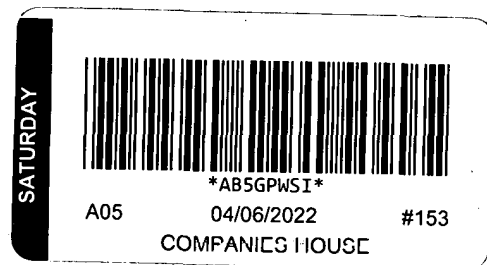


COMPANY NO: 07824805

FRONTIER MICROSYSTEMS LIMITED

Annual Report and Accounts
For the Year Ended 31 December 2021



Frontier Microsystems Limited

Registered No: 04213838

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Frontier Microsystems Limited

Registered No: 04213838

DIRECTORS' REPORT

The Directors present their report and the financial statements for the year ended 31 December 2021.

PRINCIPAL ACTIVITY

The principal activity of the Company during the year was the holding of patents and IP for use by other Group companies.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £nil (2020: £975,000). The Directors do not recommend the payment of a dividend (2020: £nil).

DIRECTORS

The Directors who served during the year or up to the date of this report are as shown below:

S Cole

R Archer (resigned 9 April 2021)

S Vohra (appointed 11 January 2021, resigned 30 July 2021)

J Brett (appointed 23 July 2021)

POLITICAL CONTRIBUTIONS

The Company made no political donations or incurred any political expenditure during the year.

POST BALANCE SHEET EVENTS

There have been no events since 31 December 2021 which require adjustment or disclosure in the Annual Statements.

SMALL COMPANIES NOTE

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006. The directors have taken exemption under this regime not to disclose the strategic report.

REAPPOINTMENT OF AUDITORS

The auditors Grant Thornton UK LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Frontier Microsystems Limited

Registered No: 04213838

DIRECTORS' RESPONSIBILITY STATEMENT

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice and applicable law, including FRS 101 Reduced Disclosure Framework.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and of the profit or loss of the Company for that period. In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

Statement as to disclosure of information to auditor

The Directors who held office at the date of approval of this Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware and each Director has taken all the steps that 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.

The auditor, Grant Thornton UK LLP, has been reappointed in accordance with section 485 of the Companies Act 2006.

This Report was approved by the Board on 30 May 2022 and signed on its behalf by:



J Brett
Director

Independent auditor's report to the members of Frontier Microsystems Limited

Opinion

We have audited the financial statements of Frontier Microsystems Limited (the 'company') for the year ended 31 December 2021, which comprise Income Statement, Statement of Changes in Equity, Balance Sheet, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – basis of preparation of the financial statements

We draw attention to Note 1 to the financial statements, which describes the basis of preparation of the financial statements. As described in that note, the financial statements have not been prepared on the going concern basis as it is intended that the company will soon cease trading, at which point, remaining assets will be transferred to Science Group plc and accordingly the directors have prepared the financial statements on a basis other than going concern as described in Note 1. Our opinion is not modified in this respect of this matter.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

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

Conclusions relating to going concern (continued)

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the

related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

**Independent auditor's report to the members of Frontier Microsystems Limited
(continued)**

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

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

Matters on which we are required to report by exception

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

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

Responsibilities of directors for the financial statements

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

In preparing the financial statements, the directors are responsible for assessing the 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 company or to cease operations*, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the company and industry in which they operate. We determined that the following laws and regulations were most significant: FRS 101, Companies Act 2006 and the relevant tax compliance regulations in the UK;
- We obtained an understanding of the company's policies and procedures implemented to prevent and detect non-compliance with laws and regulations by inquiry with management, those responsible for legal and compliance procedures including the company secretary. We corroborated our inquiries through our reading of board meeting minutes;
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit;
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud and the adequacy of procedures for authorisation of transactions and internal review procedures;
 - challenging assumptions and judgements made by management in its significant accounting estimates; and
 - identifying and testing journal entries, in particular large and unusual journals.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- It is the engagement partner's assessment that the audit team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations based on understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation.

Frontier Microsystems Limited

Registered No: 04213838

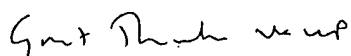
Independent auditor's report to the members of Frontier Microsystems Limited (continued)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud
(continued)

- Management have not communicated to the audit team any matters of non-compliance with laws and regulations or fraud and no such matters were identified by the audit team.

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.



Nicholas Page

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

London, UK

1 June 2022

Frontier Microsystems Limited

Registered No: 04213838

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2021

		Notes	2021 £'000	2020 £'000
TURNOVER			-	-
Cost of sales			-	-
GROSS PROFIT			-	-
Other operating charges			-	975
OPERATING PROFIT	2		-	975
Interest paid			-	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			-	975
Tax on ordinary activities	4		-	-
RETAINED PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION/ TOTAL COMPREHENSIVE PROFIT			-	975

There are no recognised gains and losses other than those passing through the statement of comprehensive income.

The notes on pages 12 to 16 form part of these financial statements

Frontier Microsystems Limited

Registered No: 07824805

STATEMENT OF FINANCIAL POSITION at 31 December 2021

	Notes	2021 £'000	2020 £'000
CURRENT ASSETS			
Cash at bank and in hand		-	-
		-	-
CREDITORS: amounts falling due within one year		-	-
		-	-
NET CURRENT ASSETS		-	-
		-	-
TOTAL ASSETS		-	-
		-	-
CAPITAL AND RESERVES			
Called up share capital	5	200	200
Share premium account	6	19,800	19,800
Capital contribution	6	235	235
Profit and loss account	6	(20,235)	(20,235)
EQUITY SHAREHOLDERS' FUNDS		-	-

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

The financial statements were approved and authorised for issue by the Directors and were signed on 30 May 2022.



J Brett
Director

The notes on pages 12 to 16 form part of these financial statements

Frontier Microsystems Limited

Registered No: 07824805

STATEMENT OF CHANGES IN EQUITY at 31 December 2021

	Share capital £'000	Share premium account £'000	Capital Contribution £'000	Profit & loss account £'000	Total share- holders deficit £'000
At 1 January 2020	200	19,800	235	(21,210)	(975)
Profit for the year	-	-	-	975	975
Total comprehensive income for the year	-	-	-	-	-
At 31 December 2020	200	19,800	235	(20,235)	-
Profit for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-
At 31 December 2021	200	19,800	235	(20,235)	-

The notes on pages 12 to 16 form part of these financial statements.

Frontier Microsystems Limited

Registered No: 07824805

NOTES TO THE ACCOUNTS

at 31 December 2021

1. ACCOUNTING POLICIES

Basis of Preparation

The Financial Statements of the Company have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Accounting Standards in conformity with the requirements of the Companies Act 2006 which also requires management to exercise its judgement in the process of applying the Company's accounting policies.

The company is exempt from the requirements to produce group accounts, as it is wholly owned by Science Group plc. The financial statements of the Company and its subsidiary undertaking are included in the consolidated accounts of the parent company. These accounts therefore present information about the Company as an individual undertaking and not about its group.

The financial statements have been prepared in accordance with the Companies Act 2006 and the principal accounting policies as summarised below. They have all been applied consistently throughout the year.

Going concern

The financial statements have not been prepared on the going concern basis as it is intended that the Company will soon cease trading, at which point, remaining assets will be transferred to Science Group plc. No adjustments have been necessary to reduce the carrying value of assets to their estimated realisable amount, to provide for further liabilities which will arise, or to reclassify long term liabilities as current liabilities.

Exemptions taken in Financial Statements

The following exemptions from the requirements of IFRS have been applied in the preparation of these Financial Statements, in accordance with FRS 101:

- IFRS 7, 'Financial Instruments: Disclosures'
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities)
- Paragraph 38 of IAS 1, 'Presentation of Financial Statements' comparative information requirements in respect of:
 - paragraph 79(a)(iv) of IAS 1;
- The following paragraphs of IAS 1, 'Presentation of Financial Statements':
 - 10(d), (statement of cash flows)
 - 16 (statement of compliance with all IFRS),
 - 38A (requirement for minimum of two primary statements, including cash flow statements),
 - 38B-D (additional comparative information),
 - 40A-D (requirements for a third statement of financial position)
 - 111 (cash flow statement information), and
 - 134-136 (capital management disclosures)

Frontier Microsystems Limited

Registered No: 07824805

NOTES TO THE ACCOUNTS

at 31 December 2021

1. ACCOUNTING POLICIES continued

- IAS 7, 'Statement of cash flows'
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation)
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group

Research and development costs

Research expenditure is charged to the statement of comprehensive income as incurred.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or receive more, tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All foreign exchange differences are taken to the Statement of Comprehensive Income.

Income taxes

Tax expense recognised in the Statement of Comprehensive Income comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. There are no material judgements or estimates in preparation of these financial statements.

Frontier Microsystems Limited

Registered No: 07824805

NOTES TO THE ACCOUNTS

at 31 December 2021

2. OPERATING PROFIT

This is stated after (crediting):

	2021 £'000	2020 £'000
Intercompany balance written off gain	-	(975)

Auditors' remuneration is borne by the parent company.

3. DIRECTORS' EMOLUMENTS

The Directors of the Company are remunerated by other companies in the Group and accordingly, this remuneration has been recorded in the company from which it is received. If any allocation of the remuneration were to be made, it would be £nil (2020: £nil).

Employees

The average monthly number of persons employed by the Company during the year was nil (2020: nil).

Frontier Microsystems Limited

Registered No: 07824805

NOTES TO THE ACCOUNTS

at 31 December 2021

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge comprises:

	2021 £'000	2020 £'000
<i>Current tax:</i>		
Adjustment in respect of prior year provision	-	-
Tax credit	-	-
Deferred tax	-	-

Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are reconciled below:

	2021 £'000	2020 £'000
Profit on ordinary activities before tax	-	975
Profit on ordinary activities multiplied by the standard rate of corporation tax 19% (2020: 19%)	-	185
Effect of:		
Research and development tax credit adjustment	-	-
Losses utilised	-	(185)

5. SHARE CAPITAL

Authorised

	2021		2020	
	No.	£	No.	£
Ordinary shares of £0.01 each	20,000,000	200,000	20,000,000	200,000

Allotted, called up and fully paid

	2021		2020	
	No.	£	No.	£
Ordinary shares of £0.01 each	20,000,000	200,000	20,000,000	200,000

Frontier Microsystems Limited

Registered No: 07824805

NOTES TO THE ACCOUNTS

at 31 December 2021

6. SHAREHOLDERS' DEFICIT AND RESERVES

Called-up share capital – represents the nominal value of shares that have been issued.

Share premium account – includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Capital contribution reserve – represents the cumulative amount that has been expensed in connection with equity settled share-based payments.

Profit and loss account – include all current and prior period retained profit and losses.

7. CAPITAL COMMITMENTS

At the balance sheet date, the capital commitments were £nil (2020: £nil).

8. CONTROLLING PARTY

The ultimate parent company of Frontier Microsystems Limited is Science Group plc, incorporated in the England & Wales, by virtue of its 100% shareholding in the Company. Science Group plc has a registered office located at Harston Mill, Royston, Harston, Cambridge CB22 7GG.

Science Group plc became the direct parent company on 31 March 2022 by purchasing 100% shareholding in the Company from SG Bidco Limited.

9. POST BALANCE SHEET EVENTS

There have been no material events since 31 December 2021.