety of functions.

Our technology allows us to move outside of the classic tests available. We will put an advisory board together to stimulate scientific debate around the areas we enter and also ensure that all claims are supported.

Outlook

There are several independent industry reports on mobile health and the potential benefits it can deliver to individuals, healthcare systems and the whole of society.

This will be a multi-faceted development involving infrastructure as well as ethical debates and control systems.

We believe that we are very well placed to play a role in this development. We have a platform that is easy to understand, easy to use, economical and applicable for a wide variety of tests.

We will collaborate with healthcare initiatives to make the most of our offering in this exciting new world of personalised healthcare.

Erik Henau
Chief Executive Officer

*"**myLotus** is a platform, not a one-product brand. It offers the flexibility to explore clinical and home applications"*

Income statement

As 2016 is the first trading period since the reverse takeover, the Group, as predicted, has not generated revenues. During the period the Group's loss after taxation was £2,415,226 (January 2016: £1,098,123).

The administration costs incurred during the period for the 11 months to 31 December 2016 of £2,525,342 included one-off costs of £1,484,406.

Other administration costs of £966,896 (January 2016: £1,240,916) included £222,225 (January 2016: £794,282) research and development costs (net of capitalised development costs), staff costs and head office costs.

The tax credit of £149,221 included research and development tax credit of £96,222 and reduction in deferred tax of £53,000.

One-off costs and non-cash items

Included in the administration costs of the Group, one-off costs of £1,484,406 were incurred, of which £843,448 were expenses associated with AIM admission and fundraising costs, £423,455 being non-cash share-based payments, on 26 July 2016 and £640,958 was the deemed cost of the reverse acquisition. See note 5 - loss from operations in the notes to the financial statements for more details.

Loss per share

The basic and diluted loss per share was £0.03 (January 2016: £0.04).

Financial Position

The Group net assets at 31 December 2016 were £3,311,270 (January 2016: £360,371). This comprised total assets of £3,493,227 and total liabilities of £181,957.

The total assets included property, plant and equipment, intangible assets (capitalised development costs and patent costs) of £402,926, of which £176,180 represents development costs capitalised net of amortisation during the period, cash and cash equivalents of £2,708,477. At the year end, no costs had been incurred relating to the Doncaster facility other than rental deposits.

Cashflow

The Group's opening cash position was £100,389 and following fundraisings prior to and on admission, the cash balance at the period end was £2,708,477.

During the period the net cash used in operations was £1,288,414 (January 2016: £1,201,234) with financing activities generating net proceeds of £4,027,405.

Dividends

No dividend is recommended (2015: £nil) due to the early stage of the development of the Group.

Capital management

The Board's objective is to maintain a balance sheet that is both efficient and delivers long term shareholder value. The Group had cash balances of £2,708,477 at 31 December 2016 and had no short-term borrowings. The Board continues to monitor the balance sheet to ensure it has an adequate capital structure.

Events after the reporting period

Events after the reporting period are described in Note 23 to the financial statements.

Barbara Spurrier
Chief Financial Officer

PRINICIPAL RISKS AND UNCERTAINTIES

Market Risks	Impact	Mitigation
Dependence on China	The Group's plan could be affected by delays in sales or lower than expected sales growth in China.	Ongoing geographical and business diversification will gradually normalise the proportional importance of China.
Brexit	New regulations could add complexity and delays to operations. Currency fluctuations could increase costs and affect profitability.	Our regulatory department keeps up to date on all changes. The current consensus is that Brexit will not affect the regulations that are relevant to our business. Our initial sales are export sales. Currency fluctuations will impact both sales and costs. Our initial product offering is not price-sensitive. Substantial cost increases will be passed on.
Technology	The Group's platform is currently unique. Rapid technological advances could see competitor products being launched.	The Group has product development plans in place for improved technology as well as for a wider product portfolio that includes additional innovative solutions for the targeted consumer groups.

Operational Risks	Impact	Mitigation
Dependence on key personnel	The Group is in its early stages of development when reliance on a few key people has an inherent vulnerability.	The Group carries out benchmark exercises to ensure a good remuneration. The Group also offers an environment for excellent personal development in an exciting segment of our industry.
Technology	The Group is launching a product that is not already available in the consumer market.	The Group has responded to consumer demand.
Manufacturing	The Group is making the transition from a research-based organisation to a full commercial organisation. Manufacturing set-up and learning curve could delay sales or could impact our rate of growth.	The Group recruited experienced interim management and consultants to set up brand new manufacturing facilities in Doncaster. They also have the experience to handle the transfer of current manufacturing at our Colworth site under ISO13485. A modular automatic assembly line is being installed. Additional modules are planned to add capacity in line with sales growth.

Financial Risks	Impact	Mitigation
Future funding requirements	The Group's platform is currently unique. We are exploring the capabilities of the platform for a range of tests. Our current funding covers the launch of our initial fertility products. Identified opportunities cannot be pursued with the existing funding.	Management will analyse major opportunities and present them in additional business cases when warranted. The Group is looking at collaborative deals and at available grants to prove the potential of the platform.

Legal Risks	Impact	Mitigation
Intellectual Property litigation	As part of our due diligence process we carried out extensive work on our freedom to operate. Any claim brought against us would detract the Company from its business.	The Group engages with IP specialists to ensure we have a strong position. To our knowledge we do not infringe on any patents.
Changes in legislation	The diagnostics market is heavily regulated. The IVD Directive became a Regulation and has an impact on the regulatory work prior to launch.	The Group's management have experience in the OTC market where regulatory requirements have always been more strenuous than for clinical diagnostics. We work with consultants and with our Notified Body (BSI) to be and to remain compliant.

On behalf of the Board

Erik Henau
Chief Executive Officer
25 April 2017

BOARD OF DIRECTORS

Adam Reynolds
Non-Executive Chairman

Mr Reynolds is a former stockbroker with over 35 years' experience within the UK financial services sector. In 2000, Mr Reynolds founded Hansard Group PLC which was admitted to trading on AIM in 2000.

Mr Reynolds is currently a director of several AIM traded companies: he is a non-executive director of EKF Diagnostics Holdings PLC, a point-of-care, central laboratory, and molecular diagnostics company; Optibiotix PLC, a life sciences business developing compounds to tackle obesity, high cholesterol and diabetes; and Premaitha Health PLC, a company involved in the development of prenatal screening devices. He is also a director of a number of private companies. Adam joined the Concepta PLC board as non-executive Chairman in February 2016.

Erik Henau
Chief Executive Officer

Erik has over 35 years of experience in Life Sciences companies (Amersham International, Oxoid) and consumer diagnostics (Unipath/Alere). He held a number of General Manager positions including running Unilever subsidiaries in Scandinavia and the Netherlands. He finished his career at Alere as International OTC Director and then set up Adaxis, a Women's Health Consultancy business, before returning to corporate life as firstly business development director, and then as CEO, of Concepta Diagnostics Limited.

Barbara Spurrier
Chief Financial Officer and Company Secretary

Mrs Spurrier is a qualified certified accountant (FCCA) with over 30 years finance experience in numerous sectors including Technology, Oil & Gas and Food. Recently she successfully concluded 2 IPO's and 2 RTO's onto LSE/AIM. She has been main board director of 5 AIM listed PLC's, heading the revenue recognition committee of the Board for one of these companies. Alongside her fund raising and IFRS experience her expertise includes strategic planning, financial and cash management, profit optimisation and the implementation of long term strategic objectives.

Dr Mark Wyatt
Non-Executive Director

Investment Director at Enterprise Ventures Limited (recently acquired by Mercia Technologies) and has particular expertise in healthcare and clean technology sectors. Previously Bioscience Ventures Manager at Imperial Innovations responsible for the formation of new, and management of existing, early stage portfolio companies.

Neil Mesher
Non-Executive Director

Neil has more than 25 years of global experience within the healthcare and consumer electronics industries. He is currently CEO of Philips for the UK and Ireland and is on the Board of the Association of British Healthcare Industries (ABHI), from which he led the industry's response to the NHS's "5 Year Forward View", assessing opportunities for greater integration between industry and the healthcare system. Neil is also a member of the Governments Life Science Industrial Strategy Board, representing the interests of the medical technology sector with other senior leaders from across healthcare.

SENIOR MANAGEMENT

Robert Porter
Chief Technology Officer

Robert was one of the founders of Concepta Diagnostics and lead the research and development, quality, regulatory and manufacturing teams to develop the myLotus products. He is the former co-founder and CTO of AgPlus Diagnostics Ltd. In his 19 years in the industry, he was a pioneer of the lateral flow technology at Unipath and served as a head scientist at the National Physical Laboratory for the Bio-diagnostics and single molecule detection area, where he helped national bodies (EPSRC,MRC, BBSRC, TP) and international bodies (IFCC) with developments and direction. Robert holds a PhD in Chemistry and Immunodiagnostics from the University of Swansea.

Zhi Zhang
Chief Scientific Officer and China Advisor

Zhang was one of the founders of Concepta Diagnostics and lead the way in developing key contacts in China for manufacturing and distribution. Zhang's previous position was as Alere-China's first General Manager and has extensive knowledge of the Chinese health-care market. During her time at Alere-China, she helped launch 8 new products and managed 5 product lines, where she had to establish new production lines and managed marketing and sales for many products. Previous to this Zhang was at Unipath UK where she helped develop the patented algorithms currently used by Clearblue's range of fertility and pregnancy test products.

Kevin Su Wei
China Country Manager

Kevin has a strong background in Sales, Distributor Management and Key Opinion Leader management gained in Healthcare and specifically Women's Health. His experience has been gained with large western companies like Motorola, Merck Millipore and Inverness Medical (now Alere). Kevin holds a key role in the establishment of Concepta's presence in China.

CORPORATE GOVERNANCE REPORT

Introduction

The Company, whose shares are admitted to trading on AIM, is not required to comply with the UK Corporate Governance Code. The Directors fully support high standards of corporate governance and have chosen to make the following disclosures which are deemed to be the most relevant, given the nature, size and scope of the Companies activities. The information in this Corporate Governance Report is not subject to audit.

The Company is subject to the UK City Code on Takeovers and Mergers.

The Board and responsibilities

The Board currently consists of a non-executive Chairman, a Chief Executive Officer, one executive Director and two non-executive Directors. There is a clear division of responsibilities between the chairman and the executive officers and the Board considers the non-executive directors to be independent of management. The composition of the Board ensures that no single individual or group of individuals is able to dominate the decision-making process. Details of the individual Directors and their biographies are set out on page 12 to 13.

The Directors evaluate the balance of skills, knowledge and experience on the Board when defining the role and capabilities required for new appointments.

The Board is responsible for management of the business, setting the strategic direction and policies. The Board meets regularly to attend to any issues which require the attention of the Board and oversees the financial position of the Company monitoring the business and affairs on behalf of the Shareholders, to whom the Directors are accountable. The primary duty of the Board is to act in the best interests of Concepta PLC at all times. The Board will also address issues relating to internal control and the Company's approach to risk management.

The day-to-day management of the Company's business is delegated to the Chief Executive Officer and Financial Director of the Company.

During the period following the reverse takeover on the 26 July 2016, the Board held 5 scheduled meetings.

Audit Committee

The Audit Committee, which comprises Adam Reynolds as Chairman, and Mark Wyatt, will meet not less than twice a year. The committee will be responsible for making recommendations to the Board on the appointment of auditors and the audit fee and for ensuring that the financial performance of the Group is properly monitored and reported. In addition, the Audit Committee will receive and review reports from management and the auditors relating to the interim report, the Annual Report and accounts and the internal control systems of Concepta PLC.

The Nomination Committee

The Nomination Committee is responsible for identifying and nominating members of the Board, recommending Directors to be appointed to each committee of the Board, and the chair of each such committee. The Nomination Committee will also arrange for evaluation of the Board. The Nomination Committee comprises Adam Reynolds as Chairman and Mark Wyatt. The Nomination Committee will meet when required.

The Remuneration Committee

The Remuneration Committee, which comprises Adam Reynolds as Chairman and Neil Mesher, will meet not less than once each year. The committee will be responsible for the review and recommendation of the scale and structure of remuneration for senior management, including any bonus arrangements or the award of share options with due regard to the interests of the Shareholders and the performance of Concepta PLC.

Share dealing code

Concepta PLC has adopted and will operate a share dealing code governing the share dealings of the Directors of the Company and applicable employees with a view to ensuring compliance with the AIM Rules.

Investor relations

The General Meeting is the principal forum for dialogue with shareholders. Updates on the progress of the business are regularly published on the Group's website. The Company also has a dedicated electronic communication line specifically for shareholders' enquiries.

On behalf of the Board

Barbara Spurrier
Chief Financial Officer and Company Secretary
25 April 2017

CORPORATE AND SOCIAL RESPONSIBILITY

The Company understands that its impact reaches beyond that of its core business and into the environment and society in which it operates. With integrity at the heart of our corporate social goals our aim is to make a lasting positive contribution to all our stakeholders.

In view of the limited number of stakeholders, the Company has not adopted a specific policy on Corporate Social Responsibility. However, it does seek to protect the interests of stakeholders in the Company through its policies, combined with ethical and transparent business operations. The Company has adopted an Anti-Corruption and Anti-Bribery Policy and compliance with regulations like Competition Law.

Environment

Concepta PLC is sensitive to the environment in which it operates and has established well defined operating guidelines with some of the manufacturing partners where it seeks their compliance with ISO14001 when relevant, to ensure certain environmental standards are complied with.

Human Rights

Concepta is committed to social and morally responsible research, development and manufacturing processes for the benefit of all stakeholders. The activities of the Company are in line with applicable laws on human rights.

Employees

Our employees are key to achieving the business objectives of the Company. The Company has established policies for recruitment, diversity and equal opportunities, training and development. Our priority is to provide a working environment in which our employees can develop to achieve their full potential and have opportunities for both professional and personal development. We aim to invest time and resource to support, engage and motivate our employees to feel valued, to be able to develop rewarding careers and want to stay with us. The Company embraces employee participation in issue raising and resolution through regular update sessions that value contributions from all levels regardless of position in the business.

Shareholders

The Board of Directors actively encourage communication and they seek to protect the interest of shareholders at all times. The Company updates shareholders regularly through regulatory news, financial reports and through our nominated Financial PR firm. The Company also engages directly with investors at our Annual General Meeting or investor events.

Health and Safety

Company activities are carried out in according with its Health and Safety Policy which adheres to all applicable laws and are audited both internally and by an external organisation.

DIRECTORS' REPORT

The Directors present their report and the audited financial statements for Concepta PLC for the year ended 31 December 2016.

The preparation of financial statements is in compliance with IFRS as adopted by the European Union. The Group financial statements consolidate the financial statements of the Company and its subsidiaries under reverse accounting principles. The Parent Company financial statements present information about the Company as a separate entity and not about its Group.

Principal Activities

Concepta PLC is a holding company. It is the parent company of Concepta Diagnostics Limited, a UK- based company, which was acquired on 26 July 2016.

The principal activity of the Group is to develop and commercialise the mobile health diagnostics medical devices.

A detailed review of the business activities of the Group is contained in the Strategic Report.

Business review and future developments

The review of the period's operations, future developments and key risks is contained in the Strategic Report. The Directors do not recommend a final ordinary dividend for the period (2015: £nil).

Directors and directors' interests

The Directors who held office during the period and subsequently were as follows:

Adam Reynolds (appointed 17 February 2016)
Erik Henau (appointed 25 July 2016)
Neil Herbert (resigned 28 March 2017)
Barbara Spurrier
Dr Mark Wyatt (appointed 25 July 2016)
Neil Mesher (appointed 28 March 2017)
Jack Keyes (resigned 17 February 2016)
John O'Donovan (resigned 17 February 2016)

With regard to the appointment and replacement of Directors, the Company is governed by its articles of association, the Companies Act and related legislation. The articles themselves may be amended by special resolution of the shareholders.

Directors' interests

The Directors held the following beneficial interests in the shares, share options and warrants of Concepta PLC at the date of this report:

	Ordinary shares of £0.025 each	Issued share capital %
Adam Reynolds	1,155,555	1.06
Erik Henau	213,333	0.20
Barbara Spurrier	246,057	0.23

Directors' share options and warrants

The Directors' share options and warrants who held office during the period are as follows:

	Options / Warrants at 1 January 2016	Granted	Exercised	Lapsed / Cancelled / Consolidated adjustment	Options / Warrants at 31 December 2016	Date of Grant	Exercise Price	Earliest & latest date of exercise
Adam Reynolds								
Warrants[3]		1,100,000	-	-	1,100,000	26/07/16	£0.075	26/07/16 - 26/07/21
Erik Henau								
Options[4]		1,569,400			1,569,400	25/07/16	£0.075	23/03/19 - 22/03/26
Warrants[3]		1,100,000	-	-	1,100,000	26/07/16	£0.075	26/07/16 - 26/07/21
Neil Herbert								
Warrants[2]	12,500,000	-	-	(12,450,000)	50,000	13/11/14	£2.50	13/11/14 - 12/11/18
Warrants[1]	-	24,674,571	(24,674,571)	-	-	15/02/16	£0.075	15/02/16 - 07/10/16
Barbara Spurrier								
Warrants[1]		5,756,118	(5,747,618)	(8,500)	-	15/02/16	0.075	15/02/16 - 07/10/16
Warrants[3]		1,100,000	-	-	1,100,000	26/07/16	£0.075	26/07/16 - 26/07/21

1. *On 15 February 2016, the Company issued share warrants at exercise price of £0.0003 for existing shareholders. The warrants were exercisable on the following three dates: 7 April 2016; 7 July 2016; and 7 October 2016. On 26 July 2016, following the share consolidation of 250 to 1, the remaining unexercised warrants were replaced with new warrants. Warrants not exercised after 7 October 2016 were lapsed.*

2. *On 26 July 2016, following the share consolidation of 250 to 1, the remaining unexercised warrants of Neil Herbert with exercise price of £0.01 were replaced with new warrants with an exercise price of £2.50.*

3. *On 26 July 2016 warrants with an exercise price of £0.075 were issued to the director.*

4. *On 26 July 2016, Erik Henau's EMI options at an exercise price of £71.25 issued by the Concepta Diagnostics Limited prior to the reverse takeover, were replaced by new EMI options at an exercise price of £0.075 issued by the Concepta PLC. The total number and value of Erik Henau's options were adjusted to take into account the share consolidation adjustment ratio of 250:1. Other than the grant date, the replacement share options were issued on the same terms as the previous share options.*

DIRECTORS' REPORT

The remuneration of the Directors in Concepta PLC who held office during the period from 26 July 2016, when the reverse takeover took place to 31 December 2016 was as follows:

	Salaries / fees £	Pension costs £	Share-based payments £	Concepta PLC 31 December 2016 £	Concepta Diagnostics Limited 31 January 2016 £
Adam Reynolds[1]	20,833	-	60,471	81,304	-
Erik Henau	86,500	3,450	70,442	160,392	-
Neil Herbert[1]	22,916	-	-	22,916	-
Barbara Spurrier	30,000	-	60,471	90,471	-
Dr Mark Wyatt[2]	8,668	-	-	8,668	-
Zhi Zhang	-	-	-	-	75,906
Robert Porter	-	-	-	-	72,726
Steve Lee	-	-	-	-	78,697
Ian Gillham	-	-	-	-	20,581
	168,917	3,450	191,384	363,751	247,910

1. *Director fees were paid for their services during the period*
2. *Dr Mark Wyatt – these are accrued fees in accordance with his service agreement.*

For the purpose of the basis of consolidation of a reverse takeover transaction, as disclosed in note 2 to the accounts, the comparative year ended 31 January 2016 above were remuneration for directors in Concepta Diagnostics Limited only, as it represents the continuation of the financial information of Concepta Diagnostics Limited only.

The remuneration of the Directors who held office in Concepta PLC (formerly, Frontier Resources International PLC) during the period from 1 January 2016 to 25 July 2016 before the reverse takeover and re-admission to AIM was as follows:

	Salaries / fees £	Loss of office compensation £	31 December 2016 £
Adam Reynolds[1]	75,000	-	75,000
Barbara Spurrier[2]	59,333	-	59,333
Jack Keyes[3]	-	20,000	20,000
	134,333	20,000	154,333

1. *Adam Reynold's fees were paid for his service as a director during the period. This also included £50,000 bonus fee, following the successful completion of the reverse takeover transaction in the year.*
2 *Barbara Spurrier's fees included £50,000 bonus fee, following the successful completion of the reverse takeover transaction in the year.*
3 *Jack Keyes resigned on 17 February 2017.*

Directors’ indemnities

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

Post Balance Sheet Events

There are no material post balance sheet events to disclose.

Research and Development Activities

Concepta continues to invest in research and development activities. Concepta is focused on developing and enhancing the existing product portfolio and other products that will compliment and expand the product offering.

The total research and development expenditure including costs for applying patents for the 11 months to 31 December 2016 was £456,188 of which £233,963 capitalised and £222,225 (excluding amortisation charge) was expensed in the income statement. This expenditure was incurred on product development and enhancement. Further details of the research and development activities are disclosed in the Strategic Report.

Financial Risk management

Details of financial risk management are provided in note 3 to the accounts.

Political and charitable contributions

The Group made no charitable or political contributions during the period.

Going Concern

The Directors, having made appropriate enquiries, consider that the Company and the Group as a whole have adequate resources to continue in operational existence for the foreseeable future. Therefore, they continue to adopt the going concern basis in preparing the financial statements.

Purchase of own shares

On 25 July 2016 the Company purchased and cancelled its own deferred shares and ‘A’ deferred shares of £0.009 for a consideration of £1. Following cancellation of the shares, the nominal value of these shares was transferred to the capital redemption reserve.

Substantial shareholdings

The Company has been advised of the following interests in more than 3% of its ordinary share capital as at 31 December 2016:

	%
Mercia Technologies PLC	18.32
Finance Yorkshire Seedcorn Fund	11.63
Angel CoFund	10.69

Statement of Disclosure to the Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Group’s auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Directors are not aware of any relevant audit information of which the auditors are unaware.

Auditors appointment

Jeffreys Henry LLP were appointed during the period and have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the Annual General Meeting.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the financial statements in accordance Company law requires the Directors to prepare group and parent company financial statements for each financial year. Under that law the Directors have elected to prepare the Group consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs) and elected to prepare the parent company financial statements under United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws including FRS 101 Reduced Disclosure Framework). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and of the profit or loss of the Group and the parent company for that period.

In preparing each of the Group and parent company financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether they have been prepared in accordance with IFRSs as adopted by the EU or UK Accounting Standards have been followed, subject to any material departures disclosed and explained; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the parent company will continue in business.

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Information published on the website is accessible in many countries and legislation in the United Kingdom governing the preparation and dissemination of financial statements differ from legislation in other jurisdictions.

The Directors consider that the Annual Report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy. Each of the Directors confirms that, to the best of their knowledge:

The Group financial statements, which have been prepared in accordance with IFRSs as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit of the Group; and the Annual Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that it faces.

By order of the Board

Erik Henau
Chief Executive Officer
25 April 2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONCEPTA PLC

For the year ended 31 December 2016

We have audited the Group financial statements of Concepta PLC (the 'parent company') and its subsidiaries (the 'Group') for the period ended 31 December 2016, which comprises the consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity, consolidated statement of cash flows, company statement of financial position, company statement of changes in equity, company statement of cash flows and the related notes 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. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice), as applied in accordance with the provisions of the Companies Act 2006.

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

Respective responsibilities of Directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 21, the Directors are responsible for the preparation of the Group's and the parent's financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the Group's and the parent's financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Chairman's statement, Chief Executive Officer's review, and Directors report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

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 2016 and of the Group's loss and group's and parent company's cash flows for the period then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been properly prepared in accordance with the requirements of the Companies Act 2006; and as regards the Group financial statements, Article 4 of the IAS Regulation.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Chairman's Statement, Chief Executive Officer's review and Directors Report for the financial period for which the Group financial statements are prepared is consistent with the Group financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept 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.

Sanjay Parmar
Senior Statutory Auditor
For and on behalf of
Jeffreys Henry LLP (Statutory Auditors)
Finsgate 5-7 Cranwood Street
London, EC1V 9EE
25 April 2017

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	11 month period ended 31 December 2016 £	Year ended 31 January 2016 £
Revenue	4	-	3,730
Cost of sales		(37,972)	-
Gross (loss)/profit		(37,972)	3,730
Other administrative expenses		(966,896)	(1,240,916)
AIM admission expenses		(843,448)	-
Deemed cost of reverse acquisition		(640,958)	-
Share-based payments		(74,040)	(25,959)
Administrative expenses		(2,525,342)	(1,266,875)
Operating loss	5	**(2,563,314)**	**(1,263,145)**
Finance income	7	222	910
Finance expenses	7	(1,355)	-
Loss before income tax		**(2,564,447)**	**(1,262,235)**
Tax credit	8	149,221	164,112
Loss for the period		**(2,415,226)**	**(1,098,123)**
Attributable to owners of the parent:		**(2,415,226)**	**(1,098,123)**
Loss per ordinary share - basic and diluted (£)	9	(0.03)	(0.04)

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	31 December 2016 £	31 January 2016 £
Non-current assets			
Property, plant and equipment	10	186,933	253,268
Intangible assets	11	215,993	-
Total non-current assets		**402,926**	**253,268**
Current assets			
Inventories	12	70,500	-
Trade and other receivables	13	215,103	20,011
Corporation tax receivable		96,221	178,146
Cash and cash equivalents	14	2,708,477	100,389
Total current assets		**3,090,301**	**298,546**
Total assets		**3,493,227**	**551,814**
Current liabilities			
Trade and other payables	15	181,957	108,443
Loans and borrowings	16	-	30,000
Total current liabilities		**181,957**	**138,443**
Non-current liabilities			
Deferred tax liability	17	-	53,000
Total non-current liabilities		**-**	**53,000**
Total liabilities		**181,957**	**191,443**
Net assets		**3,311,270**	**360,371**
Share capital	18	2,740,631	425
Share premium account		8,663,326	2,305,374
Share-based payment reserve	19	541,364	43,879
Capital redemption reserve		1,814,674	-
Reverse acquisition reserve		(6,044,192)	-
Retained earnings		(4,404,533)	(1,989,307)
Total equity		**3,311,270**	**360,371**

These financial statements were approved and authorised for issue by the Board of directors on 25 April 2017 and were signed on its behalf by:

Erik Henau
Chief Executive Officer

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Deferred shares & 'A' deferred shares	Share Premium	Capital redemption reserve	Retained earnings	Reverse acquisition reserve	Share-based payment reserve	Total
	£	£	£	£	£	£	£	£
Concepta Diagnostics Limited Equity as at 1 February 2015	**425**	**-**	**2,305,374**	**-**	**(891,184)**	**-**	**17,920**	**1,432,535**
Loss for the year	-	-	-	-	(1,098,123)	-	-	**(1,098,123)**
Total comprehensive loss	**-**	**-**	**-**	**-**	**(1,098,123)**	**-**	**-**	**(1,098,123)**
Share-based payments	-	-	-	-	-	-	25,959	**25,959**
Equity as at 31 January 2016	**425**	**-**	**2,305,374**	**-**	**(1,989,307)**	**-**	**43,879**	**360,371**
Concepta PLC Equity as at 1 February 2016	**361,999**	**1,488,875**	**3,672,903**	**-**	**-**	**-**	**-**	**5,523,777**
Loss for the period	-	-	-	-	(2,415,226)	-	-	**(2,415,226)**
Total comprehensive loss	**-**	**-**	**-**	**-**	**(2,415,226)**	**-**	**-**	**(2,415,226)**
Issue of shares net of expenses	2,433,597	-	4,611,257	-	-	-	-	**7,044,854**
Loan notes converted to shares	270,834	-	379,166	-	-	-	-	**650,000**
Reverse acquisition reserve	-	-	-	-	-	(6,044,192)	-	**(6,044,192)**
Transfer to 'A' deferred shares	(325,799)	325,799	-	-	-	-	-	**-**
Buyback & cancellation of shares	-	(1,814,674)	-	1,814,674	-	-	-	**-**
Share-based payments	-	-	-	-	-	-	497,485	**497,485**
Equity as at 31 December 2016	**2,740,631**	**-**	**8,663,326**	**1,814,674**	**(4,404,533)**	**(6,044,192)**	**541,364**	**3,311,270**

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

	11 month period ended 31 December 2016 £	Year ended 31 January 2016 £
Cash flows from operating activities		
Loss before taxation	(2,564,447)	(1,262,235)
Adjustments for:		
Deemed cost of reverse acquisition	640,958	-
Depreciation and amortisation	104,153	93,062
Finance expenses	1,355	-
Finance income	(222)	(910)
Share-based payments	497,485	25,959
Operating loss before working capital changes	**(1,320,718)**	**(1,144,124)**
Changes in working capital		
Increase in inventory	(70,500)	-
Decrease in trade and other receivables	81,712	39,080
Decrease in trade and other payables	(157,054)	(257,618)
Cash used in operations	**(1,466,560)**	**(1,362,662)**
Tax received	178,146	161,428
Net cash outflow from operating activities	**(1,288,414)**	**(1,201,234)**
Investing activities		
Purchase of property, plant and equipment	(19,848)	(2,213)
Purchase of intangible assets	(233,963)	-
Interest received on bank deposit account	222	910
Payment for the acquisition of Concepta Diagnostics Limited	(750,120)	-
Acquisition, net of cash acquired[1]	872,806	-
Net cash flows used in investing activities	**(130,903)**	**(1,303)**
Financing activities		
Issue of ordinary shares (net of issue expenses)	3,408,760	-
Interest paid on loans and borrowings	(1,355)	-
Proceeds from loans and borrowings	650,000	30,000
Repayment of loans and borrowings	(30,000)	-
Net cash flows from financing activities	**4,027,405**	**30,000**
Net change in cash and cash equivalents	**2,608,088**	**(1,172,537)**
Cash and cash equivalents at the beginning of the period	100,389	1,272,926
Cash and cash equivalents at the end of the period	**2,708,477**	**100,389**

[1] The cash inflow on acquisition (net of cash acquired) relates to the cash and cash equivalent of Concepta PLC as at date of acquisition (26 July 2016).

Significant non-cash transactions : On 26 July 2016 Concepta PLC acquired the entire issued share capital of Concepta Diagnostics Limited for a consideration of £3,025,916, satisfied by the issue of shares of £2,275,796 (non-cash transaction) and cash of £750,120. Also, shares were issued in settlement of Concepta Diagnostics Limited's debt of £650,000.

The accompanying notes are an integral part of these financial statements.

1. General information

Concepta PLC (the "Company", formerly, Frontier Resources International PLC) is a public limited company incorporated and domiciled in England and Wales. The registered office of the Company is 1 Park Row, Leeds, England, LS1 5AB. The registered company number is 06573154.

The Company was incorporated on 22 April 2008. The Company became an AIM Rule 15 cash shell on 23 March 2016, following the disposal or dissolution of its previous oil and gas related subsidiaries. On 26 July 2016, the Company with its enlarged share capital started trading on AIM, following a reverse takeover of Frontier Resources International PLC (renamed as Concepta PLC).

The Company's principal activity is in the development and commercialisation of mobile health diagnostics medical devices.

The consolidated financial statements comprised of the Company and its subsidiary (together referred to as "the Group") as at and for the period to 31 December 2016. The parent Company financial statements present information about the Company as a separate entity and not about its Group.

2. Accounting policies

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

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRSs), as adopted by the European Union ("adopted IFRSs") and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The preparation of financial statements in compliance with adopted IFRSs requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed below.

Basis of consolidation

The consolidated financial statements include the results of the Company and its subsidiaries ("the Group") as if they formed a single entity for the full period or, in the case of acquisitions, from the date control is transferred to the Group. The Company controls an entity, when the Company has the power, either directly or indirectly, to govern the financial and operating policies of another entity or business so as to obtain benefits from its activities, it is classified as a subsidiary. Intercompany transactions and balances between Group companies are therefore eliminated in full.

On 26 July 2016 Concepta PLC ("Company") acquired the entire issued share capital of Concepta Diagnostics Limited ("legal subsidiary") for a consideration of £3,025,916, satisfied by the issue of shares of £2,275,796 and cash of £750,120. As the legal subsidiary is reversed into the Company (the legal parent), which originally was a public-listed cash shell company, this transaction cannot be considered a business combination, as the Company, the accounting acquiree does not meet the definition of a business, under IFRS 3 'Business Combinations'. However, the accounting for such capital transaction should be treated as a share-based payment transaction and therefore accounted for under IFRS 2 'Share-based payment'. Any difference in the fair value of the shares deemed to have been issued by the Concepta Diagnostics Limited (accounting acquirer) and the fair value of Concepta PLC's (the accounting acquiree) identifiable net assets represents a service received by the accounting acquirer.

Although the consolidated financial information has been issued in the name of Concepta PLC, the legal parent, it represents in substance continuation of the financial information of the legal subsidiary.

The assets and liabilities of the legal subsidiary are recognised and measured in the Group financial statements at the pre-combination carrying amounts and not re-stated at fair value.

The retained earnings and other reserves balances recognised in the Group financial statements reflect the retained earnings and other reserves balances of legal subsidiary immediately before the business combination and the results of the period from 1 February 2016 to the date of the business combination are those of the legal subsidiary only.

The equity structure (share capital and share premium) appearing in the Group financial statements reflects the equity structure of Concepta PLC, the legal parent. This includes the shares issued in order to effect the business combination.

The comparatives numbers presented in the financial statements are the accounts of the legal subsidiary for the year ended 31 January 2016.

The difference between the aggregate deemed fair value of the consideration paid and the identified assets and liabilities acquired of Concepta PLC is £640,958 and this amount is charged to the income statement for the period ended 31 December 2016. The cash inflow on acquisition (net of cash acquired) is £872,806. This amount is the cash and cash equivalent of Concepta PLC as at date of acquisition (26 July 2016).

Changes in accounting policies and disclosures

(a) New and amended standards adopted by the Group

The Group has applied any applicable new standards, amendments to standards and interpretations that are mandatory for the financial year beginning on or after 1 February 2016. However, none of them has a material impact on the Group's consolidated financial statements.

(b) New, amended standards, interpretations not adopted by the Group

A number of new standards, amendments to standards and interpretations to existing standards have been published that are mandatory for the Group's accounting periods beginning after 1 February 2016, or later periods, where the Group intends to adopt these standards, if applicable, when they become effective. The Group has disclosed below those standards that are likely to be applicable to the Group and is currently assessing the impact of these standards.

- IFRS 15 Revenue from Contracts with Customers, effective date 1 January 2018, subject to the endorsement by the EU. IFRS 15 is intended to clarify the principles of revenue recognition and establish a single framework for revenue recognition. This standard replaces the previous standard IAS 11 Construction Contracts, IAS18 Revenue and revenue related IFRICs. The core principle is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The impact of this standard has not yet been assessed.

- IFRS 9 Financial Instruments, effective date 1 January 2018, subject to the endorsement by the EU. IFRS 9 is a replacement for IAS 39 'Financial Instruments' and covers three distinct areas. Phase 1 contains new requirements for the classification and measurement of financial assets and liabilities. Phase 2 relates to the impairment of financial assets and requires the calculation of impairment on an expected loss basis rather than the current incurred loss basis. Phase 3 relates to less stringent requirements for general hedge accounting.

  The impact of this standard has not yet been assessed.

- IFRS 16 Lease, effective date 1 January 2019 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'). IFRS 16 completes the IASB's project to improve the financial reporting of leases and replaces the previous leases Standard, IAS 17 Leases, and related Interpretations.

  The impact of this new standard has not yet been assessed.

Going concern

The Directors have prepared a cash flow forecast covering a period extending beyond 12 months from the date of these financial statements.

The forecast contains certain assumptions about the performance of the business including growth in future revenue, the cost model and margins; and importantly the level of cash recovery from trading. The Directors are aware of the risks and uncertainties facing the business but the assumptions used are the Directors' best estimate of the future development of the business.

After considering the forecasts and the risks, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements. The financial statements do not include any adjustments that would result from the going concern basis of preparation being inappropriate.

Foreign currency

The functional currency of the Company is Sterling Pound (£) and its subsidiary is also in £. The presentational currency of the Company is £ because a significant amount of its transactions is in £.

Transactions entered by the Group's entities in a currency other than the reporting currency are recorded at the rates ruling when the transaction occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the statement of financial position date. Exchange differences arising on the re-translation of outstanding monetary assets and liabilities are also recognised in the income statement.

Revenue recognition

Revenue is the total amount receivable by the Company for services supplied, excluding VAT and trade discounts.

Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker has been identified as the management team including the two main directors and two non-executive directors.

The Board considers that the Company's activity constitutes one operating and one reporting segment, as defined under IFRS 8. Management reviews the performance of the Company by reference to total results against budget.

The total profit measures are operating profit and profit for the period, both disclosed on the face of the income statement. No differences exist between the basis of preparation of the performance measures used by management and the figures in the Company's financial information.

Employee benefits

(i) Short-term benefits

Wages, salaries, paid annual leave and sick leave, bonuses and non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the Company.

(ii) Defined contribution plans

The Company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Company. The annual contributions payable are charged to the income statement and they become payable in accordance with the rules of the scheme.

Operating leases

Rentals payable under operating leases are charged against the statement of comprehensive income on a straight-line basis over the lease term.

Share-based payment

Where equity settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the consolidated statement of comprehensive income over the vesting period and the corresponding entry recorded in the share-based payment reserve. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the consolidated statement of comprehensive income over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the consolidated statement of comprehensive income is charged with the fair value of goods and services received.

Property, plant and equipment

Property, plant and equipment is stated at historic cost, including expenditure that is directly attributable to the acquired item, less accumulated depreciation and impairment losses.

Depreciation is provided to write off cost, less estimated residual values, of all property, plant and equipment, except for investment properties and freehold land, evenly over their expected useful lives, calculated at the following rates:

Plant and equipment	-25% straight line
Furniture, fittings & Equipment	-25% straight line
Factory equipment	-50% straight line on second hand assets

As no finite useful life for land can be determined, related carrying amounts are not depreciated. The useful life, the residual value and the depreciation method is assessed annually.

The carrying value of the property, plant and equipment is compared to the higher of value in use and the fair value less costs to sell. If the carrying value exceeds the higher of the value in use and fair value less the costs to sell the asset, then the asset is impaired and its value reduced by recognising an impairment provision.

Intangible assets (including capitalised development costs)

(i) Research and development

Expenditure on research activities as defined in IFRS is recognised in the income statement as an expense as incurred.

Expenditure on the development of the platform comprising a proprietary meter (myLotus meter), fertility hormones strips testing and a mobile phone application and any enhancements to this platform is recognised as intangible assets only when the following criteria are met:

1. it is technically feasible to develop the product to be used or sold;
2. there is an intention to complete and use or sell the product;
3. the Group is able to use or sell the product;
4. use or sale of the product will generate future economic benefits;
5. adequate resources are available to complete the development; and
6. expenditure on the development of the product can be measured reliably.

The capitalised expenditure represents costs directly attributable to the development of the asset from the point at which the above criteria are met up to the point at which the product is ready to use. If the qualifying conditions are not met, such development expenditure is recognised as an expense in the period in which it is incurred.

Capitalised development expenditure is measured at cost less accumulated amortization and accumulated impairment costs. Amortisation is charged on a straight-line basis over the useful life of the related asset which management estimated to be five years.

Development costs that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

(ii) Patent costs

The Group has looked to obtain intellectual property through patents, Company know-how, design rights and trademarks. The Group has a portfolio of patent applications which is currently being pursued.

The costs incurred in obtaining these patents have been capitalised as the Group is confident that the patent applications will be successful.

Amortisation is charged on a straight-line basis over the useful life of the related asset which management estimated to be ten years. The patent costs are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Deferred taxation

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the statement of financial position differs from its tax base, except for differences arising on:

- the initial recognition of goodwill;
- the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit; and
- investments in subsidiaries where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the deferred tax liabilities or assets are settled or recovered. Deferred tax balances are not discounted.

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities.

The Group is entitled to a tax deduction on the exercise of certain employee share options. A share-based payment expense is recorded in the income statement over the period from the grant date to the vesting date of the relevant options. As there is a temporary difference between the accounting and tax bases, a deferred tax asset may be recorded. The deferred tax asset arising on share option awards is calculated as the estimated amount of tax deduction to be obtained in the future (based on the Group's share price at the balance sheet date) pro-rated to the extent that the services of the employee have been rendered over the vesting period. If this amount exceeds the cumulative amount of the remuneration expense at the statutory rate, the excess is recorded directly in equity, against retained earnings. Similarly, current tax relief in excess of the cumulative amount of the Share-based payments expense at the statutory rate is also recorded in retained earnings.

Inventory

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held on call, together with other short term highly liquid investments which are not subject to significant changes in value and have original maturities of less than three months.

Equity

Equity comprises the following:

- Share capital: the nominal value of equity shares
- Share premium
- Share-based payment reserve
- Capital redemption reserve
- Reverse acquisition reserve and
- Retained earnings.

Equity instruments

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds. Dividends on ordinary shares are recognised as liabilities when approved for distribution.

Financial assets

On initial recognition, financial assets are classified as either financial assets at fair value through income statement, held-to-maturity investments, loans and receivables financial assets, or available-for-sale financial assets, as appropriate.

Loans and receivables

The Group classifies all its financial assets as Trade and receivables. The classification depends on the purpose for which the financial assets were acquired.

Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables financial assets. Loans and receivables financial assets are measured at amortised cost using the effective interest method, less any impairment loss. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

The Group's loans and receivables financial assets comprise other receivables (excluding prepayments) and cash and cash equivalents included in the Statement of Financial Position.

Financial liabilities

Financial liabilities are recognised when, and only when, the Company becomes a party to the contracts which give rise to them and are classified as financial liabilities at fair value through the profit and loss or loans and payables as appropriate. The Company's loans and payable comprise trade and other payables (excluding other taxes and social security costs and deferred income).

When financial liabilities are recognised initially, they are measured at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method other than those categorised as fair value through income statement.

Fair value through the income statement category comprises financial liabilities that are either held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. Derivatives are also classified as held for trading unless they are designated as hedges. There were no financial liabilities classified under this category.

The Company determines the classification of its financial liabilities at initial recognition and re-evaluate the designation at each financial year end.

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same party on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the income statement.

Summary of critical accounting estimates and judgements

The preparation of financial information in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Directors to exercise their judgement in the process of applying the accounting policies which are detailed above. These judgements are continually evaluated by the Directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key estimates and underlying assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and judgements which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

- **Useful lives of depreciable assets**

Management reviews the useful lives and residual value of depreciable assets at each reporting date to ensure that the useful lives represent a reasonable estimate of likely period of benefit to the Group. Tangible fixed assets are depreciated over their useful lives taking into account of residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

- **Intangible assets (including capitalised development costs)**

The assessment of the future economic benefits generated by these separately identifiable intangible assets and the determination of its amortisation profile involve a significant degree of judgement based on management estimation of future potential revenue and profit and the useful life of the assets. Reviews are performed regularly to ensure the recoverability of these intangible assets.

- **Share-based payments**

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 19 Share-based payments.

- **Taxation**

In recognising income tax assets and liabilities, management makes estimates of the likely outcome of decisions by tax authorities on transactions and events whose treatment for tax purposes is uncertain. Where the final outcome of such matters is different, or expected to be different, from previous assessments made by management, a change to the carrying value of income tax assets and liabilities will be recorded in the period in which such a determination is made. In recognising deferred tax assets and liabilities management also makes judgements about likely future taxable profits. The carrying values of current tax and deferred tax assets and liabilities are disclosed separately in the statement of financial position.

3. Financial Risk Management

Financial instruments by category

Financial assets	31 December 2016 £	31 January 2016 £
Cash and cash equivalents	2,708,477	100,389
Total current financial assets	**2,708,477**	**100,389**

Financial liabilities	31 December 2016	31 January 2016
	£	£
Trade payables	84,252	33,072
Accruals	82,386	71,581
Trade and other payables	166,638	104,653
Loans and borrowings - current	-	30,000
Loans and borrowings	-	30,000
Total financial liabilities	**166,638**	**134,653**

Fair value hierarchy

All the financial assets and financial liabilities recognised in the financial statements which are short-term in nature are shown at the carrying value which also approximates the fair values of those financial instruments. Therefore, no separate disclosure for fair value hierarchy is required.

The Group's activities expose it to a variety of financial risks, mainly credit risk and liquidity risk.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. In order to minimise this risk the Group endeavours only to deal with companies which are demonstrably creditworthy.

The aggregate financial exposure is continuously monitored. The maximum exposure to credit risk is the value of the outstanding amount of bank balances. The Group's exposure to credit risk on cash and cash equivalents is considered low as the bank accounts are with banks with high credit ratings.

Liquidity risk

The Group currently holds cash balances to provide funding for normal trading activity and is managed centrally. Trade and other payables are monitored as part of normal management routine.

Borrowings and other liabilities mature according to the following schedule:

	2016 Within 1 year £	2015 Within 1 year £
Trade and other payables	166,638	104,653
Loans & borrowings	-	30,000
	166,638	**134,653**

Capital risk management

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern; and provide an adequate return to shareholder by pricing products and services commensurate with the level of risk.

To meet these objectives, the Company reviews the budgets and forecasts on a regular basis to ensure there is sufficient capital to meet the needs of the Company through to profitability and positive cash flow.

All working capital requirements are financed from existing cash resources.

4. Segment information

The Group has one operating segment which is involved in the provision of diagnostic healthcare products. The operating segment has no revenue reported for the period to 31 December 2016 as it is in an early stage of its operation. The revenue in 2016 represents ad hoc provision of services to external customers.

	Period ended 31 December 2016 £	Year ended 31 January 2016 £
	Diagnostic healthcare	Diagnostic healthcare
Revenue from external customers	-	3,730
Finance income	222	910
Finance expense	(1,355)	-
Segment loss after tax	(811,178)	(1,098,123)
Corporate loss after tax	(1,604,048)	-
Group loss after tax	(2,415,226)	(1,098,123)

All the segment assets are located in UK.

Segment assets	918,480	551,814
Corporate assets	2,574,747	-
Total assets	3,493,227	551,814
Segment liabilities	95,568	191,443
Corporate liabilities	86,389	-
Total liabilities	181,957	191,443
Segment depreciation and amortisation expenses	104,153	93,062
Segment purchase of tangible and intangible assets	253,811	2,213

5. Loss from operations

	Period ended 31 December 2016 £	Year ended 31 January 2016 £
Loss is stated after charging:		
Audit fees – current Group's auditors	18,000	-
Audit fees – previous auditors	-	2,953
Other services:		
Audit fees – subsidiary	8,000	-
Non-audit fees – all assurance services	1,000	-
Corporate finance transaction fee of £30,000 included in 'AIM admission expenses'	-	-
Non-audit fees - taxation advisory and compliance services of previous auditors[1]	-	40,595
Depreciation of property, plant and equipment	86,183	93,062
Amortisation of intangible assets	17,970	-
Research and development costs[2]	222,225	794,282
Legal and professional fees	34,763	126,031
Staff costs excluding R&D staff (note 6)	257,769	82,442
Operating lease rentals	62,447	57,678
Foreign exchange losses	503	-
Separately disclosed items within administration expenses		
Share-based payments[3]	74,040	25,959
AIM admission expenses[4]	843,448	-
Deemed cost of reverse acquisition[5]	640,958	-

1 Previous auditors of Concepta Diagnostics Limited.

2 Including R&D staff costs, net of capitalised development costs.

3 Share-based payments relate to costs of share options issued to employees (including directors) and consultants/professionals estimated in accordance with IFRS 2 'share-based payment'.

4 AIM admission expenses relate to legal, professional fees and other costs incurred during the July 2016 fundraising activity, reverse takeover transaction and share-based payments of £423,455 on the warrants issued.

5 Deemed cost of reverse acquisition represents the excess of aggregate deemed fair value of consideration paid over the assets and liabilities acquired in relation to the reverse takeover of Concepta PLC.

6. Employees and directors

The average number of employees (including directors) during the period was made up as follows:

	Period ended 31 December 2016 Number	Year ended 31 January 2016 Number
Directors	3	4
Administrative	2	2
	5	6
Research and development	6	6
Total	11	12

The cost of employees (including directors) during the period was made up as follows:

	Period ended 31 December 2016 £	Year ended 31 January 2016 £
Salaries	477,228	411,389
Social security costs	40,414	41,032
Pension costs	16,548	14,382
Share-based payments (relating to employees)	17,865	25,959
Staff costs including R&D staff	**552,055**	**492,762**
Less: R&D staff costs included in research and development expense		
Salaries	(252,155)	(357,350)
Social security costs	(23,732)	(38,588)
Pension costs	(11,647)	(14,382)
Share-based payments	(6,752)	-
R&D staff costs	**(294,286)**	**(410,320)**
Salaries (including directors)	225,073	54,039
Social security costs	16,682	2,444
Pension costs	4,901	-
Share-based payments (relating to employees)	11,113	25,959
Staff costs excluding R&D staff	**257,769**	**82,442**

Key management personnel compensation

The compensation of key management personnel, primarily directors of Concepta PLC were made up as follows:

	Before 26 July 2016 £	From 26 July to 31 December 2016 £	Period ended 31 December 2016 £	Year ended 31 January 2016 £
Salaries / fees	134,333	168,917	303,250	228,000
Pension costs	-	3,450	3,450	7,200
Social security costs	1,390	8,701	10,091	26,450
Loss of office compensation	20,000	-	20,000	-
Benefits in kind	-		-	4,129
	155,723	**181,068**	**336,791**	**265,779**
Share-based payments	-	191,384	191,384	8,581
	155,723	**372,452**	**528,175**	**274,360**

Of the key management personnel compensation amount above, £372,452 was related to period after the reverse takeover transaction on the 26 July 2016 and this amount was included in the loss for the period to 31 December 2016.

The above remuneration (including share-based payments) of directors includes the following amounts paid to the highest paid Director:

	Group 31 December 2016 £	Concepta Diagnostics Limited 31 January 2016 £
Highest paid Director	160,392	73,326

7. Finance income and expenses

	Period ended 31 December 2016 £	Year ended 31 January 2016 £
Finance income		
Interest on bank deposits	222	910
Finance expenses		
Interest paid on loans	1,355	-

8. Tax credit

	Period ended 31 December 2016 £	Year ended 31 January 2016 £
The tax credit is as follows:		
UK Corporation tax		
Tax credit – current year	96,221	178,147
– previous year	-	38,965
Total current tax	96,221	217,112
Deferred tax		
Origination and reversal of timing differences	53,000	(53,000)
Total tax credit	149,221	164,112

The current corporation tax credit for year ended 31 January 2016 and period ended 31 December 2016 relates to a tax receivable in respect of UK research and development activity.

Factors affecting the tax credit

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to the result for the year are as follows:

	Period ended 31 December 2016 £	Year ended 31 January 2016 £
Loss on ordinary activities before income tax	(2,564,447)	(1,262,235)
Standard rate of corporation tax	20%	20%
Loss before tax multiplied by the standard rate of corporation tax	512,889	252,447
Effects of:		
Adjustment in respect of the previous year	-	38,966
Non-deductible expenses	(216,324)	(18,291)
Accelerated depreciation	(13,267)	(2,347)
Deferred tax not recognised	(172,594)	(173,177)
Additional deduction for R&D expenditure	75,015	144,192
Effect of different rate for R&D tax credit	(36,498)	(77,678)
Tax credit	149,221	164,112

Changes in tax rates
UK small company's corporation tax rate has been maintained at 20% for the two periods. Accordingly, the deferred tax liability at have been calculated based on the rate of 20% at the balance sheet date. Future enacted tax rates or 19% will apply from 1 April 2017 and 18% from 1 April 2020.

The Group has not recognised deferred tax assets arising from the accumulated tax losses and timing differences due to uncertainty of their future recovery. An amount of £1,234,000 at 31 December 2016 (January 2016: £nil) has arisen due to timing differences relating to share options and warrants. Deferred tax on this amount has not been recognised due to the uncertainty surrounding the timing of the options/warrants being exercised.

The amounts of recognised deferred tax asset or liabilities and its movements are set out in note 17.

9. Earnings per share

	Period ended 31 December 2016	Year ended 31 January 2016
Basic and diluted		
Loss for the period and earnings used in basic & diluted EPS (£)	(2,415,226)	(1,098,123)
Weighted average number of shares used in basic and diluted EPS	93,609,848	30,343,950
Loss per share (£)	(0.03)	(0.04)

Basic earnings per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period. The weighted average number of shares for the current and prior years included 30,343,950 shares issued by Concepta PLC as consideration for the acquisition of Concepta Diagnostics Limited as if they had always been in issue.

Due to the loss in the periods the effect of the share options was considered anti-dilutive and hence no diluted loss per share information has been provided.

10. Property, plant and equipment

	Plant & Equipment £	Fixtures, fittings & equipment £	Factory Equipment £	Total £
Cost				
At 1 February 2015	**356,219**	**13,816**	**-**	**370,035**
Additions	2,213	-	-	2,213
At 31 January 2016	**358,432**	**13,816**	**-**	**372,248**
Additions	17,883	1,640	325	19,848
At 31 December 2016	**376,315**	**15,456**	**325**	**392,096**
Depreciation				
At 1 February 2015	**23,212**	**2,706**	**-**	**25,918**
Charge for the year	89,608	3,454	-	93,062
At 31 January 2016	**112,820**	**6,160**	**-**	**118,980**
Charge for the period	82,849	3,320	14	86,183
At 31 December 2016	**195,669**	**9,480**	**14**	**205,163**
Net book value				
At 31 January 2016	**245,612**	**7,656**	**-**	**253,268**
At 31 December 2016	**180,646**	**5,976**	**311**	**186,933**

11. Intangible assets

	Patents £	Development costs £	Total £
Cost			
At 31 January 2015	**-**	**-**	**-**
Additions	-	-	-
At 31 January 2016	**-**	**-**	**-**
Additions	41,467	192,496	233,963
At 31 December 2016	**41,467**	**192,496**	**233,963**
Amortisation			
At 31 January 2015	**-**	**-**	**-**
Charge for the year	-	-	-
At 31 January 2016	**-**	**-**	**-**
Charge for the year	1,654	16,316	17,970
At 31 December 2016	**1,654**	**16,316**	**17,970**
Net book value			
At 31 January 2016	-	-	-
At 31 December 2016	**39,813**	**176,180**	**215,993**

12. Inventories

	31 December 2016 £	31 January 2016 £
Raw materials	70,500	-

The cost of inventories recognised as an expense and included in research and development costs in the year amounted to £9,856 (January 2016: £nil).

13. Trade and other receivables

	31 December 2016 £	31 January 2016 £
Prepayments	86,192	5,227
Other receivables	43,692	-
VAT receivable	85,219	14,784
Corporation tax receivable	96,221	178,146
	311,324	**198,157**

14. Cash and cash equivalents

	31 December 2016 £	31 January 2016 £
Cash at bank and in hand	2,708,477	100,389

Where cash at bank earns interest, interest accrues at floating rates based on daily bank deposit rates.
The fair value of the cash & cash equivalent is as disclosed above.
For the purpose of the cash flow statement, cash and cash equivalents comprise of the amounts shown above.

15. Trade and other payables

	31 December 2016 £	31 January 2016 £
Trade payables	82,036	33,072
Accruals and deferred income	82,386	71,581
Social security & other taxes payable	15,319	3,790
Other payables	2,216	-
Total trade and other payables	**181,957**	**108,443**

16. Loans and borrowings

	31 December 2016 £	31 January 2016 £
Current		
Bank loans (unsecured)	-	30,000
Total loans and borrowings	**-**	**30,000**

During the current period, Concepta Diagnostics Limited settled a loan of £30,000 from Diagnostic Capital Limited and paid interest at 10% per annum. Total interest charged to finance costs for the year was 1,355 (January 2016: £nil)

On 23 February 2016 and on 6 May 2016 Concepta Diagnostics Limited issued convertible loan notes of £250,000 and £400,000 respectively. On 26 July 2016, these loan notes totalling £650,000 were novated by Concepta Diagnostics Limited to Concepta PLC and converted into shares following the admission of the enlarged share capital of the Group.

17. Deferred tax liability

	31 December 2016 £	31 January 2016 £
Deferred tax liability	-	53,000

The movement on the deferred tax liability is as follows:

	31 December 2016 £	31 January 2016 £
At 1 February 2016	53,000	-
Tax (credit)/charge	(53,000)	53,000
At 31 December 2016	**-**	**53,000**

	31 December 2016 £	31 January 2016 £
Accelerated capital allowances	-	53,000
Deferred tax liability	**-**	**53,000**

18. Share capital and reserves

	Authorised Ordinary shares of £0.025 each		Deferred shares of £0.0009 each		'A' deferred shares of £0.0009 each		Share premium	Total consideration
	Number	Nominal value £	Number	Nominal value £	Number	Nominal value £	£	£
Concepta Diagnostics Limited								
At 1 Feb 2015 Issue of shares	42,467	425	-	-	-	-	2,305,374	2,305,799
At 31 Jan 2016	**42,467**	**425**					**2,305,374**	**2,305,799**
Concepta PLC								
At 1 Jan 2016	361,999,056	361,999	165,430,505	1,488,875	-	-	3,672,903	5,523,777
Split of ordinary £0.001 share capital (note 1)	-	(325,799)	-	-	361,999,056	325,799	-	-
Shares issued (net expenses) (note 2)	4,838,000,944	483,800	-	-	-	-	876,498	1,360,298
Ordinary shares at £0.0001 each	5,200,000,000	520,000	165,430,505	1,488,875	361,999,056	325,799	4,549,401	6,884,075
Shares consolidation (note 3)	(5,179,200,000)	-	-	-	-	-	-	-
New ordinary shares at £0.025 each	20,800,000	520,000	165,430,505	1,488,875	361,999,056	325,799	4,549,401	6,884,075
Shares issued (net expenses) (note 4)	88,825,247	2,220,631	-	-	-	-	4,113,925	6,334,556
Buyback and cancellation of deferred shares (note 5)	-	-	(165,430,505)	(1,488,875)	(361,999,056)	(325,799)	-	(1,814,674)
At 31 Dec 2016	**109,625,247**	**2,740,631**	**-**	**-**	**-**	**-**	**8,663,326**	**11,403,957**

Notes

(1) On 6 January 2016 a capital reorganisation took place whereby each of the 361,999,056 ordinary shares of £0.001 was divided into one ordinary share of £0.0001 ("existing ordinary share") and one 'A' deferred share of £0.0009.

(2) Before the share consolidation on 25 July 2016, the following transactions resulted in the issue of 4,838,000,944 of existing ordinary shares for a total consideration of £1,360,298 (net of expenses):

- On 17 February 2016, 4,750,000,000 existing ordinary shares were issued at £0.0003 per share in a subscription.
- On 8 April 2016, 47,857,593 existing ordinary shares were issued at £0.0003 per share following exercise of warrants.
- On 12 July 2016, 40,143,351 existing ordinary shares were allotted for (1) 40,139,630 warrants issued in February 2016 which were exercised with a gross proceed of £12,042 and (2) 3,172 shares were issued at 0.03p per ordinary shares to create the share premium necessary for the Company to acquire the deferred shares for a consideration of £1.

(3) On 25 July 2016, every 250 existing ordinary shares of £0.0001 was consolidated into 1 new ordinary share of £0.025 ("new ordinary shares"), and this resulted in 5,200,000,000 of existing ordinary shares of £0.0001 being consolidated into 20,800,000 new ordinary shares.

(4) Following the admission of the enlarged share capital of the Company and share consolidation on the 25 July 2016, 88,825,247 new ordinary shares for a total consideration of £6,334,556 (net of expenses) were issued:

(i) On 26 July 2016, the following transactions resulted in the issue of new ordinary shares of 88,360,573 for a total consideration of £6,299,705 (net of expenses):

- Acquisition by the Company of the entire issued share capital of Concepta Diagnostics Limited, resulting in the issue of 30,343,950 new ordinary shares at an issue price of £0.075 each.
- Issue of 32,050,342 new ordinary shares under the firm placing, 1,373,330 new ordinary shares under the subscription and 13,759,618 new ordinary shares under the conditional placing with clawback under the open offer at an issue price of £0.075 each; and
- Issue of 10,833,333 new ordinary shares in settlement of Concepta Diagnostics Limited's debt of £650,000 at an issue price of £0.06 each

(ii) On 10 October 2016, 464,674 new ordinary shares were issued following the exercise of warrants issued in February 2016. The exercise price is £0.075 for each share and the gross proceeds was £34,851.

(5) On 25 July 2016 the Company purchased and cancelled its own deferred shares and 'A' deferred shares of £0.009 for a consideration of £1. Following cancellation of the shares, the nominal value of these shares was transferred to the capital redemption reserve.

All shares of the Company rank pari passu in all respects.

Reserves

The following describes the nature and purpose of each reserve within equity:

Share premium	Amount subscribed for share capital in excess of nominal value.
Share-based payment reserve	Cumulative fair value of share options granted and recognised as an expense in the Income Statement.
Capital redemption reserve	The aggregate nominal value of all the ordinary shares repurchased and cancelled by the Company. The reserve is non-distributable.
Reverse acquisition reserve	Effect on equity of the reverse acquisition of Concepta Diagnostics Limited
Retained earnings	Retained earnings represents all other net gains and losses and transactions with shareholders (example dividends) not recognised elsewhere.

19. Share-based payments

The Company operates two option schemes, namely an unapproved option scheme and an Enterprise Management Incentive (EMI) scheme. The EMI scheme is for employees and directors and the unapproved option scheme is for consultants involved in the healthcare operation.

Share and warrant based payment charged to the Group's profit or loss for the period were as follows:

	Group Period ended 31 December 2016	Concepta Diagnostics Limited Period ended 31 January 2016	Concepta PLC (Company) Year ended 31 December 2015
	£	**£**	**£**
Options issued to employees and directors of parent	9,971	-	14,210
Options issued to external consultants of subsidiary	7,894	581	-
Options issued to employees and services received of subsidiary	56,175	12,455	7,410
Included in share-based payments	**74,040**	**13,036**	**21,620**
Warrants issued to directors of parent	181,414	-	-
Warrants issued to for services received of subsidiary	42,842	-	-
Warrants issued for services received	199,189	12,923	-
Included in AIM admission expenses	**423,445**	**12,923**	**-**
Total share-based payments	**497,485**	**25,959**	**21,620**

The table below set outs the number and weighted average exercise price (WAEP) of, and movements in, the Company's share options scheme in the period:

Share options

	31 December 2016		31 December 2015	
	Number	WAEP (£)	Number	WAEP (£)
At 1 January	7,750,000	0.057	8,250,000	0.057
Forfeited / lapsed before share consolidation	(7,750,000)	(0.057)	(500,000)	0.060
Share options before share consolidation	-	-	7,750,000	0.057
Granted during the year	3,883,800	0.083	-	-
Forfeited / lapsed during the year	(79,800)	0.075	-	-
At 31 December	**3,804,000**	**0.083**	**7,750,000**	**0.057**

During the period prior to the Concepta PLC re-admission to AIM on 26 July 2016, 7,750,000 share options were surrendered and cancelled by the share option holders as these options were underwater where the option's exercise price is higher than market price. As a result, £295,663 charge was transferred from the share-based payment reserve to profit and loss reserve in June 2016.

The EMI options vests provided the employees remain in the service of the Company or subsidiary for a period of 3 years from the grant date or vest equally over 3 years from grant date. The unapproved options vested on the date of grant.

On 26 July 2016, 14,631 of EMI and unapproved options at an exercise price of £71.25 issued by Concepta Diagnostics Limited prior to the reverse takeover were terminated and replaced with 3,540,650 of EMI and unapproved options at an exercise price of £0.075 issued by the Company, after taking into account of share consolidation adjustment ratio of 250:1. Apart from the grant date, the new share options over the shares of Concepta PLC were issued on the same terms as the previous share options of Concepta Diagnostics Limited. The difference in fair value between the Concepta Diagnostics Limited options schemes and the Concepta PLC schemes is recognised as a share-based payment expense. The fair value of the new share options was estimated using the Black Scholes model.

There were no options exercised during the period.

The following share options of the Company were outstanding in respect of ordinary shares at 31 December:

	Concepta PLC options scheme 31 December 2016	Concepta PLC options scheme 31 December 2015
EMI scheme		
Number of options	2,219,400	-
Exercise price range	0.166-0.075	-
Exercise period	April 2017 - December 2026	-
Unapproved scheme		
Number of options	1,584,600	7,750,000
Exercise price range	0.075	0.055-0.06
Exercise period	July 2016 - July 2025	Surrendered and cancelled in 2016

The weighted average remaining contractual life for the EMI and non-approved share options outstanding at 31 December 2016 was 8.6 years.

The fair value of equity settled share options granted under the Company's Share Option Schemes is estimated as at the date of grant using the Black Scholes model. The following table lists the inputs and key output to the model:

There is no comparative disclosed below as Concepta PLC has not granted any share options in 2015.

	Concepta PLC options scheme 31 December 2016	**Concepta Diagnostics Limited options scheme 31 January 2016**
	EMI / Unapproved schemes	EMI / Unapproved schemes
Weighted average fair value at grant date (£)	0.051	16.50
Weighted average share price (£)	0.083	35.6
Exercise price (£)	0.166-0.075	71.25
Expected volatility	99%-100%	97%-101%
Expected options life (years)	3	3
Expected dividends	0%	0%
Risk-free interest rate	0.20% - 0.25%	0.90%

Warrants

On 15 February 2016, the Company issued 361,999,056 share warrants at exercise price of £0.0003 for existing shareholders. The warrants were exercisable on the following three dates: 7 April 2016; 7 July 2016; and 7 October 2016. Warrants not exercised after 7 October 2016 were lapsed.

On 26 July 2016, following the share consolidation of 250 to 1, the remaining unexercised warrants of 287,941,833 with exercise price ranging between £0.0003 and £0.06 was converted to 1,151,767 warrants with an exercise price ranging between £0.075 and £15.

On 26 July 2016 warrants with an exercise price of £0.075 were issued to directors, a key employee and Group's advisers and consultants. These warrants are exercisable at any time during the period of 5 years from date of grant.

	31 December 2016		31 December 2015	
	Number	WAEP (£)	Number	WAEP (£)
At 1 January	**15,457,221**	**0.020**	**15,457,221**	**0.02**
Issued before share consolidation	361,999,056	0.0003	-	-
Exercised before share consolidation	(87,997,223)	(0.0003)	-	-
Cancelled	(1,517,221)	(0.060)	-	-
Effect of share consolidation	(286,790,066)	-	-	-
New warrants after share consolidation	1,151,767	0.255	-	-
Granted – new warrants	8,133,633	0.075	-	-
Lapsed – new warrants	(631,333)	(0.075)	-	-
Exercised – new warrants	(464,674)	(0.075)	-	-
At 31 December	**8,189,393**	**0.100**	**15,457,221**	**0.02**

The fair value of the warrants is estimated as at the date of grant using the Black Scholes model. The following table lists the inputs and key output to the model:

As Concepta PLC was re-admitted to the AIM market on 26 July 2016, the Company has insufficient historical data to calculate and hence the volatility of 99% is based on the implied volatility of a group of listed entities that have similar characteristics and are in the same industry sector.

No comparative has been disclosed as Concepta PLC has not granted any share warrants in 2015.

	31 December 2016
Weighted average share price £	0.075
Weighted average fair value at grant date £	0.046
Expected volatility	99%
Expected options life - years	5
Expected dividends	-
Risk-free interest rate	0.20%

At 31 December 2016, the following warrants were outstanding in respect of £0.025 ordinary shares and all are exercisable by expiry date:

Grant date	Number	Exercise price	Expiry date
7/26/2016	5,760	15.0	7/5/2018
7/26/2016	50,000	2.5	11/12/2018
7/26/2016	8,133,633	0.075	7/26/2021
	8,189,393		

At 31 December 2015, the following warrants of Concepta PLC before share consolidation were outstanding in respect of ordinary shares and all are exercisable by expiry date:

Grant date	Number	Exercise price	Expiry date
7/26/2016	416,666	0.06	7/5/2016
7/26/2016	2,540,555	0.06	7/5/2018
7/26/2016	12,500,000	0.01	11/12/2018
	15,457,221		

At 31 January 2016, the warrants issued by Concepta Diagnostics Limited to Diagnostic Capital Limited to subscribe for 1,274 of its shares with an exercise price of £71.25 were outstanding. These warrants must be exercised within 10 years from date of grant. On 26 July 2016, these warrants were cancelled and new warrants were issued by Concepta PLC to subscribe for 1,210,300 of its shares with an exercise price of £0.075. These new warrants are exercisable during the period of 5 years from date of grant.

20. Operating lease commitments

The Group leases certain land and buildings. Some of the rents payable under these leases are subject to review at intervals specified in the lease. The lease terms are between 5 to 10 years and with break clause. The Group also leases certain plant and equipment under cancellable operating lease agreement. The total future value of minimum lease payments is due as follows:

31 December 2016	Plant and equipment	Land and building	Total
	£	£	£
Within one year	779	84,913	85,692
Between one and five years	3,051	339,653	342,704
After more than five years	-	200,813	200,813
	3,830	625,379	629,209

The Group also has an office rental lease which can be cancelled anytime. There are no lease commitments at 31 January 2016.

21. Capital commitments

Capital expenditure contracted for at the end of the reporting period but not yet incurred is as follow:

	31 December 2016 £	31 January 2016 £
Property, plant and equipment	130,220	-

Of this contracted amount, deposits of £48,420 were paid during the reporting period.

22. Related Party Transactions

During the period the Company entered into the following transactions with related parties:

Related party	Transaction	Note	31 December 2016 £	31 January 2016 £
Stowheath Limited	Paid for director fees & expenses	1	3,000	10,287
Adaxis Limited	Consultancy fees	2	41,800	74,372
Reyco Limited	Non-executive director fees and expenses	3	26,738	-
CFPro Limited	Accounting fees	4	58,219	-
Cambridge Financial Partners LLP	Subsistence expenses	4	844	-
Cambrian Limited	Non-executive director fees	5	22,916	-
Amount outstanding at year end (included in Trade and other payables)				
Adaxis Limited			-	6,720
Reyco Limited			5,222	-
CFPro Limited			9,176	-
Cambridge Financial Partners LLP			241	-
Cambrian Limited			6,250	-
Mark Wyatt- accrued non-executive director fees			8,668	-

1. Dr. Ian Gilham has an interest in Stowheath Limited. He resigned as a director of Concepta Diagnostics Limited on 25 July 2016.
2. Mr. Erik Henau has an interest in Adaxis Limited. The fees paid were for his consultancy work on the reverse takeover transaction before he was employed by Concepta PLC. Mr Henau is a director of Concepta PLC and Concepta Diagnostics Limited.
3. Mr. Adam Reynolds, a non-executive director of Concepta PLC is a director of and has an interest in Reyco Limited.
4. Service fees were paid to CFPro Limited and Cambridge Financial Partners LLP for accounting and consultancy support, companies in which Barbara Spurrier has an interest. Barbara Spurrier is a director of Concepta PLC.
5. Mr. Neil Herbert, a non-executive director of Concepta PLC has an interest in Cambrian Limited.

23. Events subsequent to the reporting date

In January 2017, Concepta achieved ISO13485 accreditation, a key step in attaining CE marking ahead of the commercial launch in the UK and Europe.

In February 2017, Concepta signed a technology transfer and licence agreement with Selective Antibodies to develop stress test for myLotus fertility product.

24. Ultimate controlling party

There is no ultimate controlling party of the Company.

COMPANY STATEMENT OF FINANCIAL POSITION

	Notes	31 December 2016 £	31 December 2015 £
Non-current assets			
Investments in subsidiaries	4	3,782,827	3
Total non-current assets		**3,782,827**	**3**
Current assets			
Trade and other receivables	5	18,863	51,654
Net amounts due from subsidiaries	6	641,016	-
Cash and cash equivalents	7	2,560,190	17,448
Total current assets		**3,220,069**	**69,102**
Total assets		**7,002,896**	**69,105**
Current liabilities			
Trade and other payables	8	90,694	137,146
Total current liabilities		**90,694**	**137,146**
Net assets/(liabilities)		**6,912,202**	**(68,041)**
Share capital	9	2,740,631	361,999
Share premium		8,663,326	3,672,903
Deferred shares		-	1,488,875
Capital redemption reserve		1,814,674	-
Share-based payment reserve		512,317	325,339
Retained losses		(6,818,746)	(5,917,157)
Total equity		**6,912,202**	**(68,041)**

These financial statements were approved and authorised for issue by the Board of directors on 25 April 2017 and were signed on its behalf by:

Erik Henau
Chief Financial Executive
Company Registration Number: 06573154

The accompanying notes are an integral part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

	Share capital £	Deferred shares £	'A' deferred shares £	Share premium £	Capital redemption reserve £	Share-based payment Reserve £	Retained losses £	Total £
Equity as at 01 January 2015	**1,654,305**	**-**	**-**	**3,249,611**	**-**	**303,739**	**(3,871,970)**	**1,335,685**
Loss for the year	-	-	-	-	-	-	(2,045,187)	(2,045,187)
Total comprehensive loss							**(2,045,187)**	**(2,045,187)**
Issue of share capital	196,569	-	-	423,292	-	-	-	619,861
Share-based payments	-	-	-	-	-	21,600	-	21,600
Transferred to deferred shares	(1,488,875)	1,488,875	-	-	-	-	-	-
Equity as at 31 December 2015	**361,999**	**1,488,875**	**-**	**3,672,903**	**-**	**325,339**	**(5,917,157)**	**(68,041)**
Loss for the year	-	-	-	-	-	-	(1,197,252)	(1,197,252)
Total comprehensive loss							**(1,197,252)**	**(1,197,252)**
Issue of shares (net of expenses)	2,433,597	-	-	4,611,257	-	-	-	7,044,854
Convertible loan notes converted to shares	270,834	-	-	379,166	-	-	-	650,000
Transfer to 'A' deferred shares	(325,799)	-	325,799	-	-	-	-	-
Buyback & cancellation of shares	-	(1,488,875)	(325,799)	-	1,814,674	-	-	-
Reversal of share-based payment	-	-	-	-	-	(295,663)	295,663	-
Share-based payments	-	-	-	-	-	482,641	-	482,641
Equity as at 31 December 2016	**2,740,631**	**-**	**-**	**8,663,326**	**1,814,674**	**512,317**	**(6,818,746)**	**6,912,202**

The accompanying notes are an integral part of these financial statements.

COMPANY STATEMENT OF CASH FLOWS

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
Cash flows from operating activities		
Operating loss before taxation	(1,197,252)	(2,045,187)
Adjustments for:		
Finance expenses	-	4,796
Impairment of investment in subsidiary	-	1,753,623
Share-based payments	375,730	21,600
Write off of investment	3	-
Operating loss before working capital changes	**(821,519)**	**(265,168)**
Changes in working capital		
Increase in trade and other receivables	(608,226)	(32,447)
Decrease in trade and other payables	(46,451)	(397,857)
Cash used in operations	**(1,476,196)**	**(695,472)**
Net cash outflow from operating activities	**(1,476,196)**	**(695,472)**
Investing activities		
Investment in subsidiary undertakings	(750,120)	-
Net cash flows used in investing activities	**(750,120)**	**-**
Financing activities		
Proceeds from issue of share capital	4,769,058	619,861
Interest paid on AGR loan & supplier credit charge	-	(4,796)
Net cash flows from financing activities	**4,769,058**	**615,065**
Net change in cash and cash equivalents	**2,542,742**	**(80,407)**
Cash and cash equivalents at the beginning of the year	17,448	97,855
Cash and cash equivalents at the end of the year	**2,560,190**	**17,448**

NOTES TO THE COMPANY FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

1. Accounting policies

The accounting policies that are applicable, as set out in note 2 to the consolidated financial statements have been applied together with the following accounting policies below that have been consistently in the preparation of these Concepta PLC ("the Company") financial statements.

Basis of preparation

The financial statements of Concepta PLC have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). There were no material amendments for all periods presented on the adoption of FRS 10, following the transition from IFRS to FRS 101. The financial statements have been prepared under the historical cost convention, as modified and in accordance with the Companies Act 2006.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

a) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of paragraph 79(a)(IV) of IAS 1 – a reconciliation of the share capital at beginning and end of the period;

b) the requirements of paragraphs 134 – 136 of IAS 1 'Presentation of Financial Statements' to disclose the management of the capital of the Company;

c) the requirements of paragraphs 30 and 31 of IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' to disclose the new or revised standards that have not been adopted and information about their likely impact;

d) all of the disclosure requirements of IFRS 7 'Financial Instruments: Disclosures';

e) the requirements of paragraph 17 of IAS 24, 'Related Party Disclosures' to disclose key management personnel; and

f) the requirements in IAS 24 'Related Party Disclosures' to disclose related party transactions entered into between two or more members of a group, provided that any subsidiaries which is a party to the transaction is wholly owned by such a member.

Investments in subsidiaries

The Company's investment in its subsidiaries is carried at cost less provision for any impairment. Investments denominated in foreign currency are recorded using the rate of exchange at the date of acquisition. The carrying value is tested for impairment when there is an indication that the value of the investment might be impaired. When carrying out impairment tests these would be based upon future cash flow forecasts and these forecasts would be based upon management judgement. The Board review the subsidiary forecasts to determine whether any provision impairment is required and where the forecasts indicate future profitability, no impairment provision is made.

Share-based payments

The accounting policy for share-based payments is disclosed in note 2 to the consolidated financial statements.

Taxation

The accounting policy for taxation is disclosed in note 2 to the consolidated financial statements.

Critical accounting estimates and judgments

The preparation of financial information in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires the Directors to exercise their judgement in the process of applying the accounting policies which are detailed above. These judgements are continually evaluated by the Directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follow:

1. Measurements of the share-based payment and taxation. These are detailed in the Group accounts under note 2. Accounting Policies – Summary of critical accounting estimates and judgements.
2. Impairment of investment impairment. This is detailed in the accounting policy Investment in subsidiaries above.

2. Company income statement

The Company has taken advantage of Section 408 of the Companies Act 2006 in not presenting its own income statement. The Company's loss for the year was £1,197,252 (2015: £2,045,187) and is included within the consolidated statement of comprehensive income.

3. Staff costs

The cost of employees (including directors) during the period was made up as follows:

	2016 £	2015 £
Salaries (including directors)	285,751	23,928
Pension costs	3,450	-
Social security costs	10,091	-
Loss of office compensation	20,000	-
Share-based payments (relating to employees)	191,385	14,210
Total staff costs	**510,677**	**38,138**

4. Investments in subsidiary undertakings

	Investment in subsidiary £
COST	
At 1 January 2015	**1,753,626**
Additions	-
At 31 December 2015	**1,753,626**
Additions[2]	3,675,916
Share-based payments for Concepta Diagnostics Limited[1]	106,911
Write off of investments	(3)
At 31 December 2016	**5,536,450**
IMPAIRMENT	
At 1 January 2015	**-**
Impairment of investment in subsidiary	1,753,623
At 31 December 2015	**1,753,623**
Impairment of investment in subsidiary	-
At 31 December 2016	**1,753,623**
Net book value	
At 31 December 2015	**3**
At 31 December 2016	**3,782,827**

1 This relates to the share-based payments for the period to 31 December 2016 for share options issued to employees of Concepta Diagnostics Limited.

2 This relates to Concepta PLC acquisition of the entire issued share capital of Concepta Diagnostics Limited for a consideration of £3,025,916 and settlement of the subsidiary's debt of £650,000 on the 26 July 2016.

The principal undertaking in which the Company's interest at the year-end is as follows:

Name	Country of incorporation	Proportion of ownership interest at 31 December 2016	Nature of business
Concepta Diagnostics Limited	United Kingdom	100.0%	Healthcare business

5. Trade and other receivables

	31 December 2016 £	31 December 2015 £
Trade receivables - net	-	-
Other receivables	-	30
Prepayments	18,863	12,412
VAT receivables	-	39,212
Total	**18,863**	**51,654**

All amounts are due within three months. No amounts are past due.

6. Net amounts due from subsidiaries

The Directors consider that the carrying amount of amounts owed by and to group undertakings approximates their fair value. The amounts reported under current assets have no fixed repayment terms and repayment on demand.

7. Cash and cash equivalent

	31 December 2016 £	31 December 2015 £
Cash at bank and in hand	2,560,190	17,448

8. Trade and other payables

	31 December 2016 £	31 December 2015 £
Trade payables	31,590	49,527
Accruals and deferred income	53,763	45,962
Social security & other taxes payable	1,035	41,627
Other payables	-	30
VAT payable	4,306	-
Total trade and other payables	**90,694**	**137,146**

9. Share capital

For details of share capital see note 18 of the consolidated financial statements.

10. Share-based payments

For details of share-based payments see note 19 of the consolidated financial statements.

11. Related party transactions

The Company has taken advantage of the exemption under paragraph 8(k) of FRS101 not to disclose transactions with Concepta Diagnostics Limited that is wholly owned subsidiary of Concepta PLC.

There are no other related party transactions other than those relating to Directors that have been disclosed in note 22 to the consolidated statements.

12. Commitments

The Company has no lease or capital commitments at the end of the reporting period.

13. Contingent liabilities

The Company has no contingent liabilities.

14. Ultimate controlling party

The Company does not have an ultimate controlling party.

15. Events after reporting date

For details of events after reporting date see note 23 of the consolidated financial statements.

OFFICERS & ADVISORS

Directors

Adam Reynolds *(Chairman)*
Erik Henau *(Chief Executive Officer)*
Barbara Spurrier *(Chief Financial Officer)*
Dr Mark Wyatt *(Non-Executive Director)*
Neil Mesher *(Non-Executive Director)*

Company secretary and registered office

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Nominated advisor

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Bankers

HSBC

Auditors

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