Registered Number: 09109008

Remote Monitored Systems plc
Annual Report and Financial Statements
For the year ended 31 December 2020

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CHAIRMAN'S STATEMENT

The last twelve months has been a period of major change at RMS; the Company has acquired a new subsidiary in Pharm 2 Farm Ltd ("P2F"), new shareholders, a new board, a new direction and is now proposing the disposal of its 58 per cent. subsidiary, GyroMetric Systems Ltd ("GyroMetric"), and a change of name to nanosynth group plc. Such pace of change in an organisation is immensely challenging, however, the Company has emerged stronger than this time last year with a healthy balance sheet and many more growth opportunities ahead of it.

2020 started positively, with the Company reporting in April that unprecedented interest in Cloudveil and customer orders for GyroMetric meant that the future was brightening. By the end of June, the potential remained strong, but the lockdown was delaying any meaningful progress. Two months later, on 21 August, the Company announced it was in discussions to acquire P2F, a spin-out from Nottingham Trent University ("NTU"), which had responded to the COVID-19 pandemic by diverting from its original strategy of creating novel agricultural supplements using nano particles to developing enhanced personal protective equipment ("PPE") through producing an antiviral face mask. The acquisition was approved by shareholders on 4 November 2020.

With the acquisition of P2F completing just 8 weeks before the end of RMS's financial year and now the proposed disposal of GyroMetric, the results for 2020 provide few meaningful indications for the future.

Revenue increased to £104k in 2020 from £52k in 2019, driven mainly by sales at GyroMetric (up to £83k from £51k in 2019). Operating costs increased to £1.26m from £0.61m in 2019, due mainly to the expense of the share options granted to directors in November 2020 and a number of one-off costs, including costs related to the P2F acquisition. With the carrying value of GyroMetric being written off at the end year reflecting the proposed terms of its disposal, total losses before tax on continuing operations more than doubled to £1.53m from £0.59m in 2019; giving a loss per share on continuing operations of 0.18p. However, nearly half this loss was due to the share option expenses (£434k) and the impairment on the value of GyroMetric (£363k). As these are both non-cash items, the net cash used by continuing operations was £990k, compared to £583k in 2019, driven mainly by an increase of £358k in working capital (mainly due to advance payments on the mask machine and raw materials to make the anti-viral masks at P2F) compared to a decrease of £123k in 2019. Through placings in April, July and December, coupled with the exercise of warrants, the Company raised over £6.0m net of costs of £0.4m. £1.5m of the placing monies from December were not received until after the year end and hence are not included in the year-end cash balance of £3.6m. The exercise to date in 2021 of further warrants and options have raised an additional £0.9m for the Group and, as at 8 June 2021, its consolidated bank balance stood at approximately £5.0m.

Moving into 2021, the Company responded to shareholder concerns with several board changes, including myself replacing Paul Ryan as Chairman and Richard Clarke joining as an independent non-executive director. The challenge for the new board was severalfold; the mask machine arrived at P2F in early January and needed commissioning ahead of a formal launch of P2F's anti-viral mask under its brand name 'Pro-Larva'; initial interest in the mask needed to be converted into sales and decisions needed taking on how to best utilise the funds raised in December 2020. To this last point, the Board commenced a strategic review, which has recently completed. The Board was also keen to build on the innovations behind the anti-viral face mask and develop further products using the same technology, alongside the development of products for the agricultural sector, which had been the founding principle behind P2F.

The first step was to solve the production issue and avoid disappointing customers by being unable to deliver any masks. Commissioning of the mask machine has been delayed by several months as a number of problems were identified and dealt with and the Board is confident that the machine should be fully operational by early July. With the machine at BioCity unable to meet the anticipated demand, the Board outsourced the manufacturing of the mask to Volz Filters UK.

The price of masks has decreased significantly since the start of the COVID-19 pandemic and the differential between the Pro-Larva mask and other, non anti-pathogenic masks is now significantly greater than 12 months ago. This combined with the impact of existing stockpiles of masks, the success of the vaccination campaign and the uncertainty over the lifting or otherwise of current lockdown restrictions has made sales challenging in the UK. The Group has adopted a two-pronged approach to marketing the Pro-Larva mask. The first, for areas suffering from a rise in COVID infection rates, such as India, is to position the mask as a key step in breaking the infection cycle. However, this is only a short-term opportunity that will fade as the pandemic recedes. The second approach is to position the mask as part of an array of enhanced personal protection equipment, providing a broad anti-pathogenic protection and so reducing the impact of infection amongst workers in in key sectors, such as healthcare. The short-term focus will be on the dental and GP sectors, with a longer-term campaign to encourage the NHS to adopt the protection offered by the unique anti-viral layer, currently contained in the Pro-Larva mask.

However, the Pro-Larva mask is but a small element of the Group's potential. The purpose of the strategic review undertaken by the Board was to identify other areas of opportunity and to apply the Company's cash reserves to best exploit those areas. GyroMetric had shown potential in the discussions with offshore wind turbine manufacturers. However, significant investment would have been required to take advantage of this and other opportunities for GyroMetric's technology and so the Board will be seeking shareholder approval at the forthcoming Annual General Meeting ("AGM") to return control of GyroMetric to its founders and reduce ongoing costs to the Group. Cloudveil continues to show promise, although sales this year have been slowed by the merger of two of its major potential customers. Cloudveil does not currently require any investment, although this could change if it secures some of the current contracts under discussion. The opportunities arising from the intellectual property inside P2F are substantial. The use of copper as a biocide in the anti-viral layer (the 'α-virion'™ layer) has led to the development of two spin-off applications. Initial tests on the anti-viral characteristics of these new applications have been successful and the Group is now seeking partners to further develop these ideas into commercial products. P2F is also in advanced discussions with a major global agricultural supplier for a new range of animal nutrients.

With the recognition of the importance of nanotechnology to the future of the Group, the Board believes that it is now the right time to change the Group's name. The Board proposes that the Company is renamed nanosynth group plc; and that following the disposal of GyroMetric, there will be three subsidiaries; Pharm 2 Farm Ltd (to focus on agricultural applications and the human nutrient market), nanosynth Ltd (to focus on advance materials such as the 'α-virion'™ layer and their applications in healthcare and other sectors), and Cloudveil Ltd (to focus on Intelligence Services and Security Risk Management).

As has been previously reported, the Group has begun its search for a new Chief Executive Officer. It is expected that this search could take several months as we want to be certain of finding the right calibre of individual who will help the team best exploit the myriad of opportunities arising from its nanotechnology, but we hope that it will be complete by the time that we announce our interim results. We are also looking to boost our marketing capabilities. In the meantime, we are privileged to have very capable executives across the Group, who are receiving good guidance and support from the Board. The appointment of Dr Gareth Cave and Dr Felicity Sartain as non-executive directors ensures that science remains at the heart of all Board conversations.

Lastly, I would like to thank all the Company's shareholders for their support over the last few months. I know that many shareholders feel communication can be improved and we continue to work in that direction. However, we also need to ensure that we are only announcing concrete news. After the groundwork that has been carried out during the year to date, I am confident that the second half of the year will see the announcement of several positive developments at nanosynth group plc.

Antony Legge

Executive Chairman

8 June 2021

STRATEGIC REPORT

The Directors present their Strategic Report on the Group for the year ended 31 December 2020.

Principal activities and business review
The principal activity of Remote Monitored Systems plc (the "Company") and its subsidiaries (together the "Group") continued to be the development and manufacture of digital monitoring and safeguarding systems for rotating shafts, security and risk management consultancy and related software and services. In addition, as a result of the acquisition of Pharm 2 Farm Limited during the year, the Group now has the added activity of developing and manufacturing nanoparticles for applications in healthcare and agriculture.

The year under review represents the eighth year of trading for the Group. During 2020 the Group sought to grow via existing business development and through the acquisition of Pharm 2 Farm Limited.

Financial review and key performance indicators
As detailed in the 2019 Report during 2020 the members approved the disposal of the Geocurve business which enabled the group to focus on its other core activities. The Geocurve operation has continued to be shown as a discontinued operation in 2020.

During 2020 as detailed in note 20 significant funds were raised through both share placings and warrant exercises. Net proceeds from these issues were £4,604,801 with a further £1,505,000 being received in early January 2021.

Key performance indicators

	2020	2019
	£	£
Revenue from continuing operations	**104,309**	52,648
Administrative expenses of continuing operations	**1,256,234**	608,802
Loss after tax for the year from continuing operations	**1,533,963**	592,290
Earnings per share (pence) from continuing operations - loss	**(0.18)**	(0.13)
Net assets/(liabilities)	**6,896,805**	(19,250)
Cash and cash equivalents	**3,741,135**	74,770

Current trading and future developments
The Group continues to make progress across the two subsidiaries Pharm 2 Farm Ltd and Cloudveil Ltd.

Principal risks and uncertainties
There are risks associated with the Group's business. The Board regularly reviews the risks to which the Group is exposed and has in place a strategy to mitigate these risks as far as possible. The following summary, which is not exhaustive, outlines some of the key risks and uncertainties facing the Group at its present stage of development.

The Directors have considered the impact of the COVID-19 pandemic on the business. On the positive side, it can be expected that over the longer term the pandemic could lead to greater demand for a range of anti-pathogenic products deriving from P2F's anti-viral technology. On the negative side, lockdowns, either at local or national levels, disrupt working practices and logistics potentially leading to delays in sales and production. As the restrictions continue to be eased in the UK and most of Europe, Cloudveil is expected to make progress towards closing a number of contracts. Immediate B2C demand for P2F's anti-viral mask is expected to diminish with P2F focusing more on the long term B2B markets such as healthcare.

Operating risks
The responsibility of overseeing the day-to-day operations and the strategic management of the Group depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Group if one or more of these employees cease their employment.

The Group's business planning is carried out on the basis of expected future work. The Group is reliant upon securing new contracts. There is a risk that expected contracts will not be won. The directors mitigate this risk by monitoring the pipeline of future contracts. There is significant risk regarding new contracts with the ongoing restrictions due to COVID-19. Management is closely monitoring the situation.

The operations of the Group may be affected by various factors, including operational and technical difficulties; difficulties in commissioning and operating plant and equipment; equipment failure or breakdown, and the failure of clinical or agricultural trials (or similar).

Financial risk factors
The Group's activities expose it to a variety of financial risks: credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Credit risk
Credit risk arises from outstanding receivables. Management does not expect any losses from non-performance of these receivables.

STRATEGIC REPORT (continued)

Liquidity risk
At the date of this report the Group has net cash of approximately £5.0m and therefore the Directors are confident that there are adequate cash reserves with which to finance operations. Controls over expenditure are carefully managed.

Capital risk management
The Group's objectives when managing capital are to safeguard the Group's and Company's ability to continue as a going concern, in order to enable the Group and Company to continue its activities and bring its products to market. The Company defines capital based on the total equity of the Company. The Company monitors its level of cash resources available against future planned activities and may issue new shares in order to raise further funds from time to time.

Section 172 statement
Under section 172 of the Companies Act 2006, directors of a company must act in the way that they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:
(a) the likely consequences of any decision in the long term,
(b) the interests of the company's employees,
(c) the need to foster the company's business relationships with suppliers, customers and others,
(d) the impact of the company's operations on the community and the environment,
(e) the desirability of the company maintaining a reputation for high standards of business conduct, and
(f) the need to act fairly as between members of the company.

The Chairman's Statement details the Group's future plans to achieve its long-term strategy. The Corporate Governance Report, as detailed on pages 9 to 12, sets out the adherence to maintaining high standards of business conduct, as also demonstrated by the increase in the number of non-executive directors on the Company's Board since the year end. GyroMetric furloughed a number of its employees during the pandemic in order to keep the workforce in place whilst customers delayed any sales conversations.

The Group is committed to maintaining an excellent reputation and strive for high standards, while maintaining an awareness of the environmental impact of the work that they do and strive to reduce their carbon footprint.

The Directors recognise the importance of wider stakeholders in delivering their strategy and achieving sustainability within the business; in ensuring that all our stakeholders are considered as part of every decision process we believe we act fairly between all members of the Company.

This Strategic Report was approved by the Board of Directors and authorised for issue on 8 June 2021 by:

Antony Legge
Executive Chairman

DIRECTORS' REPORT

The Directors present their Report together with the audited Financial Statements for the year ended 31 December 2020.

General information

During the year to 31 December 2020, the principal activity of Remote Monitored Systems plc (the "Company") and its subsidiaries (together the "Group") was developing and manufacturing digital monitoring and safeguarding systems for rotating shafts, security and risk management consultancy and related software and services. In November 2020, as detailed in note 17, the Group acquired Pharm 2 Farm Limited a company specialising in the development and manufacture of nanoparticles for applications in healthcare and agriculture, which was considered an additional distinct activity.

During 2019 the Group reached agreement to sell its specialist survey and inspection division. The sale was completed in January 2020 as detailed in note 12.

Dividends

The Directors do not recommend payment of a dividend (2019: £nil).

Directors' indemnities

The Group has made qualifying third-party indemnity provisions for the benefit of its Directors which were made during the year and remain in force at the date of this report.

Directors' interests

The Directors who held office in the year and their beneficial interests in the Company's issued share capital at the beginning and end of the accounting year were:

	Ordinary Shares Interest at 31 December 2020 No.	Ordinary Shares Interest at 31 December 2019 No.	Warrants Interest at 31 December 2020 No.	Warrants Interest at 31 December 2019 No.
Paul Ryan [1] (resigned 8 January 2021)	-	44,794,270	-	5,500,000
Trevor Brown (resigned 23 February 2021)	-	109,637,590	-	-
Nigel Burton (resigned 10 July 2020)	n/a	26,098,901	n/a	-
John Richardson (appointed 10 July 2020)	-	-	-	-

The Directors who have been appointed after 31 December 2020 are as follows:

Antony Legge (appointed 11 January 2021)

Richard Clarke (appointed 11 January 2021)

Alexander Vergopoulos (appointed 18 January 2021, resigned 19 February 2021)

Gareth Cave (appointed 19 April 2021)

Felicity Sartain (appointed 19 April 2021)

1. Shares held by Warande1970 BVBA, a company controlled by Mr Ryan

Major shareholdings

The closing mid-market price of the Company's Ordinary 0.01p Shares at 31 December 2020 was 1.39p. Shareholders holding more than 3% of the Company's shares at the date of this report were:

	Ordinary shares	%
Gareth Cave	289,645,185	13.93

Capital structure

Details of the issued share capital, together with details of the movements in the Company's issued share capital during the year, are shown in note 20. Since 31 December 2020 the Company has raised additional capital through the exercise of share options and warrants.

The holders of Ordinary Shares are entitled to receive notice of, and to attend and vote at, any General Meeting of the Company. Every member present at such a meeting shall, upon a show of hands, have one vote. Upon a poll, holders of all shares shall have one vote for every share held. All Ordinary Shares are entitled to participate in any distributions of the Company's profits or assets. There are no restrictions on the transfer of the Company's Ordinary Shares. Remote Monitored Systems plc's ordinary 0.01p shares are traded solely on the AIM market.

The Company also has Deferred Shares in issue, the holders of which are not entitled to vote at General Meetings and have no entitlement to distributions.

DIRECTORS' REPORT (continued)

Going concern
The Financial Statements have been prepared assuming the Group and Company will continue as a going concern.

The operational requirements of the Group comprise of maintaining a Head Office in the UK alongside its UK operations. The Directors have reviewed the Group's working capital forecasts, as stated in the Strategic Report.

At the date of this report the Group had net cash of approximately £5.0m which is more than sufficient to cover the expected operating expenses of the Group for at least the next twelve months.

The Directors have completed a strategic review in order to ascertain the best use of the cash reserves currently held by the Group.

Matters covered in the Strategic Report
The Business Review, results, review of KPIs and details of future developments are included in the Strategic Report and Chairman's Statement.

Events after the reporting year
Events after the reporting period are set out in Note 34 to the Financial Statements.

Brexit
The main trading entities operate in the UK and Europe. It is not yet completely clear what impact the UK having left the EU may have on the Group. Regulatory changes means that medical devices, such as P2F's anti-viral mask, need separate certifications in order to be sold in the UK and in Europe. There may be further divergence of regulation that would affect future products developed by Pharm 2 Farm Ltd. Delivery of raw materials from or through Europe may also be subject to increased transportation times and costs. The Directors will continue to monitor the situation closely and act accordingly.

Disclosure of information to auditor
Each of the persons who is a Director at the date of approval of this annual report confirms that:

i) so far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
ii) the Directors have taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Independent auditor
The auditor, PKF Littlejohn LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006 at the annual general meeting.

By Order of the Board

Antony Legge
Executive Chairman
8 June 2021

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group and Parent Company Financial Statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006. Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Parent Company and of the profit or loss of the Group and Parent Company for that year.

In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Group and Parent Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Parent Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Parent Company and the Group and hence for taking reasonable steps for the prevention and detection of 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. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Company is compliant with the AIM Rule 26 regarding the Company's website.

By Order of the Board

Antony Legge
Executive Chairman
8 June 2021

CORPORATE GOVERNANCE STATEMENT

From 28 September 2018 as an AIM company, the Company has been required to maintain on its website details of a recognised corporate governance code, how the Company complies with this code and an explanation of any departure from the code. The information needs to be reviewed annually and the website should include the date on which the information was last reviewed. This review has been undertaken during the process of preparing the Annual Report and Financial Statements.

RMS's Corporate Governance Report

The Directors recognise the importance of sound corporate governance. As a company whose shares are traded on AIM, the Board seeks to comply with the Quoted Companies Alliance Corporate Governance Code ("the QCA Code"). In addition, the Directors have adopted a code of conduct for dealings in the shares of the Company by directors and employees, a social media policy, and are committed to maintaining the highest standards of corporate governance. Antony Legge, in his capacity as Executive Chairman, has assumed responsibility for ensuring that the Company has appropriate corporate governance standards in place and that these requirements are followed and applied within the Company as a whole. The corporate governance arrangements that the Board has adopted are designed to ensure that the Company delivers long term value to its shareholders and that shareholders have the opportunity to express their views and expectations for the Company in a manner that encourages open dialogue with the Board. The Board recognises that its decisions regarding strategy and risk will impact the corporate culture of the Company as a whole and that this will impact the performance of the Company. The Board is very aware that the tone and culture set by the Board will greatly impact all aspects of the Company as a whole and the way that employees behave. A large part of the Company's activities are centred upon what needs to be an open and respectful dialogue with employees, clients and other stakeholders. Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Company successfully to achieve its corporate objectives. The Board places great importance on this aspect of corporate life and seeks to ensure that this flows through all that the Company does.

During the financial year ended 31 December 2020, shareholders raised concerns over the issue of warrants as part of a placing. In response to these concerns, two new independent directors were appointed, Antony Legge and Richard Clarke, with Antony Legge succeeding Paul Ryan as non-executive Chairman. Following subsequent board changes, Antony Legge became Executive Chairman on an interim basis until a new Chief Executive Officer could be appointed. The Board notes that this is contrary to the role of the Chair as set out in the QCA Code but the situation is a temporary one whilst the search for a new CEO is undertaken.

Corporate Governance Report

The QCA Code sets out 10 principles that should be applied. These are listed below together with a short explanation of how the Company applies each of the principles:

Principle One
Business Model and Strategy
The Board has concluded that the highest medium and long term value can be delivered to its shareholders by the adoption of an strategy focused mainly on the investment into and growth of Pharm 2 Farm Ltd, in which it holds a controlling stake and is represented on the board of the subsidiary, and where the Board believes that the returns that are possible are material. The Company will continue to seek to grow this business organically and will seek out further complementary acquisitions that create enhanced value. The Company continues to hold an active and controlling interest in Cloudveil Ltd and believes that it maintains the potential to produce material returns for shareholders over the short to medium term.

Principle Two
Understanding Shareholder Needs and Expectations
The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. The Company has close ongoing relationships with its private shareholders and, as it grows, will look to cultivate relationships with institutional shareholders and analysts as appropriate. In addition, all shareholders are encouraged to attend the Company's Annual General Meeting whenever possible. Investors also have access to current information on the Company though its website, www.remotemonitoredsystems.com, and via Antony Legge, Chairman, who is available to answer investor relations enquiries. The Company has also appointed an external investor relations firm which will provide a further point of contact for investors. The Board is also reviewing options for additional and more regular channels of communication with shareholders.

Principle Three
Considering wider stakeholder and social responsibilities
The Board recognises that the long-term success of the Company is reliant upon the efforts of the employees of the Company and its contractors, suppliers, regulators and other stakeholders. The Board has put in place a range of processes and systems to ensure that there is close oversight and contact with its key resources and relationships. For example, all employees of the Company participate in a structured Company-wide annual assessment process which is designed to ensure that there is an open and confidential dialogue with each person in the Company to help ensure successful two-way communication with agreement on goals, targets and aspirations of the employee and the Company. These feedback processes help to ensure that the Company can respond to new issues and opportunities that arise to further the success of employees and the Company. The Company has close ongoing relationships with a broad range of its stakeholders and provides them with the opportunity to raise issues and provide feedback to the Company.

Principle Four
Risk Management
In addition to its other roles and responsibilities, the Audit and Compliance Committee is responsible to the Board for ensuring that procedures are in place and are being implemented effectively to identify, evaluate and manage the significant risks faced by the Company. The risk assessment matrix below sets out those risks and identifies their ownership and the controls that are in place. This matrix is updated as changes arise in the nature of risks or the controls that are implemented to mitigate them. The Audit and Compliance Committee reviews the risk matrix and the effectiveness of scenario testing on a regular basis. The following principal risks and controls to mitigate them, have been identified:

CORPORATE GOVERNANCE STATEMENT (continued)

Activity	Risk	Impact	Controls
Management	Recruitment and retention of key staff	Reduction in operating capability	Stimulating and safe working environment Balancing salary with longer term incentive Plans
	Related Party Transactions	Company forced to accept unfair or prejudicial terms	Strong, independent review of all deals with related parties coupled with advice from Company's advisors
Regulatory adherence	Breach of rules	Censure or withdrawal of authorisation/certification	Strong compliance regime instilled at all levels of the Company
Strategic	Damage to reputation	Inability to secure new capital or clients	Effective communications with shareholders coupled with consistent messaging to our customers Robust compliance
	Inadequate disaster recovery procedures	Loss of key operational and financial data	Secure off-site storage of data
Financial	Liquidity, market and credit risk Inappropriate controls and accounting policies	Inability to continue as going concern Reduction in asset values Incorrect reporting of assets	Robust capital management policies and procedures Appropriate authority and investment levels as set by Treasury and Investment Policies Audit and Compliance Committee

The Directors have established procedures, as represented by this statement, for the purpose of providing a system of internal control. An internal audit function is not considered necessary or practical due to the size of the Company and the close day to day control exercised by the executive directors. However, the Board will continue to monitor the need for an internal audit function.

Principle Five
A Well-Functioning Board of Directors
As at the date hereof the Board comprised, the Executive Chairman, Antony Legge, a Chief Operating Officer, John Richardson, and three other non-executive directors, Richard Clarke, Dr Felicity Sartain and Dr Gareth Cave, of whom the first two are considered to be independent. Biographical details of the current Directors are set out within Principle Six below. Executive and Non-Executive Directors are subject to re-election at intervals of no more than three years. The letters of appointment of all Directors are available for inspection at the Company's registered office during normal business hours. The two executive directors, Antony Legge and John Richardson, are currently employed on a full-time basis. Dr Gareth Cave is the founder and Chairman of the Company's principal subsidiary, Pharm 2 Farm Ltd.

The Board meets at least eight times per annum. It has established an Audit and Compliance Committee and a Remuneration Committee, particulars of which appear hereafter. The Board has agreed that appointments to the Board are made by the Board as a whole and so has not created a Nominations Committee. The Board considers that this is appropriate given the Company's current stage of operations. It shall continue to monitor the need to match resources to its operational performance and costs and the matter will be kept under review going forward. The Board notes that the QCA recommends a balance between executive and non-executive Directors and recommends that there be at least two independent non-executives. Currently the Company has two independent non-executives in Richard Clarke and Dr Felicity Sartain.

The Board notes that having an Executive Chairman is contrary to the role of the Chair as set out in the QCA Code but the situation is a temporary one whilst the search for a new CEO is undertaken. The Directors are also of a view that the Company does not currently require a separate CFO to be appointed to the board due to the current scale of operations and financial experience of the directors. John Richardson, the Chief Operating Officer heads up the Group finance function, supported by an experienced Group Financial Controller, and John has experience managing the finances of both GyroMetric Systems Limited, in which the Company owns a 58% interest and Geocurve, where the business and assets were disposed of in early 2020.

As the Company grows and develops the board will periodically review its corporate governance framework to ensure it remains appropriate for the size, complexity and risk profile of the Company. The Group further notes that the non-executive directors have considerable financial experience which is set out in their biographies below.

Attendance at Board and Committee Meetings
The Company shall report annually on the number of Board and committee meetings held during the year and the attendance record of individual Directors. In order to be efficient, the Directors meet formally and informally both in person, by telephone and by video calls. During the year to 31 December 2020 there were regular Board meetings, with all directors being present at all meetings. The volume and frequency of such meetings is expected to continue at a similar rate. The Audit and Compliance Committee met three times and the Remuneration Committee. met twice, in each case with all members present.

CORPORATE GOVERNANCE STATEMENT (continued)

Principle Six
Appropriate Skills and Experience of the Directors
The Board currently consists of five Directors and, in addition, the Company has contracted the outsourced services of MSP Secretaries Limited through its nominee company Cargill Management Services Limited to act as the Company Secretary. The Company believes that the current balance of skills in the Board as a whole, reflects a very broad range of commercial and professional skills across geographies and industries and each of the Directors has experience in public markets. As demonstrated below in the descriptions of each Director, the Board has the necessary commercial, financial and legal skills required for the effective leadership of the Group. The Board recognises that it currently has a limited diversity, and this will form a part of any future recruitment consideration if the Board concludes that replacement or additional directors are required. Each Director undertakes a mixture of formal and informal continuing professional development as necessary to ensure that their skills remain current and relevant to the needs of the Group.

Antony Legge
Executive Chairman
Antony is an experienced corporate financier, with many years of experience working with small-listed clients in the AIM Market, giving him a good understanding of the pressures faced by growth companies and the importance of sound corporate governance. Antony has worked for Dowgate Capital Advisers, Astaire Securities and Daniel Stewart & Co. Before becoming a corporate financier, Antony worked as an equity analyst at Beeson Gregory and in investment management, including a time at Imperial College Innovations with a portfolio of early stage university spin-outs. Since leaving Daniel Stewart, Antony has worked as a non-executive director on various companies. Antony is also currently Treasurer of his local rugby club and Chairman of the Parish Finance and General Purposes Committee of his Catholic Church. He has a BSc in Economics and Accounting from Bristol University.

John Richardson
Chief Operating Officer
John has many years' experience of managing organisations implementing systems for the public sector and private enterprises. John has had many roles at Siemens in the UK and its predecessors, he was head of Operations at Nexor before moving to GyroMetric Systems and joining the Company board. John is a Chartered Engineer. He has a B.Sc. (Hons) in Electrical and Electronic Engineering from Manchester University.

Richard Clarke
Non-Executive Director
Richard Clarke is a Chartered Accountant and has spent the majority of his career in senior executive roles in technology companies involved in aerospace, electronics, optics, semiconductors and nanomaterials. His experience includes business restructuring, scale-up, acquisitions and joint-ventures, equity and debt financing and corporate governance, having served on the corporate governance committee of the ICAEW for a number of years. He is currently finance director of PowerPhotonic Limited, a manufacturer of advanced micro-optics for the laser industry. Prior to joining PowerPhotonic he was finance director of Xennia Technology Limited, a developer of industrial inkjet systems, which was sold to Sensient Corporation in 2015. He has a degree in economics from University College London (UCL) and an MBA from the University of Bath.

Gareth Cave
Non-Executive Director
Gareth is a university chemistry lecturer and has spent his academic career researching the many applications of nanotechnology, from drug delivery systems to plant food. Beyond academia, as an active consultant, he shares his knowledge and know how into a plethora of industries including pharmaceutical, healthcare, materials, agricultural, food and drink industries. In 2015 he formed Pharm 2 Farm Ltd, as a university spinout, to help realise the full commercial potential of this nanotechnology research. His world leading academic research and international network, from celebrity chefs to Nobel Laureates, continues to supply a strong pipeline of innovation and collaborative opportunities to Pharm 2 Farm and RMS. He has a B.Sc., M.Sc. and Ph.D. chemistry degrees from the University of Warwick, is an active member of the Royal Society of Chemistry and has worked as an academic in UK, USA and Australian universities over the course of his career.

Felicity Sartain
Non-Executive Director
Felicity has a multi-disciplinary background established over 15 years including managerial, commercial and research in the healthcare, life science and nanotechnology sectors. She holds a PhD in biotechnology from the University of Cambridge and an MSc in chemistry at the University of York. She was a co-inventor of the original technologies at Smart Holograms, a Cambridge University spin-out that designed and developed novel biosensors, and founded Profiscio, a consultancy business to support the translation and manage the development of scientific innovation. Felicity is currently Co-Founder and Chief Operating Officer of Closed Loop Medicine.

Principle Seven
Evaluation of Board Performance
The Board has undertaken an internal review of the Board, the Committees and individual Directors, in the form of peer appraisal and discussions, to determine their effectiveness and performance as well as the Directors' continued independence.

The evaluation concluded that the Board demonstrates the appropriate level of skills, knowledge and performance for the size and nature of the Group. The Directors will continue to review the need to strengthen the Board as the Group develops.

CORPORATE GOVERNANCE STATEMENT (continued)

Principle Eight
Corporate Culture
The Board recognises that its decisions regarding strategy and risk will impact the corporate culture of the Company as a whole and that this will impact the performance of the Company. The corporate governance arrangements that the Board has adopted are designed to ensure that the Company delivers long term value to its shareholders and that shareholders have the opportunity to express their views and expectations for the Company in a manner that encourages open dialogue with the Board. The Board is very aware that the tone and culture set by the Board will greatly impact all aspects of the Company as a whole and the way that employees behave. A large part of the Company's activities is centred upon what needs to be an open and respectful dialogue with employees, clients and other stakeholders. Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Company to successfully achieve its corporate objectives. The Board places great importance on this aspect of corporate life and seeks to ensure that this flows through all that the Company does. The Directors consider that at present the Company has an open culture facilitating comprehensive dialogue and feedback and enabling positive and constructive challenge. There is frequent dialogue between the Directors and senior management of each of its subsidiaries. The Board monitors the corporate culture through a mix of formal and informal feedback, based on which the Board is confident that a healthy culture consistent with the principles adopted exists. The Company has adopted, with effect from the date on which its shares were admitted to AIM, a code for Directors' and employees' dealings in securities which is appropriate for a company whose securities are traded on AIM and is in accordance with the requirements of the Market Abuse Regulation which came into effect in 2016.

Principle Nine
Maintenance of Governance Structures and Processes
Ultimate authority for all aspects of the Company's activities rests with the Board, the respective responsibilities of the Chairman and Executive Directors arising as a consequence of delegation by the Board. The Board has adopted appropriate delegations of authority which set out matters which are reserved to the Board. The Chairman is responsible for the effectiveness of the Board and being the primary contact with shareholders, while management of the Company's businesses has been delegated by the Board to the Executive Directors.

Audit and Compliance Committee
The Audit and Compliance Committee comprises Richard Clarke, Antony Legge and Felicity Sartain, and Richard Clarke chairs this committee. This committee has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Company is properly measured and reported. It receives reports from the executive management and auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Company. The Audit and Compliance Committee shall meet not less than twice in each financial year and it has unrestricted access to the Company's auditors.

Remuneration Committee
The Remuneration Committee comprises Antony Legge, Richard Clarke and Felicity Sartain, and Antony Legge chairs this committee. The Remuneration Committee reviews the performance of the executive directors and employees and makes recommendations to the Board on matters relating to their remuneration and terms of employment. The Remuneration Committee also considers and approves the granting of share options pursuant to the share option plan and the award of shares in lieu of bonuses pursuant to the Company's Remuneration Policy.

Nominations Committee
The Board has agreed that appointments to the Board will be made by the Board as a whole and so has not created a Nominations Committee.

Non-Executive Directors
The Board has adopted guidelines for the appointment of Non-Executive Directors which have been in place and which have been observed throughout the year. These provide for the orderly and constructive succession and rotation of the Chairman and non-executive directors insofar as both the Chairman and non-executive directors will be appointed for an initial term of three years and may, at the Board's discretion believing it to be in the best interests of the Company, be appointed for subsequent terms. The Chairman may serve as a Non-Executive Director before commencing a first term as Chairman. In accordance with the Companies Act 2006, the Board complies with: a duty to act within their powers; a duty to promote the success of the Company; a duty to exercise independent judgement; a duty to exercise reasonable care, skill and diligence; a duty to avoid conflicts of interest; a duty not to accept benefits from third parties and a duty to declare any interest in a proposed transaction or arrangement.

Principle Ten
Shareholder Communication
The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. The Company responds to all shareholders who contact the Directors, and as a result has positive ongoing relationships with a wide range of shareholders. All shareholders and analysts have the opportunity to discuss issues and provide feedback at meetings with the Company. The Company also provides shareholder updates whenever appropriate using both regulatory and other channels including video interviews on Proactive Investors. In addition, all shareholders are encouraged to attend the Company's Annual General Meeting where possible. investors also have access to current information on the Company though its website, www.remotemonitoredsystems.com, and via Antony Legge, Chairman, who is available to answer investor relations enquiries. The Company has also appointed an external investor relations firm which will provide a further point of contact for investors. The Board is also reviewing options for additional and more regular channels of communication with shareholders. The Company agreed in 2018 to move to electronic communications with shareholders in order to maximise efficiency. Paper communications will be maintained for the small number of shareholders who have specifically requested this. The Company includes, when relevant, in its annual report, any matters of note arising from the audit or remuneration committees.

Antony Legge
Executive Chairman
8 June 2021

AUDIT COMMITTEE REPORT

An important part of the role of the Audit Committee is its responsibility for reviewing the effectiveness of the Group's financial reporting, internal control policies, and procedures for the identification, assessment and reporting of risk. The Committee devotes significant time to their review and further information on the risk management and internal control systems is provided within the Strategic Report.

A key governance requirement of the Group's financial statements is for the report and accounts to be fair, balanced and understandable. The coordination and review of the Group wide input into the Annual Report and Accounts is a sizeable exercise performed within an exacting time frame. It runs alongside the formal audit process undertaken by external Auditors and is designed to arrive at a position where initially the Audit Committee, and then the Board, is satisfied with the overall fairness, balance and clarity of the document and is underpinned by the following:

- detailed guidance issued to contributors at operational levels;
- a verification process dealing with the factual content of the reports;
- thorough review undertaken at different levels that aims to ensure consistency and overall balance; and
- comprehensive review by the senior management team.

An essential part of the integrity of the financial statements are the key assumptions and estimates or judgements that have to be made. The Committee reviews key judgements prior to publication of the financial statements at the full and half year, as well as considering significant issues throughout the year. In particular, this includes reviewing any materially subjective assumptions within the Group's activities. The Committee reviewed and was satisfied that the judgements exercised by management on material items contained within the Annual Report were reasonable.

The Committee also considered management's assessment of going concern with respect to the Group's cash position and its commitments for the next 12 months. In this respect, the Committee refers to the Going concern section in the Directors' Report.

The Audit Committee has considered the Group's internal control and risk management policies and systems, their effectiveness and the requirements for an internal audit function in the context of the Group's overall risk management system. The Committee is satisfied that the Group does not currently require an internal audit function.

The Committee has recommended to the Board that shareholders support the re-appointment of the Auditors at the 2021 AGM.

Richard Clarke
Chairman of the Audit Committee
8 June 2021

REMUNERATION COMMITTEE REPORT

The Remuneration Committee ("Committee") convened twice during the year and has been engaged on all matters of corporate remuneration. Over the past year, the Committee has considered the following matters:

- Director remuneration;
- Senior Management remuneration and incentives including options

Shares and share options were awarded to a number of senior employees during the year.

The Committee, when reviewing remuneration, consider matters of retention, motivation, the economic climate, and the challenges facing the business and the wider sector; they also consider appropriate industry benchmarks. The annual remuneration for the Directors is noted in the Financial Statements.

Antony Legge
Chairman of the Remuneration Committee
8 June 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REMOTE MONITORED SYSTEMS PLC
For the year ended 31 December 2020

Opinion

We have audited the financial statements of Remote Monitored Systems plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statements of Financial Position, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated and Parent Company Cash Flow Statements and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006 and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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 2020 and of the group's and parent company's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006;
- the parent company financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included a consideration of the inherent risks to the group's business model and analysed how those risks might affect the group's financial resources or ability to continue operations over the period from the date of signing the financial statements to June 2022. The risks that we considered most likely to affect the group's financial resources or ability to continue operations over this period were adverse circumstances impacting growth in revenues, timely conversion of trade receivables to cash, reduction in expenses and operating cash outflows, and access to financial resources in the form of debt facilities if so required. We considered this through a review of the application of reasonably foreseeable downside scenarios.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Our application of materiality

The scope of our audit was influenced by our application of materiality. The quantitative and qualitative thresholds for materiality determine the scope of our audit and the nature, timing and extent of our audit procedures. Materiality for the consolidated financial statements was set at £99,000 based on the group's gross assets (2019: £28,000 based on group profit before tax) with performance materiality set at £59,400. Materiality for the parent company financial statements was set at £63,000, with Gross assets being used as the benchmark (2019: £16,000 based on company profit before tax) with performance materiality set at £37,800.

Gross assets is considered to be a key benchmark as a result of the newly acquired subsidiary Pharm 2 Farm Limited in November 2020. In the prior year, materiality was based on loss before tax as this was considered to be a key benchmark in the ordinary course of business as no acquisitions had taken place in the prior year. In the years preceding the prior year, where acquisitions have been made, gross assets was used as the benchmark by us for determining materiality. The Group is still in the growth stage of its lifecycle and therefore revenue was not deemed to be suitable.

We agreed with the audit committee that we would report all individual audit differences identified during the course of our group audit in excess of £4,950 (2019: £1,400) together with any other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds. For the parent company, this threshold was £3,150 (2019: £800).

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REMOTE MONITORED SYSTEMS PLC (continued)

Our approach to the audit

In designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements. In particular, we looked at areas involving significant accounting estimates and judgement by the directors and considered future events that are inherently uncertain.

We note that the group has made a significant acquisition during the period and have also performed an impairment assessment on the goodwill asset recognised and on the recoverability of the investment made by the company. Both of these areas are inherently subjective and require a significant amount of judgement by management. We also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our scope addressed this matter
Impairment of intangible assets (See Note 14)	
Included within the Statement of Financial position is £1,764,419 of Goodwill relating to the acquisition of Pharm 2 Farm Limited in November 2020. There is a risk that these assets are impaired and that any additions have not been capitalised in accordance with IAS 38 "Intangible Assets".	Our work included: • Reviewing and challenging management's value in use calculations including the rationale behind any inputs used. • Considering management's strategy including all notifications made to the market concerning business lines that have been discontinued. • Discussing and challenging the basis of key assumptions with management, in particular regarding revenue, margins and cashflow forecasts. • Considering internal and external impairment indicators. • Assessing the accuracy of management budgets and forecasts used in prior period calculations. <u>Key Observation</u> We note that management has yet to complete the purchase price allocation exercise following the acquisition of Pharm 2 Farm Limited. The net consideration is currently held as goodwill and this allocation exercise is expected to be completed within 12 months of the acquisition date as is permissible under IFRS 3.
Valuation and impairment of investments (See Note 16)	
Remote Monitored Systems Plc (company) holds investments in its subsidiaries of £60k (2019: £384k) The loss-making nature of the group and its subsidiaries indicates a possibility of impairment of investments.	Our work included: • Verifying the ownership of investments held. • Discussing with management the basis for impairment or non-impairment, including consideration of business strategy for the subsidiaries, and challenging any assumptions made thereon. • Obtaining management prepared value-in-use calculations for subsidiaries and assessing the mathematical accuracy of calculation and the reasonableness of all key inputs used. • Reviewing the impairment indicators per IFRS and assessing how management applied these to the investments held. • Confirming with management the quantum of the impairment.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REMOTE MONITORED SYSTEMS PLC (continued)

The Acquisition of Pharm 2 Farm Limited (See Note 17)	
During the year, the company acquired Pharm 2 Farm Limited via a share for share exchange. There is a risk that the acquisition has not been accounted for correctly in line with IFRS 3 and the required disclosures have not been made within the financial statements. There is also the risk that any intangible assets arising on acquisition have not been correctly identified.	Our work included: • Assessing management's assertion that this was a business combination under IFRS 3. • Verifying ownership of Pharm 2 Farm Limited and reviewing purchase agreements. • Reviewing and challenging management's workings in relation to the acquisition of Pharm 2 Farm Limited in the group accounts. • Assessing management's provisional allocation of intangible assets recognised prior to a formal purchase price allocation being performed. • Ensuring the Companies Act has been appropriately applied with respect to merger relief. • Challenging management's underlying assumptions and judgements for reasonableness. • Ensuring relevant disclosures have been made in the financial statements. In forming our opinion on the financial statements, which is not modified, we draw to the user's attention the disclosures within Note 17 and within the basis of preparation (note 2a) which explain management's departure from certain parts of IFRS 3 in order to reflect the commercial reality of the Pharm 2 Farm acquisition.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the group and parent company financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REMOTE MONITORED SYSTEMS PLC (continued)

Responsibilities of directors

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

In preparing the group and parent company financial statements, the directors are responsible for assessing the group and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the group and parent company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management.
- We determined the principal laws and regulations relevant to the company in this regard to be those arising from Companies Act 2006, AIM rules, GDPR, Employment Law, Health and Safety Law, Anti-Bribery and Money Laundering Regulations and QCA compliance. All the subsidiaries operate in the UK and are subject to similar rules to that of the company.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent company with those laws and regulations. These procedures included, but were not limited to:
    - Enquires of management
    - Review of Board minutes
    - Review of legal expenses
    - Review of RNS announcements
- We also identified the risks of material misstatement of the financial statements due to fraud through revenue recognition. We considered this, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

Zahir Khaki (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor
8 June 2021

15 Westferry Circus
Canary Wharf
London E14 4HD

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2020

	Note	2020 £	2019 £
Revenue from contracts with customers	5	**104,309**	52,648
Cost of sales		**(62,064)**	(26,582)
Gross profit		**42,245**	26,066
Administrative expenses	6	**(1,256,234)**	(608,802)
Other operating income		**19,841**	-
Impairments		**(363,745)**	(125,983)
Operating loss		**(1,557,893)**	(708,719)
Finance costs	10	**(4,085)**	(3,295)
Finance income		**39**	72
Loss before income tax		**(1,561,939)**	(711,942)
Income tax	11	**27,976**	119,652
Loss for the year from continuing operations		**(1,533,963)**	(592,290)
Profit/(loss) for the year from discontinued operations	12	**85,241**	(1,029,239)
Total comprehensive income for the year		**(1,448,722)**	(1,621,529)
Loss and total comprehensive income attributable to:			
Equity holders of the parent		**(1,416,088)**	(1,551,256)
Non-controlling interests		**(32,634)**	(70,273)
Earnings per ordinary share attributable to owners of the parent during the year (expressed in pence per share)	13		
Basic and diluted – continuing operations		**(0.18)**	(0.13)
Basic and diluted – discontinued operations		**0.01**	(0.25)
Basic and diluted – total		**(0.17)**	(0.38)

The loss for the financial year dealt with in the financial statements of the Parent Company, Remote Monitored Systems plc, was £1,543,714 (2019 £2,348,306). As permitted by Section 408 of the Companies Act 2006, no separate statement of comprehensive income is presented in respect of the Parent Company.

The notes on pages 26 to 47 form part of these Financial Statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	Note	2020 £	2019 £
Non-current assets			
Intangible assets	14	**1,764,419**	378,345
Property, plant and equipment	15	**25,661**	10,978
Total non-current assets		**1,790,080**	389,323
Current Assets			
Trade and other receivables	18	**1,925,987**	66,090
Corporation tax		**1,396**	-
Inventories		**63,491**	14,589
Assets classified as held for sale	12	**-**	160,275
Cash and cash equivalents	19	**3,741,135**	74,770
Total current assets		**5,732,009**	315,724
TOTAL ASSETS		**7,522,089**	705,047
Equity attributable to owners of the parent			
Share capital	20	**5,795,751**	5,128,124
Share premium	20	**12,445,569**	6,822,694
Convertible loan stock	22	**2,000**	103,000
Other reserves	23	**1,675,276**	(475,153)
Translation reserve		**92,181**	92,181
Retained earnings		**(13,033,293)**	(11,642,051)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		**6,977,484**	28,795
Non-controlling interests	24	**(80,679)**	(48,045)
TOTAL EQUITY		**6,896,805**	(19,250)
Current liabilities			
Trade and other payables	25	**333,087**	375,822
Social security and other taxes		**242,322**	200,775
Lease liabilities	26	**29,500**	29,500
Obligations under finance leases	26	**-**	60,825
Total current liabilities		**604,909**	666,922
Non-current liabilities			
Lease liabilities	26	**7,375**	36,875
Provisions	27	**13,000**	20,500
Deferred tax liabilities	28	**-**	-
Total non-current liabilities		**20,375**	57,375
TOTAL LIABILITIES		**625,284**	724,297
TOTAL EQUITY AND LIABILTIES		**7,522,089**	705,047

The notes on pages 26 to 47 form part of these Financial Statements.

These Financial Statements were approved by the Board of Directors and authorised for issue on 8 June 2021 and were signed on its behalf by:

Antony Legge
Executive Chairman

PARENT COMPANY STATEMENT OF FINANCIAL POSITION
As at 31 December 2020
Company number: 09109008

	Note	2020 £	2019 £
Non-current assets			
Property, plant and equipment	15	**3,625**	7,975
Investment in subsidiary undertakings	16	**60,000**	384,601
Trade and other receivables	18	**428,974**	118,040
Total non-current assets		**492,599**	510,616
Current Assets			
Trade and other receivables	18	**1,558,026**	16,427
Cash and cash equivalents	19	**3,590,521**	4,784
Total current assets		**5,148,547**	21,211
TOTAL ASSETS		**5,641,146**	531,827
Equity attributable to shareholders			
Share capital	20	**5,795,751**	5,128,124
Share premium	20	**12,445,569**	6,822,694
Convertible loan stock	22	**2,000**	103,000
Other reserves	23	**435,275**	24,846
Retained loss		**(13,234,612)**	(11,715,744)
TOTAL EQUITY		**5,443,983**	362,920
Current liabilities			
Trade and other payables	25	**197,163**	168,907
Total current liabilities		**197,163**	168,907
TOTAL LIABILITIES		**197,163**	168,907
TOTAL EQUITY AND LIABILITIES		**5,641,146**	531,827

The notes on pages 26 to 47 form part of these Financial Statements.

These Financial Statements were approved by the Board of Directors and authorised for issue on 8 June 2021 and were signed on its behalf by:

Antony Legge
Executive Chairman

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
As at 31 December 2020

	Share Capital £	Share Premium £	Convertible loan stock £	Other reserves £	Translation reserve £	Retained loss £	Total £	Non-controlling Interests £	Total equity £
As at 1 January 2019	**4,791,747**	**6,330,629**	**-**	**(298,454)**	**92,181**	**(10,247,994)**	**668,109**	**22,228**	**690,337**
Loss and total comprehensive income for the year	-	-	-	-	-	(1,551,256)	(1,551,256)	(70,273)	(1,621,529)
Shares issued[1]	336,377	492,065	-	-	-	-	828,442	-	828,442
Convertible loan stock issued[2]	-	-	103,000	-	-	-	103,000	-	103,000
Share based payments lapsed	-	-	-	(19,500)	-	-	(19,500)	-	(19,500)
Share based payments expired	-	-	-	(157,199)	-	157,199	-	-	-
As at 31 December 2019	**5,128,124**	**6,822,694**	**103,000**	**(475,153)**	**92,181**	**(11,642,051)**	**28,795**	**(48,045)**	**(19,250)**
As at 1 January 2020	**5,128,124**	**6,822,694**	**103,000**	**(475,153)**	**92,181**	**(11,642,051)**	**28,795**	**(48,045)**	**(19,250)**
Loss and total comprehensive income for the year	-	-	-	-	-	(1,416,088)	(1,416,088)	(32,634)	(1,448,722)
Shares issued	667,627	5,612,964	(71,752)	-	-	-	6,208,839	-	6,208,839
Warrants issued	-	-	-	10,712	-	-	10,712	-	10,712
Warrants exercised	-	9,911	-	(9,911)	-	-	-	-	-
Convertible loan stock issued	-	-	4,085	-	-	-	4,085	-	4,085
Convertible loan stock redeemed	-	-	(33,333)	-	-	-	(33,333)	-	(33,333)
Share based payments arising	-	-	-	434,474	-	-	434,474	-	434,474
Share based payments expired	-	-	-	(24,846)	-	24,846	-	-	-
Merger relief on acquisition	-	-	-	1,740,000	-	-	1,740,000	-	1,740,000
As at 31 December 2020	**5,795,751**	**12,445,569**	**2,000**	**1,675,276**	**92,181**	**(13,033,293)**	**6,977,484**	**(80,679)**	**6,896,805**

[1]Shares issued are net of costs

[2]Convertible loan stock includes cumulative interest payable by the issue of shares

The notes on pages 26 to 47 form part of these Financial Statements

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY
As at 31 December 2020

	Share capital £	Share premium £	Convertible loan stock £	Other reserves £	Retained loss £	Total £
As at 1 January 2019	**4,791,747**	**6,330,629**	**-**	**201,545**	**(9,524,637)**	**1,799,284**
Loss and total comprehensive income for the year	-	-	-	-	(2,348,306)	(2,348,306)
Shares issued[1]	336,377	492,065	-	-	-	828,442
Convertible loan stock issued[2]	-	-	103,000	-	-	103,000
Share based payments lapsed	-	-	-	(19,500)	-	(19,500)
Share based payments expired	-	-	-	(157,199)	157,199	-
As at 31 December 2019	**5,128,124**	**6,822,694**	**103,000**	**24,846**	**(11,715,744)**	**362,920**

	Share capital £	Share premium £	Convertible loan stock £	Other reserves £	Retained loss £	Total £
As at 1 January 2020	**5,128,124**	**6,822,694**	**103,000**	**24,846**	**(11,715,744)**	**362,920**
Loss and total comprehensive income for the year	-	-	-	-	(1,543,714)	(1,543,714)
Shares issued[1]	667,627	5,612,964	(71,752)	-	-	6,208,839
Convertible loan stock issued[2]	-	-	4,085	-	-	4,085
Warrants issued	-	-	-	10,712	-	10,712
Warrants exercised	-	9,911	-	(9,911)	-	-
Convertible loan stock redeemed	-	-	(33,333)	-	-	(33,333)
Share based payments arising	-	-	-	434,474	-	434,474
Share based payments expired	-	-	-	(24,846)	24,846	-
As at 31 December 2020	**5,795,751**	**12,445,569**	**2,000**	**435,275**	**(13,234,612)**	**5,443,983**

[1] Shares issued are net of costs

[2] Convertible loan stock includes cumulative interest payable by the issue of shares.

The notes on pages 26 to 47 form part of these Financial Statements.

CONSOLIDATED CASH FLOW STATEMENT
As at 31 December 2020

	Note	2020 £	2019 £
Cash Flows from Operating Activities			
Loss for the year on continuing activities		**(1,533,963)**	(592,290)
Profit/(loss) for the year from discontinued operations		**85,241**	(1,029,239)
Depreciation of property, plant and equipment	15	**6,900**	161,862
Amortisation of intangible assets	14	**14,600**	255,182
Share based payments		**434,474**	(7,500)
Impairments		**363,745**	602,108
Non-cash directors' fees		**-**	94,958
Interest income		**(39)**	(80)
Finance costs		**4,085**	27,081
Profit on disposal		**-**	(7,608)
Taxation		**(120,471)**	(334,969)
(Increase)/decrease in inventories		**(4,879)**	3,501
(Increase)/decrease in trade and other receivables		**(229,024)**	206,821
(Decrease)/increase in provisions		**(7,500)**	20,500
Decrease in trade and other payables		**(123,806)**	(87,828)
Cash used in operations		**(1,110,637)**	(687,501)
Income taxes received		**120,471**	128,641
Interest paid		**-**	(24,081)
Net cash used in operating activities		**(990,166)**	(582,941)
Cash Flows from Investing Activities			
Purchases of property, plant and equipment	15	**(518)**	(37,884)
Proceeds from sale of property, plant and equipment		**-**	28,374
Interest income		**39**	80
Proceeds from sale of business		**160,275**	
Investment in subsidiaries (net of cash acquired)		**15,592**	1,617
Net cash used in investing activities		**175,388**	(7,813)
Cash Flows from Financing Activities			
Repayment of lease liabilities		**(29,500)**	(29,500)
Repayment of borrowings		**(60,825)**	(105,841)
Issue of loan notes		**-**	100,000
Repayment of loan notes		**(33,333)**	-
Issue of shares, net of issue costs		**4,604,801**	591,484
Net cash generated from financing activities		**4,481,143**	556,143
Net increase/(decrease) in cash and cash equivalents		**3,666,365**	(34,611)
Cash and cash equivalents at beginning of year		**74,770**	109,381
Cash and cash equivalents at 31 December	19	**3,741,135**	74,770
Non-cash transactions			
The principal non-cash transactions relate to:			
- Acquisition of subsidiary	16	**1,800,000**	130,000
- Loan note conversion (including interest)		**71,752**	-
		1,871,752	130,000

The notes on pages 26 to 47 form part of these Financial Statements.

PARENT COMPANY CASH FLOW STATEMENT
As at 31 December 2020

	Note	2020 £	2019 £
Cash Flows from Operating Activities			
Loss for the year on continuing activities		**(1,543,714)**	(2,348,306)
Depreciation of property, plant and equipment	15	**4,350**	4,350
Share based payments		**434,474**	(7,500)
Impairments		**640,201**	2,020,810
Non-cash directors' fees		**-**	94,958
Interest income		**-**	(7)
Finance costs		**4,085**	3,295
(Increase)/decrease in trade and other receivables		**(35,449)**	16,232
Increase in trade and other payables		**53,006**	11,070
Cash used in operations		**(443,047)**	(205,098)
Interest paid		**-**	(295)
Net cash used in operating activities		**(443,047)**	(205,393)
Cash Flows from Investing Activities			
Interest income		**-**	7
Loans to subsidiary undertakings		**(542,684)**	(492,692)
Net cash used in investing activities		**(542,684)**	(492,685)
Cash Flows from Financing Activities			
Issue of loan notes		**-**	100,000
Repayment of loan notes		**(33,333)**	-
Issue of shares, net of issue costs		**4,604,801**	591,484
Net cash generated from financing activities		**4,571,468**	691,484
Net increase/(decrease) in cash and cash equivalents		**3,585,737**	(6,594)
Cash and cash equivalents at beginning of year		**4,784**	11,378
Cash and cash equivalents at 31 December	19	**3,590,521**	4,784
Non-cash transactions The principal non-cash transactions relate to:			
- Acquisition of subsidiary	16	**60,000**	130,000
- Loan note conversion (including interest)		**71,752**	-
		131,752	130,000

The notes on pages 26 to 47 form part of these Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2020

1 General information

Remote Monitored Systems plc (the "Company") and its subsidiaries (together the "Group") conducted three main continuing activities during the year as detailed in note 5. The Company is incorporated and domiciled in the UK and its registered office is 27-28 Eastcastle Street, London W1W 8DH.

The Company's shares are quoted on the Alternative Investment Market ("AIM") of the London Stock Exchange plc.

2 Summary of accounting policies

The principal accounting policies applied in the preparation of these Consolidated Financial Statements are set out below. These policies have been consistently applied in the year presented, unless otherwise stated.

(a) Basis of preparation

The Consolidated Financial Statements of Remote Monitored Systems plc (the "Group") have been prepared in accordance with International Accounting Standards ("IAS") in conformity with the requirements of the Companies Act 2006. These accounting policies comply with each IAS that is mandatory for accounting periods ending on 31 December 2020 except for, in order to present fairly the acquisition of Pharm 2 Farm Limited, the Group has departed from the requirements within IFRS 3 relating to the value of the consideration as detailed in note 17.

The Financial Statements are presented in GBP (£) rounded to the nearest pound.

The preparation of financial statements in conformity with IAS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's Accounting Policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial Statements are disclosed in Note 4.

(b) Going concern basis

At the date of this report the Group had net cash of approximately £5.0m. The Directors have reviewed the Group's strategy with regard to future investment in its business.

The Directors have considered the impact of COVID-19 and are closely monitoring the situation.

The Group's business activities together with the factors likely to affect its future development performance and position are set out in the Strategic Report.

For the year ended 31 December 2020, the Group's objectives, policies and processes for managing its capital, its financial risk management objectives, details of its financial instruments and its exposure to credit and liquidity risk can be found in the Strategic Report and in Notes 3 and 29.

Based on these assumptions, the Directors have a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for the foreseeable future and therefore have adopted the going concern basis of preparation in these Financial Statements.

(c) New and amended standards

Changes in accounting policy

For the purpose of the preparation of these consolidated financial statements, apart from that detailed in 2(a) above the Group has applied all standards and interpretations that are effective for accounting periods beginning on or after 1 January 2020.

There were no new standards, amendments and interpretations effective for the first time on or after 1 January 2020 that had a material impact on the Group or parent company.

New standards, interpretations and amendments not yet effective

Standards, amendments and interpretations that have been published and will be mandatory for accounting periods beginning on or after 1 January 2021 are not expected to have a material impact on the Group's or parent company's results or shareholders' funds.

2 Summary of accounting policies (continued)

(d) Basis of consolidation

Subsidiaries are entities controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Group's voting rights and potential voting rights.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. The acquisition method is used to account for the acquisition of subsidiaries.

Acquisition related costs are expensed as incurred.

The Group measures goodwill at the acquisition date as the excess of the fair value of the consideration transferred, plus the recognised amount of any non-controlling interests, less the recognised amount of the identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group. All intercompany transactions and balances between group entities are eliminated on consolidation.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions. Gains or losses on disposals to non-controlling interests are recorded in equity.

Where considered appropriate, adjustments are made to the financial information of subsidiaries to bring the accounting policies used into line with those used by other members of the Group. All intercompany transactions and balances between Group enterprises are eliminated on consolidation.

The Company's UK subsidiaries Limited use UK GAAP rules to prepare and report their financial statements. The Group reports using IFRS standards and in order to comply with the Group's reporting standards, management of these subsidiaries processed several adjustments to ensure the financial information included at a Group level complies with IFRS. These subsidiaries will continue to prepare their company financial statements in line with UK GAAP rules.

(e) Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker ("CODM"). The CODM is deemed to be the Chief Executive Officer and the Chief Financial Officer.

Operating segments are identified on the basis of internal reports that are regularly reviewed by the CODM to allocate resources and to assess performance. Using the Group's internal management reporting as a starting point, three continuing reporting segments set out in note 5 have been identified.

The individual financial statements of each Group company are measured in the currency of the primary economic environment in which it operates (its functional currency) being US dollar or pounds sterling. For the purpose of the Group Financial Statements, the results and financial position are expressed in pounds sterling GBP, which is the presentation currency for the Group and Company.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

2 Summary of accounting policies (continued)

(f) Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographic area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to re-sale.

Discontinued operations are presented in the income statement as a separate line and are shown net of tax. Comparative information in relation to the Consolidated Statement of Comprehensive Income has been restated to reflect this presentation.

Foreign currencies

Functional and presentation currency

Pounds sterling GBP is the Group's presentation currency and the parent company's functional currency.

Transactions and balances

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At the Statement of Financial Position date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing on the Statement of Financial Position date. Exchange differences arising on the settlement of monetary items, and on the translation of monetary items at the Statement of Financial Position date, are included in the Statement of Comprehensive Income for the year.

Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each period end date presented are translated at the period-end closing rate;
- income and expenses for each Income Statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of monetary items receivable from foreign subsidiaries for which settlement is neither planned nor likely to occur in the foreseeable future, are taken to other comprehensive income. When a foreign operation is sold, such exchange differences are recognised in the Income Statement as part of the gain or loss on sale

(g) Intangible assets

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured at fair value is less than the fair value of the net assets of the subsidiary acquired, in the case of a bargain purchase, the difference is recognised directly in the Statement of Comprehensive Income.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Customer lists and intellectual property rights are shown at fair value at date of acquisition, less amortisation and impairments. Costs associated with these are recognised as an expense as incurred.

2 Summary of accounting policies (continued)

Development costs that are directly attributable to the design and testing of identifiable and unique products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the product so that it will be available for use;
- management intends to complete the product and use or sell it;
- there is an ability to use or sell the product;
- it can be demonstrated how the product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and use or sell the product are available; and
- the expenditure attributable to the product during its development can be reliably measured.

The Group's Intangible assets, other than goodwill acquired on acquisition, are amortised at 20% per annum on a straight line basis.

At each year end date, the Group reviews the carrying amounts of its intangible assets other than goodwill if there is an indication of impairment to determine if those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

(h) Property, plant and equipment

All property, plant and equipment are shown at cost less subsequent depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Statement of Comprehensive Income during the financial year in which they are incurred.

Depreciation is charged so as to write off the cost of assets over their useful economic lives, using the straight-line method, which is considered to be as follows:

- Plant and equipment - 5 years
- Motor Vehicles - 3 to 5 years
- Software - 3 years

The assets' residual values and useful lives are reviewed, and, if appropriate, asset values are written down to their estimated recoverable amounts, at each Statement of Financial Position date.

Gains and losses on disposals are determined by comparing proceeds with the carrying amounts and are included in the Statement of Comprehensive Income.

(i) Financial assets

The Group and Company has classified all of its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets. The Group's loans and receivables comprise trade and other receivables and cash and cash equivalents in the Statement of Financial Position.

Loans and receivables are initially recognised at fair value plus transaction costs and are subsequently carried at amortised cost using the effective interest method, less provision for impairment.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

2 Summary of accounting policies (continued)

(j) Impairment of financial assets

The Group assesses, on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. A financial asset, or a group of financial assets, is impaired, and impairment losses are incurred, only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event"), and that loss event (or events) has an impact on the estimated future cash flows of the financial asset, or group of financial assets, that can be reliably estimated.

The criteria that the Group and Company uses to determine that there is objective evidence of an impairment loss include:

- significant financial difficulty of the issuer or obligor;
- a breach of contract, such as a default or delinquency in interest or principal repayments.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred), discounted at the financial asset's original effective interest rate. The asset's carrying amount is reduced, and the loss is recognised in the profit or loss.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

If, in a subsequent year, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the trade and other receivables credit rating), the reversal of the previously recognised impairment loss is recognised in the Statement of Comprehensive Income

(k) Trade and other receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

(l) Cash and cash equivalents

In the Cash Flow Statements, cash and cash equivalents comprise cash in hand and deposits held at call with banks.

(m) Share capital and reserves

Equity comprises the following:

- Share Capital represents ordinary shares issued at par value and includes "Deferred Shares" below
- Deferred Shares represents notional shares arising on the redenomination of the nominal share capital at various times. The Deferred Shares form part of the Share Capital balance shown in the Statement of Financial Position.
- Share Premium represents the premium paid on shares issued above par value net of issue costs.
- Retained earnings represents retained profits and losses.
- Merger reserve represents the difference between the carrying value of the investment and the nominal value of the shares of subsidiaries upon consolidation under merger accounting. The merger reserve is presented in "other reserves".
- Merger relief reserve represents the difference between the nominal value of shares issued accounted under merger relief and the consideration attributed to the shares issued.
- Share option and warrants reserve represents the fair value of unexpired warrants.
- Convertible loan stock represents fair value of consideration received together with interest thereon.

Foreign Currency Translation Reserve – represents the translation differences arising from translating the financial statement items from functional currency to presentational currency

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 the proceeds.

(n) Share-based payments

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives goods or services from employees or third party suppliers as consideration for equity instruments of the Company. The fair value of the equity-settled share based payments are recognised as an expense in the Statement of Comprehensive Income or charged to equity depending on the nature of the services provided or instruments issued.

2 Summary of accounting policies (continued)

(o) Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value, and subsequently measured at amortised cost using the effective interest method.

(p) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Statement of Comprehensive Income over the year of the borrowings using the effective interest method.

(q) Revenue recognition

The Group recognises revenue in accordance with IFRS 15 which includes five key steps:

Step 1: Identify the contracts with a customer; Step 2: Identify the performance obligations in the contract; Step 3: Determine the transaction price; Step 4: Allocate the transaction price to the performance obligations in the contract; and Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity, and specific criteria have been met for each of the Group's activities, as described below: if revenue has been billed but the specific performance obligations are not met then this is recognised as deferred revenue.

Primarily revenues were recognised on the provision of survey services when the services were rendered to clients as per the terms of specific contracts. In the case of fixed price contracts, revenues are recognised on a percentage of completion basis. Turnover is stated net of value added tax in respect of continuing activities.

The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Where the Group makes sales relating to a future financial period, these are deferred and recognised under 'deferred revenue' on the Statement of Financial Position.

(r) Current and deferred income tax

Income tax represents tax currently payable or receivable and deferred tax. The tax currently payable is based on taxable profit or loss for the year. Taxable profit or loss differs from the profit or loss for the year as reported in the Consolidated Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability or asset for current tax is calculated using tax rates that have been enacted or substantively enacted by the Statement of Financial Position date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting loss.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the relevant jurisdiction in the year when the liability is settled or the asset is realised. Deferred tax is charged or credited to the Consolidated Statement of Comprehensive Income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax is not discounted.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

2 Summary of accounting policies (continued)

(s) Leases

Prior to 1 January 2019: Leases in which a significant portion of the risks and rewards were retained by the lessor were classified as operating leases. Payments made under operating leases were charged to the Statement of Comprehensive Income on a straight line basis over the period of the lease.

Assets held under finance leases were recognised as assets of the Group at the fair value at the inception of the lease or if lower, at the present value of the minimum lease payments. The related liability to the lessor was included in the Statement of Financial Position as a finance lease obligation. Lease payments were apportioned between interest expenses and capital redemption of the liability. Interest was recognised immediately in the Statement of Comprehensive Income, unless attributable to qualifying assets, in which case they were capitalised to the cost of those assets.

Post 1 January 2019: Assets held under leases are recognised as assets of the Group at the fair value at the inception of the lease or if lower, at the present value of the minimum lease payments. The related liability to the lessor is included in the Statement of Financial Position as a finance lease obligation. Lease payments are apportioned between interest expenses and capital redemption of the liability. Interest is recognised immediately in the Statement of Comprehensive Income, unless attributable to qualifying assets, in which case they are capitalised to the cost of those assets.

Exemptions are applied for short life leases and low value assets, with payments made under operating leases charged to the Statement of Comprehensive Income on a straight line basis over the period of the lease.

3 Financial risk management

Group financial risk factors

The Group's activities expose it to a variety of financial risks. The Group's finance function monitors and manages the financial risks relating to the operations of the Group. The Group is exposed to market risks (including foreign exchange risk and price risk) and credit risk and to a very limited amount interest rate risk and liquidity risk.

Risk management is carried out by the Board of Directors. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk and credit risk, to mitigate financial risk exposures.

Market risk

(a) Foreign exchange risk
The Group has closed its operations located in parts of the world whose functional currency is not the same as the Group's functional currency (GBP Sterling), therefore the foreign exchange risk is low. The Group's net assets arising from closed US operations are exposed to currency risk resulting in gains and losses on retranslation from US Dollar. Due to the minimal amount of transactions in US dollars, the Group does not consider hedging its net investments beneficial because the cash flow risk created from such hedging techniques would outweigh the risk of foreign currency exposure. It is the Group's policy to hold surplus funds over and above working capital requirements in the Parent Company. The Group considers this policy minimises any unnecessary foreign exchange exposure.

In order to monitor the continuing effectiveness of this policy the Board through their approval of both corporate and capital expenditure budgets, and review of the currency profile of cash balances and management accounts, considers the effectiveness of the policy on an ongoing basis.

(b) Price risk
The Group is not exposed to commodity price risk as a result of its operations. The Directors will revisit the appropriateness of this policy should the Group's operations change in size or nature.

Credit risk

Credit risk arises from the Group's trade receivables. Where no independent rating of customers is available, credit control assesses the quality of customers by reference to their financial position, past experience and any other relevant factors.

Interest rate risk management

The Group is not exposed to interest rate risk on financial liabilities.

Liquidity risk management

The Group manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Group seeks to manage financial risk, to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders. The Group's capital structure primarily consists of equity attributable to equity holders of the parent, comprising issued capital, reserves and retained losses.

4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and judgements concerning the future. The resulting accounting estimates and judgements will, by definition, seldom equal the related actual results. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are addressed below:

Intangible assets
Intangible assets comprise of goodwill, development costs, customer lists and Intellectual Property acquired on acquisitions and apart from goodwill are amortised as follows:

Development costs	20% per annum on a straight-line basis
Customer lists	20% per annum on a straight-line basis
Intellectual Property	20% per annum on a straight-line basis

Useful lives are based on management's estimates of the period that the assets will generate revenues with such records being periodically reviewed for continual appropriation.

On acquisitions the group values intangible assets excluding goodwill.

The Group test annually whether goodwill has suffered any impairment, and of other intangible assets where there is an indication of impairment, in accordance with the accounting policy. Where applicable, the recoverable amounts of cash generating units have been determined based on value in use calculations. The value in use calculations require the entity to estimate future cash flows expected to arise from the cash generating unit and apply a suitable discount rate in order to calculate present value. These calculations require the use of estimates (note 14).

Share Options
The group issued 77,603,512 employee share options on the 9 November 2020 at a price of 1.4p per option, exercisable at any time within 5 years from issue.

The valuation of options used is the Black Scholes model and is detailed in Note 21. Changes to inputs and assumptions, in particular concerning the volatility of the Company's share price and the time to exercise can have a significant effect on the valuation.

Share options in GyroMetric Systems Limited were issued during 2019. The fair value of the options was considered to be negligible and therefore no expense reflected in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

5 Segmental analysis

Management considers that during 2020 there were three continuing activities as set out below. The 'utilisation of functional nanoparticles' segment commenced during the year on the acquisition of Pharm 2 Farm Limited. This segmental analysis is reflected in the Consolidated Group Statements set out herein. The revenue below excludes the discontinued operations of the Geocurve business (note 12).

Total revenue comprises:

Revenue from external customers:

	2020 £	2019 £
Developing and manufacturing digital monitoring and safeguarding systems for rotating shafts	**83,591**	51,012
Security and risk management consultancy	**20,118**	1,636
Utilisation of functional nanoparticles	**600**	-
	104,309	52,648

Revenues are generated by geographical areas as follows:

	2020 £	2019 £
United Kingdom	**10,050**	11,265
Europe	**94,259**	41,383
	104,309	52,648

The following customers generated more than 10% of the Group's revenue:

	2020 £	2019 £
Customer 1	**69,154**	41,383
Customer 2	**16,418**	9.629
	85,572	51,012

Carrying amount of assets:

	2020 £	2019 £
United Kingdom	**7,552,089**	544,332
United States of America	-	440
	7,552,089	544,772

Carrying amount of liabilities:

	2020 £	2019 £
United Kingdom	**423,337**	536,439
United States of America	**201,947**	187,858
	625,284	724,297

The segmental analysis of the balance sheet is not part of routine management reporting and consequently no activity segmental analysis of assets is shown.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

6 Administrative expenses

The following have been charged in arriving at operating loss from continuing operations:

	2020 £	2019 £
Staff costs	**341,890**	320,587
Foreign exchange gains and losses	**15,342**	(6,738)
Depreciation	**6,900**	4,523
Amortisation of intangibles	**14,600**	14,600
Audit fees (note 9)	**22,500**	22,500
Share based payments expense	**434,474**	12,000
Other expenses	**420,528**	241,330
	1,256,234	608,802

7 Staff costs

The average number of employees, including Directors, was:

	2020 Total No.	2020 Continuing operations No.	2019 Total No.	2019 Continuing operations No.
Directors (including subsidiaries)	**12**	**12**	12	11
Development	**2**	**2**	9	1
Administration	**-**	**-**	3	1
	14	**14**	24	13

Employees', including Directors' costs comprise:

	2020 Total £	2020 Continuing operations £	2019 Total £	2019 Continuing operations £
Wages, salaries and other staff costs	**319,697**	**314,697**	758,394	303,362
Share option expense	**434,474**	**434,474**		
Social security costs	**23,876**	**23,876**	62,128	13,646
Pension costs	**3,358**	**3,317**	4,304	3,579
	781,405	**776,364**	824,826	320,587

The directors were the only employees of the Company and the costs incurred by the Company are detailed in note 8. Included in the figures below were £51,500 (2019 £55,000) paid through subsidiary companies.

8 Directors

The Directors during the year were considered to be the Key Management of the Group.

	2020				2019		
Group	Short term employee benefits £	Pension £	Share option expense £	Total £	Short term employee benefits £	Pension £	Total £
Paul Ryan	**48,000**	**-**	**217,237**	**265,237**	48,000	-	48,000
Trevor Brown	**54,167**	**-**	**217,237**	**271,404**	48,000	-	48,000
Nigel Burton	**(9,182)**	**-**	**-**	**(9,182)**	48,000	-	48,000
John Richardson	**85,000**	**1,500**	**-**	**86,500**	55,000	-	55,000
	177,985	**1,500**	**434,474**	**613,959**	199,000	-	199,000

Paul Ryan was paid his short-term employee benefits through a service company, Warande1970 BVBA. Nigel Burton agreed to waive some of his accrued benefits on his resignation.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

8 Directors (continued)

Gary Nel, former director of Geocurve Limited, was considered to be Key Management until his departure during the previous year and was paid short term employee benefits during that year of £34,808.

During 2019 John Richardson also received 5,000 share options in GyroMetric Systems Limited the fair value of which were considered to be negligible.

The share option expense is detailed further in note 21.

9 Auditors remuneration

	2020 £	2019 £
Fees payable to the Company's auditor for the audit of the Group and Parent Company's Financial Statements	**22,500**	22,500
Fees payable to the Company's auditor for other services	**-**	-
	22,500	22,500

10 Finance costs

	2020 £	2019 £
Interest payable and other finance costs	**4,085**	3,295

11 Tax

	2020 £	2019 £
Group		
Income tax		
Current tax		
UK Corporation tax credit	**(27,976)**	(49,107)
Deferred tax		
Current year	**-**	(70,545)
Tax credit	**(27,976)**	(119,652)

The tax on the Group's loss before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to the profits/(losses) of the consolidated entities as follows:

	2020 £	2019 £
Group		
Loss before tax	**(1,561,939)**	(711,942)
Tax at the applicable rate of 19.00% (2019 19.00%):	**(296,768)**	(135,269)
Effect of:		
Expenses/income not deductible for tax purposes	**78,432**	26,016
Depreciation in excess of capital allowances	**1,311**	855
R&D tax credit	**(27,976)**	(49,107)
Fixed asset timing differences	**2,774**	(70,545)
Net tax effect of losses carried forward	**214,251**	108,398
Tax credit for the year	**(27,976)**	(119,652)

The tax rate used for 2019 is the standard rate of corporation tax in the UK.

The Group has tax losses of approximately £5,200,000 (2019 £4,800,000) available to carry forward against future taxable profits. No deferred tax asset has been recognised in view of the uncertainty over the timing of future taxable profits against which the losses may be offset.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

12 Discontinued operations

During December 2019 the group reached agreement to sell the fixed assets and goodwill within Geocurve Limited. At the same time, a formal plan was made to discontinue the Geocurve business. The disposal was completed in January 2020. The fixed assets included in the sale were sold for £160,275 and were included within 'Assets classified as held for sale' within the 2019 Consolidated Statement of Financial Position at the lower of carrying value and net realisable value. Impairments relating to the disposal were intangible assets of £189,238 and fixed assets of £286,887 which were shown within the 2019 discontinued operations.

In addition, the purchaser has agreed to pay a finder's fee as a percentage of sales arising from existing customers of the Geocurve business. These amounts will be credited to income when the respective sales are settled.

Results of discontinued operations were as follows:

	2020 £	2019 £
Revenue	6,132	427,616
Cost of sales	(1,243)	(459,227)
Depreciation	-	(157,339)
Intangible amortisation	-	(240,582)
Share option credit/(expense)	-	19,500
Impairments	-	(476,125)
Other costs	(12,143)	(334,621)
Finance income	-	8
Finance costs	-	(23,786)
Income tax	92,495	215,317
	85,241	(1,029,239)

Included in the Group Cash Flow Statement are the following amounts relating to discontinued operations;

	2020 £	2019 £
Cash flow from operating activities	77,757	(240,117)
Cash flow from investing activities	(90,325)	366,953
Cash flow from financing activities	160,675	(135,341)

13 Earnings per share

Basic earnings per share has been calculated by dividing the loss attributable to equity holders of the Company after taxation by the weighted average number of shares in issue during the year. There is no difference between the basic and diluted loss per share on loss making operations. The difference between the basic and diluted profit per share on discontinued operations for 2020 is insignificant.

	2020 £	2019 £
Basic and Diluted		
Loss after taxation – continuing operations	(1,501,329)	(522,017)
Profit/(loss) after taxation – discontinued operations	85,241	(1,029,239)
Loss after taxation - total	(1,416,088)	(1,551,256)
Weighted average number of shares	813,456,106	412,161,620
Earnings per share (pence) – continuing operations	(0.18)	(0.13)
Earnings per share (pence) – discontinued operations	0.01	(0.25)
Earnings per share (pence) - total	(0.17)	(0.38)

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

14 Intangible assets

Goodwill – Group	2020 £	2019 £
Cost		
At 1 January	**450,795**	334,646
Additions (note 17)	**1,764,419**	125,983
Reclassification to held for sale assets (note 12)	-	(9,834)
At 31 December	**2,215,214**	450,795
Impairment		
At 1 January	**125,983**	-
Arising during the year	**324,812**	135,817
Reclassification to held for sale assets (note 12)	-	(9,834)
At 31 December	**450,795**	125,983
Net book value at 31 December	**1,764,419**	324,812

As at the year end, management has reassessed the recoverable amount of the Goodwill relating to Pharm 2 Farm Limited based on forecast NPV calculations. Management budgeted operating margin based upon current estimated costing and its expectations of market development. The discount rates reflect specific risks relating to the relevant operating segment. The value in use calculations and headroom is sensitive to any change in the key assumptions. Management concluded that the goodwill is not impaired.

The key assumptions used for the Pharm 2 Farm value-in-use calculations were as follows:

Operating margin	12%
Growth rate	Specific annual estimates
Discount rate	20%

The goodwill of £324,812 relating to the GyroMetric Business has been fully impaired due to the current proposal by the directors for the disposal of the division as detailed in the Chairman's Statement.

Given the inherent uncertainty partially relating to the Covid-19 virus, management have considered that the reliability of value in use calculations for the Cloudveil business would still not be sufficiently robust. The goodwill of £125,983 was fully impaired in 2019.

Other intangibles – Group	Customer Lists £	Intellectual Property £	Development Costs £	Total £
Cost				
At 1 January 2019	370,227	532,867	372,818	1,275,912
Reclassification to held for sale assets (note 12)	(370,227)	(459,867)	(372,818)	(1,202,912)
At 31 December 2019	-	**73,000**	-	**73,000**
At 31 December 2020	-	**73,000**	-	**73,000**
Amortisation				
At 1 January 2019	265,919	272,133	249,741	787,793
Amortisation	74,045	106,573	74,564	255,182
Impairment	30,263	100,628	48,513	179,404
Reclassification to held for sale assets (note 12)	(370,227)	(459,867)	(372,818)	(1,202,912)
At 31 December 2019	-	**19,467**	-	**19,467**
Amortisation	-	14,600	-	14,600
Impairment	-	38,933	-	38,933
At 31 December 2020	-	**73,000**	-	**73,000**
Net book value				
At 31 December 2018	**104,308**	**260,734**	**123,077**	**488,119**
At 31 December 2019	-	**53,533**	-	**53,533**
At 31 December 2020	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

15 Property, Plant and Equipment

	Right of use leasehold £	Plant & equipment £	Software £	Motor Vehicles £	Total £
Group					
Cost					
At 1 January 2019	-	685,570	17,900	15,031	718,501
Reclassification of leases	95,875	-	-	-	95,875
Acquisition of subsidiary	-	4,299	-	-	4,299
Additions	-	37,884	-	-	37,884
Disposals	-	(49,984)	-	(8,000)	(57,984)
Reclassification to held for sale assets (note 12)	-	(639,632)	(4,850)	(7,031)	(651,513)
At 31 December 2019	**95,875**	**38,137**	**13,050**	**-**	**147,062**
Acquisition of subsidiary	-	24,377	-	-	24,377
Additions	-	518	-	-	518
Disposals	-	(28,956)	-	-	(28,956)
At 31 December 2020	**95,875**	**34,076**	**13,050**	**-**	**143,001**
Accumulated depreciation					
At 1 January 2019	-	204,472	1,533	8,008	214,013
Acquisition of subsidiary	-	1,778	-	-	1,778
Charge for the year	29,500	123,608	5,563	3,191	161,862
Disposals	-	(33,050)	-	(4,168)	(37,218)
Impairments	66,375	217,683	2,829		286,887
Reclassification to held for sale assets (note 12)	-	(479,357)	(4,850)	(7,031)	(491,238)
At 31 December 2019	**95,875**	**35,134**	**5,075**	**-**	**136,084**
Acquisition of subsidiary	-	3,312	-	-	3,312
Charge for the year	-	2,550	4,350	-	6,900
Disposals	-	(28,956)	-	-	(28,956)
At 31 December 2020	**95,875**	**12,040**	**9,425**	**-**	**117,340**
Net book value					
At 31 December 2018	**-**	**481,098**	**16,367**	**7,023**	**504,488**
At 31 December 2019	**-**	**3,003**	**7,975**	**-**	**10,978**
At 31 December 2020	**-**	**22,036**	**3,625**	**-**	**25,661**

15 Property, Plant and Equipment (continued)

	Plant & equipment £	Software £	Total £
Company			
Cost			
At 1 January 2019	4,226	13,050	17,276
Additions	-	-	-
At 31 December 2019	**4,226**	**13,050**	**17,276**
Additions	-	-	-
At 31 December 2020	**4,226**	**13,050**	**17,276**
Accumulated depreciation			
At 1 January 2019	4,226	725	4,951
Charge for the year	-	4,350	4,350
At 31 December 2019	**4,226**	**5,075**	**9,301**
Charge for the year	-	4,350	4,250
At 31 December 2020	**4,226**	**9,425**	**13,651**
Net book value			
At 31 December 2018	**-**	**12,325**	**12,325**
At 31 December 2019	**-**	**7,975**	**7,975**
At 31 December 2020	**-**	**3,625**	**3,625**

16 Investment in subsidiary undertakings

	2020 £	2019 £
Company		
As at 1 January	**384,601**	1,289,509
Additions (note 17)	**60,000**	130,000
Impairment	**(384,601)**	(1,034,908)
Cost at 31 December	**60,000**	384,601

The addition in 2020 relates to the company's acquisition of Pharm 2 Farm Ltd. Under s615 of the Companies Act 2006, the company has elected to show the investment at the nominal cost of the shares issued. The Fair Value of the shares issued is set out in Note 17.

The impairment in 2020 relates to the company's investment in GyroMetric Limited and in its US subsidiary Strat Aero International, Inc.

The impairment in 2019 relates to the company's investments in Geocurve Limited which held the Geocurve business that was disposed after the year end (note 12), its investment in Cloudveil Limited and a partial impairment against its investment in GyroMetric Systems Limited.

The following are the principal subsidiaries of the Company at 31 December 2020 and at the date of these Financial Statements. All these were incorporated in the UK. These subsidiaries are taking advantage in their individual financial statements of audit exemption.

Name of company	Registered Address	Parent company	Class of shares	Share capital held	Nature of business
GyroMetric Systems Limited	Dockholme Lock Cottage, 380 Bennett Street, Long Eaton, Nottingham NG10 4JF, UK	Remote Monitored Systems plc	Ordinary	57.8%	Shaft Monitoring
Cloudveil Limited	52 West Street, Farnham GU9 7DX, UK	Remote Monitored Systems plc	Ordinary	100%	Security
Geocurve Limited	27-28 Eastcastle Street. London W1W 8DH. UK	Remote Monitored Systems plc	Ordinary	100%	Receipt of commission from former business
Pharm 2 Farm Limited	27-28 Eastcastle Street. London W1W 8DH. UK	Remote Monitored Systems plc	Ordinary	100%	Nanoparticle applications

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

16 Investment in subsidiary undertakings (continued)

In addition to the above the company has non trading fully owned subsidiaries at 31 December 2020 as follows:

Incorporated and Registered in United States of America
Strat Aero International, Inc.

17 Acquisition of subsidiary undertakings

In November 2020 the entire issued share capital of Pharm 2 Farm Limited was acquired.

As detailed in the share purchase agreement dated 21 August 2020 the purchase consideration was stated as £1,800,000 to be settled through the issue of 600,000,000 ordinary shares. Due to the need for regulatory and shareholder approval the consideration shares were not issued until 5 November 2020 when control of Pharm 2 Farm Limited was obtained. Under IFRS 3 the consideration would be based on the market value of those shares at the point of issue which would equate to £17,700,000. Management does not believe this fairly reflects the acquisition given the volatility of the share price leading up to 5 November 2020 and have used the consideration within the agreement of £1,800,000 as a fairer reflection of the agreement. In accordance with IFRS 3, the Company will perform a purchase price allocation within the 12 months of fully acquiring Pharm 2 Farm Limited. Pharm 2 Farm is based in the UK and its principal activity is that of utilisation of functional nano particles.

	£
Purchase consideration	**1,800,000**
Fair value of net assets acquired	**35,581**
Goodwill	**1,764,419**

At acquisition Pharm 2 Farm Limited had rights over intellectual property under 15 year licences signed in 2019. Whilst management believe there is now significant intrinsic value of these licences, at the time of acquisition the estimate of timing and value of income generation was insufficiently robust for a reasonable estimate of the valuation of these rights at acquisition to be made.

The goodwill acquired also includes employee knowledge and expertise with regard to nano particle technology applications.

The fair value of net assets and liabilities arising from the acquisition were as follows:

	£
Cash and cash equivalents	**15,592**
Property, plant and equipment	**21,065**
Inventories	**44,023**
Trade and other receivables	**127,269**
Trade and other payables	**(172,368)**
	35,581

Included in the Consolidated Statement of Comprehensive Income is revenue of £600 and operating losses of £51,780 attributable to Pharm 2 Farm Limited in the post acquisition period.

Revenue of £52,493 and operating losses of £210,132 would have been included in the Consolidated Statement of Comprehensive Income had the acquisition been made on 1 January 2020.

There were no adjustments processed during the year to the fair value of the business combinations completed during the year ended 31 December 2019.

18 Trade and other receivables

		2020		2019
	Group	Company	Group	Company
	£	£	£	£
Amounts due from group undertakings	**-**	**430,124**	-	118,040
Trade receivables	**11,535**	**-**	23,312	-
VAT receivable	**68,424**	**23,035**	8,085	5,984
Other receivables	**1,813,877**	**1,505,000**	19,889	-
Prepayments	**32,151**	**28,841**	14,804	10,443
At 31 December	**1,925,987**	**1,987,000**	66,090	134,467
Less: non-current portion	**-**	**(428,974)**	-	(118,040)
Current portion	**1,925,987**	**1,558,026**	66,090	16,427

Amounts due from group undertakings were impaired by £255,600 (2019 £985,514) during the year within the Company.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

18 Trade and other receivables (continued)

The fair value of all receivables is the same as their carrying values stated above.

	2020 £	2019 £
Ageing of trade receivables net of provisions - Group:		
Not due	**630**	2,160
0 – 30 days	**-**	16,992
Over 30 days	**10,905**	4,160
	11,535	23,312

The carrying amount of the Group's trade receivables are all denominated in GB pounds.

The maximum exposure to credit risk at the reporting date is the carrying value reported above. The Group does not hold collateral as security. Provisions totalling £20,345 (2019: £335) have been made at the year end in respect of trade receivables.

19 Cash and cash equivalents

Cash at bank is held with credit institutions with an A credit rating. The carrying amount of the Group's cash and cash equivalents are denominated in the following currencies:

		2020		2019
	Group	Company	Group	Company
	£	£	£	£
US dollars	**-**	**-**	446	-
GB pounds	**3,741,135**	**3,590,521**	74,324	4,784
	3,741,135	**3,590,521**	74,770	4,784

20 Share capital

Group and Company		2020		2019
Issued equity share capital	Number	£	Number	£
Issued and fully paid				
Ordinary shares of 0.2p each	**-**	**-**	500,656,790	1,001,313
Ordinary shares of 0.01p each	**1,983,270,231**	**198,327**	-	-
Deferred shares of 0.1p each	**2,358,954,414**	**2,358,954**	2,358,954,414	2,358,954
Deferred shares of 0.19p each	**774,006,790**	**1,470,613**	-	-
A Deferred shares of 0.001p each	**17,678,567,358**	**1,767,857**	17,678,567,358	1,767,857
		5,795,751		5,128,124

Group and Company	Number of deferred shares	Number of ordinary shares	Share capital £	Share premium £	Total £
As at 1 January 2019	**20,037,521,772**	**332,467,690**	**4,791,747**	**6,330,629**	**11,122,376**
Issue of new shares 17 January 2019	-	53,846,154	107,692	232,308	340,000
Issue of new shares 30 July 2019	-	21,101,715	42,203	52,754	94,957
Issue of new shares 3 October 2019	-	22,241,231	44,482	85,518	130,000
Issue of new shares 18 October 2019	-	62,500,000	125,000	116,485	241,485
Issue of new shares 21 October 2019	-	2,500,000	5,000	5,000	10,000
Issue of new shares 6 December 2019	-	6,000,000	12,000	-	12,000
As at 31 December 2019	**20,037,521,772**	**500,656,790**	**5,128,124**	**6,822,694**	**11,950,818**

20 Share capital (continued)

Group and Company	Number of deferred shares	Number of ordinary shares	Share capital £	Share premium £	Total £
As at 1 January 2020	**20,037,521,772**	**500,656,790**	**5,128,124**	**6,822,694**	**11,950,818**
Issue of new shares 17 and 20 April 2020	-	160,400,000	320,800	53,488	374,288
Issue of new shares 10 July 2020	-	112,950,000	225,900	46,086	271,986
Share subdivision	774,006,790	-	-	-	-
Loan note conversion 27 October 2020	-	12,801,543	1,280	34,564	35,844
Exercise of warrants 27 October 2020	-	12,618,928	1,262	34,071	35,333
Exercise of warrants 26 October 2020 to 2 November 2020	-	97,200,000	9,720	476,280	486,000
Issue of new shares 5 November 2020	-	600,000,000	60,000	(12,200)	47,800
Exercise of warrants 11 to 13 November 2020	-	51,200,000	5,120	250,880	256,000
Exercise of warrants 12 November 2020	-	12,618,928	1,262	34,071	35,333
Loan note conversion 12 November 2020	-	12,824,042	1,283	34,624	35,907
Issue of new shares 16 November 2020	-	10,000,000	1,000	24,000	25,000
Issue of new shares 18 December 2020	-	400,000,000	40,000	4,637,100	4,677,100
Release of warrants reserve	-	-	-	9,911	9,911
As at 31 December 2020	**20,811,528,562**	**1,983,270,231**	**5,795,751**	**12,445,569**	**18,241,320**

On 17 April 2020 the Company issued 140,000,000 new ordinary shares of 0.2p each at a price of 0.25p per share raising gross proceeds of £350,000. Two directors took part in the open offer with each subscribing to 10,000,000 new ordinary shares. Each share was issued with 1 warrant to subscribe for 1 ordinary share exercisable at 0.5p.

On 20 April 2020 the Company issued 20,400,000 new ordinary shares of 0.2p each at a price of 0.25p per share in consideration for outstanding fees payable by the Company, to an advisor. Each share was issued with 1 warrant to subscribe for 1 ordinary share exercisable at 0.5p.

On 10 July 2020 the Company issued 112,950,000 new ordinary shares of 0.2p each at a price of 0.25p per share raising gross proceeds of £265,000 and settling advisors fees of £17,375.

During 26 October to 13 November 2020 148,400,000 warrants for shares were exercised at a price of 0.5p each.

On 27 October 2020 the Company issued 12,801,543 new ordinary shares of 0.01p each in settlement of the convertible loan notes including interest held by a director.

On 27 October 2020 12,618,928 warrants for shares were exercised at a price of 0.28p each by a director.

On 5 November 2020 the Company issued 600,000,000 new ordinary shares in consideration of the entire issued share capital of Pharm 2 Farm Limited. The shares have been recorded at their nominal value.

On 12 November 2020 the Company issued 12,824,042 new ordinary shares of 0.1p each in settlement of the convertible loan notes including interest held by a director.

On 12 November 2020 12,618,928 warrants for shares were exercised at a price of 0.28p each by a director.

On 16 November 2020 the Company issued 10,000,000 new ordinary shares of 0.1p each at a price of 0.25p per share in settlement of outstanding consultancy fees.

On 18 December 2020 the Company issued 400,000,000 new ordinary shares of 0.01p each at a price of 1.25 per share raising gross proceeds of £5,000,000.

Share options in the Company

There were no share options outstanding 31 December 2019.

At 31 December 2020 there were 77,603,512 outstanding share options which had been issued on 9 November 2020. The options vested on issue, had a term of 5 years and an option price of 1.4 pence per share.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

20 Share capital (continued)

Warrants

Warrants to subscribe for new Ordinary Shares in the Company were in issue as follows:

	2020 No. of warrants	2020 Weighted average price £	2019 No. of warrants	2019 Weighted average price £
At 1 January	**49,451**	**0.0500**	80,454,531	0.05
Issued during the year	**185,637,856**	**0.0047**	-	-
Lapsed during the year	**(49,451)**	**0.0500**	(80,405,080)	0.05
Exercised during the year	**173,637,856**	**0.0047**	-	-
Outstanding at 31 December	**12,000,000**	**0.0047**	49,451	0.05

The warrants outstanding at 31 December 2020 had a weighted average remaining contractual life of 4 months (31 December 2019: 9 months).

The fair value of the warrants granted in the year were calculated using the Black Scholes model.

Share options in GyroMetric Systems Limited

At 31 December 2019 share options were in issue relating to shares in GyroMetric Systems Limited. The number of share options, which are only exercisable on a trade sale or IPO, vary dependent upon the exit valuation. The maximum number of options outstanding at 31 December 2020 were as follows:

Number of shares	Exercise price
65.300	£0.62
544,366	£1.05

The number of shares in issue in GyroMetric Systems Limited is 1,091,302.

Included in the above were 5,000 options issued during 2019 at an exercise price of £0.62. The value of these options was considered to be negligible.

21 Share-based payments

Share option plan
During the year 38,801,756 share options were granted to each of Trevor Brown and Paul Ryan, directors of the company. under the existing incentive plan. The options had an exercise price of 1.4p per share being the closing mid-market price on the issue date. The options vested immediately and were exercisable within 5 years.

Fair value of share options
The fair value of the share options granted in the year have been calculated using the Black Scholes model assuming the inputs shown below:

Grant date	9 November 2020
No of options granted	77,603,512
Share price on date of grant	1.4p
Exercise price	1.4p
Continuous growth rate	0.00%
Dividend yield	0.00%
Volatility	46.89%
Time to maturity	5 years
Value of option in accounts	0.1448p

Volatility was measured over a 3 year period and excluded the period of exceptional share price movement in the days leading up to the granting of the options.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

22 Convertible loan stock

	2020 £	2019 £
Group and Company		
As at 1 January	**103,000**	-
Convertible loan stock issued	-	100,000
Repayment/conversion of loan stock and interest	**(105,085)**	-
Accrued interest	**4,085**	3,000
At 31 December	**2,000**	103,000

The convertible loan stock was unsecured and had an annual coupon of 6%. The coupon was payable in shares. The convertible loan stock was fully repaid/converted during 2020, with the balance representing shares to be issued in relation to interest.

23 Other reserves

The measurement requirements of IFRS 2 have been implemented in respect of share options and warrants granted.

	Group				Company	
	Share option and warrants reserve	Merger relief reserve	Merger reserve	Total	Share option and warrants reserve	Total
	£	£	£	£	£	£
At 1 January 2019	201,545	-	(499,999)	(298,454)	201,545	201,545
Share options charge	(19,500)	-	-	(19,500)	(19,500)	(19,500)
Share warrants lapsed	(157,199)	-	-	(157,199)	(157,199)	(157,199)
At 31 December 2019	24,846	-	(499,999)	(475,153)	24,846	24,846
At 1 January 2020	24,846	-	(499,999)	(475,153)	24,846	24,846
Share options charge	434,474	-	-	434,474	434,474	434,474
Share warrants issued	10,712	-	-	10,712	10,712	10,712
Share warrants exercised	(9,911)	-	-	(9,911)	(9,911)	(9,911)
Share warrants lapsed	(24,846)	-	-	(24,846)	(24,846)	(24,846)
Arising on consolidation	-	1,740,000	-	1,740,000	-	-
At 31 December 2020	435,275	1,740,000	(499,999)	1,675,276	435,275	435,275

24 Non controlling interests

	Total £
Group	
As at 1 January 2019	22,228
Non controlling interests in share of losses for the year	70,372
At 31 December 2019	(48,045)
Non controlling interest in share of losses for the year	(32,634)
At 31 December 2020	(80,679)

25 Trade and other payables

	2020		2019	
	Group	Company	Group	Company
	£	£	£	£
Amounts due to group undertakings			-	2,669
Trade payables	**115,648**	**69,673**	105,732	43,269
VAT payable	**1,755**	-	8,018	-
Corporation tax	-	-	2,531	-
Accruals	**94,265**	**84,376**	135,034	112,969
Other creditors	**121,419**	**43,114**	124,507	10,000
	333,087	**197,163**	375,822	168,907

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

26 Lease and finance lease obligations

	2020		2019	
	Lease liabilities	Finance lease	Lease liabilities	Finance lease
Group	£	£	£	£
Total at 31 December	**36,875**	-	66,375	60,825
Less: non-current portion	**(7,375)**	-	(36,875)	-
Current portion	**29,500**	-	29,500	60,825

The non current portion of the lease liabilities are payable as to £7,375 within 2022.

27 Provisions

	2020	2019
Group	£	£
Closure costs in respect of the Geocurve business	**13,000**	20,500

It is expected provision for closure costs will be settled within 2021.

28 Deferred tax

	2020		2019	
	Group	Company	Group	Company
	£	£	£	£
Deferred tax liabilities				
Deferred tax liability	-	-	-	-

The movement in the deferred tax account is as follows:

	2020		2019	
	Group	Company	Group	Company
	£	£	£	£
At 1 January	-	-	206,328	-
Investment in subsidiaries	-	-	(150,941)	-
Fixed asset timing differences	-	-	(55,387)	-
At 31 December	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

29 Financial instruments

Categories of financial instruments

	2020 Group £	2020 Company £
Assets – Loans and receivables		
Trade and other receivables (excluding prepayments)	1,825,412	1,935,124
Cash and cash equivalents	3,741,135	3,590,521
	5,566,547	5,525,645
Liabilities – At amortised cost		
Trade and other payables (excluding non-financial liabilities)	237,067	113,237
Lease liabilities	36,875	-
	273,942	113,237

	2019 Group £	2019 Company £
Assets – Loans and receivables		
Trade and other receivables (excluding prepayments)	43,201	118,040
Cash and cash equivalents	74,770	4,784
	117,971	122,824
Liabilities – At amortised cost		
Trade and other payables (excluding non-financial liabilities)	433,047	55,938
Lease liabilities & Finance lease obligations	127,200	-
		-
	560,247	55,938

30 Financial commitments

Operating leases

The Group had no significant operating lease obligations at 31 December 2020 or 31 December 2019.

Other commitments

At 31 December 2020 the Group had capital commitments of £250,381 (2019 - £nil) of which £227,904 had been paid and is included within other receivables. The Company had no capital commitments at 31 December 2020 or 31 December 2019.

31 Contingent liabilities

The Group has received a claim made against its subsidiary in the US following the dismissal of an employee. The claim is in the hands of the Group's lawyers and the outcome has not yet been reached, however the Directors believe that the claim is without merit. In the event of a settlement, the exact level of compensation is unknown at this stage. On this basis, the contingent liability cannot be quantified.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

32 Related party transactions

Directors' transactions

Directors remuneration is disclosed in note 8.

The amount owing to Nigel Burton in respect of unpaid salary at 31 December 2020 was £nil (2019 - £11,182).

The amount owing to Trevor Brown in respect of unpaid salary at 31 December 2020 was £nil (2019 - £750).

Paul Ryan is the owner of Warande1970 BVBA which the Group pays in relation to Paul's director fee. £8,000 was outstanding at 31 December 2020 (2019 - £4,750).

Trevor Brown is a director and significant shareholder of Braveheart Investment Group plc. During the year the Company purchased a 51.73% interest in Pharm 2 Farm Limited from Braveheart Investment Group plc settled through the issue of 310,354,815 ordinary shares.

During the year Braveheart Investment Group plc provided additional funds to GyroMetric Systems Limited totalling £5,000 (2019 - £34,200 in the form of a convertible loan note). These amounts were both still outstanding at 31 December 2020.

During the previous year Cloudveil Limited advanced amounts to Hugo Gillum-Webb, a Director of that Company which were repaid in full during the year. £11,038 was due to that Company at 31 December 2019.

Various amounts have been advanced by the Directors of the Parent Company and Subsidiaries. The following amounts were outstanding at the year end:

	2020	2019
N Burton	-	29,000
P & R Orton	6,312	6,312
A Ferguson	19,200	4,200

Parent Company transactions with subsidiary companies

At the year end £1,451,632 (2019: £1,034,568) was due from the subsidiary companies.

The above balance included amounts owing from GyroMetric Systems Ltd and Cloudveil Ltd which were impaired by £141,600 and £114,000 respectively during the current year and from Geocurve Ltd which was impaired by £765,908 during the previous year.

33 Ultimate controlling party

There is not considered to be a controlling party. For details of major shareholdings please refer to the Director's Report.

34 Events after the reporting year

Following the year end there have been additional exercises of warrants and options raising in excess of £0.9m.

After a strategic review of the Group's operations by the directors, as detailed in the Chairman's statement, they are recommending the proposal for the disposal of the Group's interest of its GyroMetric division. In addition, the directors are recommending a proposal for a change of name of the Company to nanosynth group plc to bring it in line with the future direction of the company.

COMPANY INFORMATION

Directors	Antony Legge	*(Executive Chairman)*
	John Richardson	*(Chief Operating Officer)*
	Richard Clarke	*(Non-Executive Director)*
	Gareth Cave	*(Non-Executive Director)*
	Felicity Sartain	*(Non-Executive Director)*
Website	www.remotemonitoredsystems.com	
Registered Office	27-28 Eastcastle Street London W1W 8DH	
Registered Number	09109008	
Nominated Adviser and Joint Broker	SP Angel Corporate Finance LLP Prince Frederick House 35-39 Maddox Street London W1S 2PP	
Joint Broker	Peterhouse Corporate Finance Limited 3rd Floor, 80 Cheapside London EC2V 6EE	
Solicitors	Hill Dickinson The Broadgate Tower 20 Primrose Street London EC2A 2EW	
Independent Auditor	PKF Littlejohn LLP 15 Westferry Circus Canary Wharf London E14 4HD	
Registrars	Share Registrars Limited First Floor 9 Lion and Lamb Yard Farnham Surrey GU9 97LL	

COMPANY INFORMATION (continued)

Details of the current Directors and their backgrounds are as follows:

Antony Legge
Executive Chairman

Antony is an experienced corporate financier, with many years working with small-listed clients in the AIM Market, giving him a good understanding of the pressures faced by growth companies and the importance of good corporate governance. Antony has worked for Dowgate Capital Advisers, Astaire Securities and Daniel Stewart & Co. Before becoming a corporate financial, Antony worked as an equity analyst at Besson Gregory and in investment management, including a time at Imperial College Innovations with a portfolio of early stage university spin-outs.

Since leaving Daniel Stewart, Antony has worked as a non-executive director on various companies. Antony is also currently Treasurer of his local rugby club and Chairman of the Parish Finance and General Purpose Committee of his Catholic Church.

John Richardson
Chief Operating Officer

John has many years of experience managing technical teams designing and implementing IT systems for private enterprises and the public sector.

Following 30 years with Siemens including roles in engineering management, technical strategy and marketing, introduction of information security, delivery and support, John was Head of Operations with Nexor, then moved to GyroMetric to head up operations, and subsequently appointed as CEO.

John is currently a director at GyroMetric Systems Limited, Geocurve Limited and Champagnewebs Limited.

Richard Clarke
Non-Executive Director

Richard is a Chartered Accountant and has spent the majority of his career in senior executive roles in technology companies involved in aerospace, electronics, optics, semiconductors and nanomaterials. His experience includes business restructuring, scale-up, acquisitions and joint-ventures, equity and debt financing and corporate governance, having served on the corporate governance committee of the ICAEW for a number of years. He is currently finance director of PowerPhotonic Limited, a manufacturer of advanced micro-optics for the laser industry. Prior to joining PowerPhotonic he was a finance director of Xennia Technology Limited, a developer of industrial inkjet systems, which was sold to Sensient Corporation in 2015. He has a degree in economics from University College London (UCL) and an MBA from the University of Bath.

Gareth Cave
Non-Executive Director

Gareth is a university chemistry lecturer and has spent his academic career researching the many applications of nanotechnology, from drug delivery systems to plant food. Beyond academia, as an active consultant, he shares his knowledge and know how into a plethora of industries including pharmaceutical, healthcare, materials, agricultural, food and drink industries. In 2015 he formed Pharm 2 Farm Ltd, as a university spinout, to help realise the full commercial potential of this nanotechnology research. His world leading academic research and international network, from celebrity chefs to Nobel laureates, continues to supply a strong pipeline of innovation and collaborative opportunities to Pharm 2 Farm and RMS. He has a B.Sc., M.Sc. and Ph.D. chemistry degrees from the University of Warwick, is an active member of the Royal Society of Chemistry and has worked as an academic in UK, USA and Australian universities over the course of his career.

Felicity Sartain
Non-Executive Director

Felicity has a multi-disciplinary background established over 15 years including managerial, commercial and research in the Healthcare, Life Science and Nanotechnology sectors. She holds a PhD in Biotechnology from the University of Cambridge and an MSc in Chemistry at the University of York. She was a co-inventor of the original technologies at Smart Holograms, a Cambridge University spin-out that designed and developed novel biosensors and founded Profiscio, a consultancy business to support the translation and manage the development of scientific innovation. Felicity is currently Co-Founder and Chief Operating Officer of Closed Loop Medicine.