

Annual Report and Financial Statements of

CRF Health Technologies Limited

For the Year Ended 31 March 2021

Company Registration number: 09341444

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Company information:

Executive:	Michael Nolte	Resigned	15 May 2020
	Mitchell Blumenfeld	Resigned	20 April 2021
	Jean-Jacques Charhon	Appointed	20 April 2021
	Roger Dale Smith	Appointed	21 October 2020
	Sue Lee	Appointed	20 April 2021

REGISTERED OFFICE:

Ground Floor
Waterfront Building
Manbre Road
Hammersmith
London
W6 9RH

REGISTERED NUMBER: 09341444 (England and Wales)

Strategic Report of CRF Health Technologies Limited for the year ended 31 March 2021

Company Overview

The Directors present the Strategic Report of CRF Health Technologies Limited ("the Company") for the year ended 31 March 2021. CRF Health Technologies Limited was incorporated on 4 December 2014.

On 5 September 2018, the Company was part of an acquisition by Buccaneer Holdco Limited. The Company became a subsidiary of Buccaneer Holdco Limited which is the parent undertaking of the largest group for which consolidated financial statements are prepared ("the Group"). After operating for a period as CRF Bracket, the trading name of the new combined Group is now Signant Health.

The functional currency of the Company is the Euro ("Euro €"). All amounts are reported in thousands of Euros (€'000), except where specifically noted.

Review of the Business

The Company's principal activity is that of an investment holding company.

On 5 September 2018 the Company was acquired by Buccaneer Holdco Limited to form the Signant Health group. Prior to the acquisition, the Company owned loan notes and preference shares issued to the previous owners. As part of the acquisition process, the Company was involved in some corporate restructuring including the issuing of shares to (note 12) and receiving of a capital contribution (note 14) from, CRF Health Group Limited its immediate parent. It also received financing in the form of a loan from a Group entity (note 11). The funds were used to redeem the loan notes and preference shares held by the previous owners. There have been no further restructurings during the year ended 31 March 2020.

During the year ended 31 March 2021 the Company received two dividends from its direct subsidiary SPV Chelsea 1 Oy of €15.0m and €2.9m, give a total amount of €17.9m (2020: nil). Foreign exchange gains totalled €3.3m (2020: exchange losses €0.8m). It incurred no finance costs as the loan from its fellow group entity was paid in the year ending 31 March 2021 (2020: €1.5m). The Company made a profit of €21.3m for the year (2020: loss €2.4m).

Personnel

The Company has no employees.

Going Concern and Financing

The financial statements have been prepared on a going concern basis. The Company does not generate its own cash flows but rather acts as a conduit to facilitate various transactions for the Group. The Company relies on its ultimate parent, Buccaneer Holdco Limited, to call upon the resources of other companies within the Group and to provide financial support that may be needed in the event that the Company is unable to meet any of its obligations as they fall due. The Company has received formal assurance of such financial support from its ultimate parent for at least twelve months from the date these financial statements were authorised for issue.

The Directors of the company and its ultimate parent are also of the view that COVID-19 does not impact the Company's ability to continue as a going concern. The Company has the financial support of the Group which has sufficient cash and liquidity to fund the Company's operations if necessary.

Going Concern and Financing (continued)

As disclosed in the Annual report of the ultimate parent, the Group has not experienced nor is anticipating any material impact to revenue or backlog in the pipeline as a result of the COVID-19 pandemic. Management continues to follow the Group's Business Continuity Plan and its component Pandemic Response Plan, while remaining agile enough to adapt to unpredictable events and requirements. Management has the ability to take decisive actions in order to mitigate any unforeseen financial impact should the macroeconomic outlook deteriorate further. Based on the Group's forecasts for the base scenario, and severe but plausible stress testing, focused principally on revenue assumptions, no additional financing is required for at least the next twelve months. Reverse stress testing scenarios are not considered plausible. The analysis concluded that if the Group performs in line with forecast or even substantially below forecast, it will have sufficient funds to trade and settle its obligations as they fall due and have the ability to maintain compliance with the debt covenant under its Revolving Credit Facility for at least twelve months from the date of the approval of its financial statements. Therefore, the directors of the Company conclude there is no material risk that the Group will be unable to provide financial support to the Company for a period of at least twelve months from the issuance date of these financial statements. Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements.

Further details can be found in the basis of preparation note 2.3.

Future Developments

The Company will continue to operate as an investment holding company.

Principal Risks and Uncertainties

The Directors are responsible for the identification of the Company's key business risks and their management. A risk management policy has been approved by the Group and the key aspects of this policy has been adopted by the Directors for use of the Company.

Liquidity risk is the risk that an entity will face difficulties in meeting obligations associated with financial liabilities. The Company aims to mitigate liquidity risk by ensuring it receives funding, when necessary, from other entities within the Group.

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to meet a financial obligation. The Company's credit risk sits within its amounts due from group undertakings. The amounts due are from other Group companies and as such the risk of any default is highly unlikely.

COVID-19: The nature and scale of any potential impact is dependent on the course of the disease, which cannot be predicted accurately at this time. The significant loss of life and impact on people's health is unprecedented. The general economic situation throughout the world is increasingly very challenging. The majority of Group customers in clinical trials are deemed to be essential industries by the respective government bodies and we remain confident that the Company will continue to operate and be successful in the new environment. We are actively managing our operations, the cost base and our cash flow on a regular basis and following guidance from the public health bodies and governments in the territories where we operate.

Strategic Report of CRF Health Technologies Limited for the year ended 31 March 2021 (continued)

This Strategic Report was approved by the Board of Directors and is signed on its behalf by:

DocuSigned by:
Jean-Jacques Charhon
09F8D606C1984A1

Jean-Jacques Charhon
Director
6 December 2021

Report of the Board of Directors of CRF Health Technologies Limited for the year ended 31 March 2021

The Directors present their report and the financial statements of CRF Health Technologies Limited ("the Company") for the year ended 31 March 2021.

Directors

The Directors of the Company ('The Board') from 1 April 2020 to the date of this report were as follows:

Michael Nolte	<i>Resigned 15 May 2020</i>
Mitchell Blumenfeld	<i>Resigned 20 April 2021</i>
Jean-Jacques Charhon	<i>Appointed 20 April 2021</i>
Roger Dale Smith	<i>Appointed 21 October 2020</i>
Sue Lee	<i>Appointed 20 April 2021</i>

Dividends

The Directors have not recommended the payment of an ordinary share dividend during the financial year 2021 (2020: nil).

Political Contributions

The Company made no political donations during the year (2020: nil).

Impact of The United Kingdom (UK) leaving the European Union (EU)

The Company has experienced minimal impact as a result of the UK's withdrawal from the EU. Management will continue to assess the situation and address any issues that should arise.

Directors' and Officers' Liability

The Company has made s qualifying third-party indemnity provision for the benefit of its Directors against liability in respect of any proceedings brought against them by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. This indemnity was in place during the current financial period and remains intact at the date of the Directors' Report.

Research and Development

The Company had no research and development expenditures during the year (2020: nil).

Events after the Statement of Financial Position date

The Directors have, to the best of its ability, considered and assessed the Covid19 impact on the annual financial statements, as explained in the Strategic Report.

There are no other events to report between the statement of financial position date and the date of this report.

Streamlined energy and carbon reporting

The environmental impact information relating to subsidiaries of the Company has been incorporated in the Streamlined Energy and Carbon Report (SECR) disclosed in the annual report and consolidated financial statements of Buccaneer Holdco Limited for the year ended 31 March 2021.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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 Company financial statements for each financial period. Under that law they have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are enough 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 its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Directors 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.

For the year ending 31 March 2021 the company has availed the exemption from audit under section 479A of the Companies Act 2006 and the members have not required the company to obtain an audit of its accounts in accordance with section 476.

This Report of the Board of Directors was approved by the Board and signed on its behalf by:

DocuSigned by:
Jean-Jacques Charhon
08FBD606C1984A1

Jean-Jacques Charhon
Director

 December 2021

Income Statement of CRF Health Technologies Limited for the year ended 31 March 2021

	Note	2021 €'000	2020 €'000
Administrative expenses		-	(820)
Other income		3,388	-
Operating profit/(loss)		3,388	(820)
Profit/(loss) before interest and taxation	4	3,388	(820)
Finance income	6	17,898	-
Finance costs	7	-	(1,541)
Finance income/(costs) - net		17,898	(1,541)
Profit/(loss) before income tax		21,286	(2,361)
Tax charge for the year	8	-	-
Profit/(loss) for the year		21,286	(2,361)
Attributable to:			
Equity holders of the parent		21,286	(2,361)

The notes on pages 13 to 22 form part of these financial statements.

Statement of Comprehensive Income of CRF Health Technologies Limited for the year ended 2021

	2021	2020
	€'000	€'000
Profit/(loss) for the year	21,286	(2,361)
Other comprehensive income	-	-
Other comprehensive income for the year	-	-
Total comprehensive income/(loss)for the year	21,286	(2,361)
Attributable to:		
Equity holders of the parent	21,286	(2,361)

The notes on pages 13 to 22 form part of these financial statements.

Statement of Financial Position of CRF Health Technologies Limited as at 31 March 2021

	Note	2021 €'000	2020 €'000
Non-current assets			
Investment in subsidiary	9	174,536	174,536
		174,536	174,536
Current assets			
Amounts owed by group undertakings	10	3,993	3,993
		3,993	3,993
Creditors - amounts falling due within one year	11	31,264	52,550
Net current assets		(27,271)	(48,557)
Total assets less current liabilities		147,265	125,978
Net assets		147,265	125,978
Equity			
Ordinary shares	12	72,093	72,093
Share premium	13	16,837	16,837
Other reserves	14	29,580	29,580
Retained earnings		28,755	7,469
Total shareholders' funds		147,265	125,978

The notes on pages 13 to 22 form part of these financial statements.

The financial statements of CRF Health Technologies Limited (registered number 09341444) were approved by the Board of Directors and authorised for issue on 6 December 2021. The directors acknowledge their responsibilities for complying with the requirements of the Companies Act, 2006 with respect to accounting records and the preparation of accounts.

For the year ending 31 March 2021 the company has availed the exemption from audit under section 479A of the Companies Act 2006 and the members have not required the company to obtain an audit of its accounts in accordance with section 476. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

They are signed on its behalf by:

DocuSigned by:
Jean-Jacques Charhon
08F8D606C1984A1

Jean-Jacques Charhon
Director

Statement of Changes in Equity of CRF Health Technologies Limited for the year ended 31 March 2021

	Called-up share capital	Share premium	Other reserves	Retained earnings	Total
	€'000	€'000	€'000	€'000	€'000
As at 31 March 2019	72,093	16,837	29,580	9,830	128,340
Loss for the year	-	-	-	(2,361)	(2,361)
As at 31 March 2020	72,093	16,837	29,580	7,469	125,979
Profit for the year	-	-	-	21,286	21,286
As at 31 March 2021	72,093	16,837	29,580	28,755	147,265

The notes on pages 13 to 22 form part of these financial statements.

Notes to the Financial Statements of CRF Health Technologies Limited for the year ended 31 March 2021

1. GENERAL INFORMATION

CRF Health Technologies Limited ('the Company') is an investment holding company.

The Company is a private limited company and was incorporated on 4 December 2014. It is domiciled in the United Kingdom and the address of its registered office is Ground Floor, Waterfront Building, Manbre Road, Hammersmith, London, W6 9RH.

2. ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of CRF Health Technologies Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings and derivative financial assets and financial liabilities measured at fair value through profit or loss, and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company'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 3.

The following exemptions from the requirements of international accounting standards in conformity with the requirements of the Companies Act 2006(EU-adopted IFRS) have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial instruments: Disclosures'.
- IFRS 2 Share-Based Payments in respect of group settled share-based payments
- 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).
- 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);
 - 111 (cash flow statement information); and
 - 134–136 (capital management disclosures).
- IAS 7, 'Statement of cash flows'.
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- The requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group and compensation of Key Management Personnel.

Notes to the Financial Statements of CRF Health Technologies Limited for the year ended 31 March 2021 (continued)

2.2 New and amended standards and interpretations

The following Adopted IFRSs have been issued but have not been applied by the Company in the financial statements. Their adoption is not expected to have a material effect on the financial statements unless otherwise indicated.

- Amendments to IFRS 9: Financial Instruments, IAS 39: Financial Instruments: Recognition and Measurement, IFRS 7, Financial Instruments: Disclosures and IFRS 16: Interest Rate Benchmark Reform – Phase 2 (effective date January 1, 2021).
- Amendments to IAS 37: Onerous Contracts—Cost of Fulfilling a Contract, Amendments to References to the Conceptual Framework in IFRS 3, Business Combinations, Amendments to IAS 16: Property, Plant and Equipment—Proceeds before Intended Use, and Annual Improvements to IFRS Standards 2018-2020 (effective date January 1, 2022)
- IFRS 17: Insurance Contracts and Amendments to IAS 1: Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Classification of Liabilities as Current or Non-current (effective date January 1, 2023).

2.3 Going Concern

The Company does not generate its own cash flows but rather acts as a conduit to facilitate various transactions for the Group. The Company relies on its ultimate parent, Buccaneer Holdco Limited, to call upon the resources of other companies within the Group and provide financial support that may be needed in the event that the Company is unable to meet any of its obligations as they fall due. Therefore, the directors have to consider the overall support from Buccaneer Holdco Limited (the Group) of which the full disclosure is detailed below.

“The Group’s, business activities, together with factors likely to affect its future development, performance and position are considered by the Directors on an annual basis.

During the 2021 financial year the Group generated a net loss before tax of \$76.1m (2020: \$106.6m) which is mainly driven by cash and non-cash finance costs of \$90.1m (2020: \$103.6m) and non-cash items such as depreciation of \$12.8m (2020: \$13.0m) and amortisation of \$74.8m (2020: \$72.3m). The adjusted operating profit for the year was \$114.9m (2020: \$89.3m). Adjusted operating profit is stated before restructuring costs of \$13.4m (2020: \$6.8m), depreciation and amortisation as above.

The net asset position in 2021 was \$570.0m compared to prior year net asset position of \$631.3m, the main driver of this movement is the \$72.4 million net loss for the year ended 31 March 2021 (2020: \$87.5). Cash generated through operating activities during the 2021 financial year was \$159.6m (2020: \$66.5m), with closing cash of \$66.0m (2020: \$45.8m).

The Group meets its day-to-day working capital requirements from the positive cash flows generated by its trading activities and its available cash resources (\$66.0m as of 31 March 2021). These are supplemented when required by additional drawings under the Group’s revolving credit facility. At 31 March 2020 this amounted to \$66.7m (2020: \$66.7m) of which \$66.7m (2020: \$16.0m) was undrawn and available for use at the end of 2021. This RCF facility has a leverage ratio financial covenant that is required to be tested quarterly based on the amount drawn at that date. The covenant was not triggered at year end as the RCF was not drawn.

2.3 Going Concern (continued)

Note 20 and 21 include details of the Group's financing activities, long-term funding arrangements, financial instruments and financial risk management activities. The Group's long term funding loans comprise bank loans and shareholder preference share liabilities totalling \$1,025m (net of deferred financing fees) which are not due for repayment before 2025. In respect of bank borrowings financial covenants only arise in the event of drawdowns from the available revolving credit facility. Interest in respect of preference shares is capitalised into the principal balance annually.

The Directors have considered the impact of the Coronavirus (COVID-19) outbreak, which has been declared a Public Health Emergency of International Concern by the World Health Organisation. The COVID-19 pandemic has forced governments to implement extreme, restrictive measures to curb the spread of the virus. Management's priorities are first and foremost: to safeguard the health and safety of the Group's employees; and to ensure appropriate measures and actions are taken to ensure business continuity.

At the time of signing these accounts, the Group has not experienced nor is anticipating any material impact to revenue or backlog in the pipeline. Management continues to follow the Group's Business Continuity Plan and its component Pandemic Response Plan, while remaining agile enough to adapt to unpredictable events and requirements. As part of that plan, most employees are capably working remotely. Management does not believe this will lead to significant business disruption nor financial constraint. Management is currently evaluation the timeline to reopen office on a location by location basis. Management has taken decisive actions in order to mitigate any unforeseen financial impact should the macroeconomic outlook deteriorate further. These actions include but were not limited to implementation of cost reduction initiatives and a slowdown in the pace of new hiring.

The directors have prepared cash flow forecasts covering the period up to twenty-one months from the date of signing of these financial statements, which indicate that, taking accounting of severe but plausible downsides, the Group will have sufficient funds to meet its liabilities as they fall due for that period.

The base forecast reflects an approximate 12% increase on the year to 31 March 2022, principally driven off contracted and known revenue and a further 12% increase for the year to 31 March 2023. The key assumption in the severe but plausible downsides was an effective 10% reduction in revenue from the base scenario. In this scenario no additional RCF drawdowns are required and sufficient funds exist to trade and settle liabilities as they fall due for at least the twenty-one months from the date of approval of these financial statements."

The group has provided the company with a letter of support to cover the unlikely event that there is any negative impact of COVID-19 in the next 12 months, although the directors note that as with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least twelve months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Notes to the Financial Statements of CRF Health Technologies Limited for the year ended 31 March 2021 (continued)

2.4 Consolidation

The Company is a wholly owned subsidiary of CRF Health Group Limited and of its ultimate parent, Buccaneer Holdco Limited. It is included in the consolidated financial statements of Buccaneer Holdco Limited, which are publicly available. Therefore, the Company is exempt, by virtue of section 400 of the Companies Act 2006, from the requirement to prepare consolidated financial statements.

The address of the ultimate parent's registered office is Ground Floor, Waterfront Building, Manbre Road, Hammersmith, London, W6 9RH.

These financial statements are separate financial statements.

2.5 Investment in subsidiary

Investments in subsidiaries are held at cost less accumulated impairment losses.

2.6 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in 'Euros' (€), which is also the Company's functional currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the income statement.

2.7 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value, less costs of disposal, and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows of the asset or group of assets 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. In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit or loss in expense categories consistent with the function of the impaired asset.

Notes to the Financial Statements of CRF Health Technologies Limited for the year ended 31 March 2021 (continued)

2.8 Financial assets

The Company classifies its financial assets in the following category: 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.

(a) Financial assets at amortised cost

The Company classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

2.9 Impairment of financial assets

Assets carried at amortised cost

The Company assesses, at the end of each reporting period, whether there is objective evidence that a financial asset or group of financial assets is impaired.

The Company uses the IFRS 9 Expected Credit Loss model to measure loss allowances at an amount equal to their lifetime expected credit loss.

2.10 Share capital

Ordinary shares are classified as equity.

2.11 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 income statement over the period of the borrowings using the effective interest method.

2.12 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use are capitalised and amortised over the period the loan finance remains in place.

All other borrowing costs are recognised in the income statement in the period in which they are incurred.

2.13 Current and deferred tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.14 Interest income

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

3. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with FRS 101 requires the use of certain accounting estimates and judgements. It also requires management to exercise judgement in the process of applying the Company's accounting policies.

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. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described hereunder:

Impairment of investment in subsidiaries and amounts owed by group undertakings

The company makes an estimate of the recoverable value of investment in subsidiaries and amounts owed by group undertakings. When assessing impairment, management considers factors including the credit rating of the investment or receivable, the ageing profile of the receivables and historical experience. The company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all receivables and contract assets.

4. PROFIT/LOSS BEFORE INTEREST AND TAXATION

The Profit/(loss) before interest and taxation is stated after charging:

	2021 €'000	2020 €'000
Foreign exchange gains/(losses)	3,388	(820)

5. DIRECTORS EMOLUMENTS

The emoluments of the directors are paid by another subsidiary which makes no recharge to the Company. The directors are directors of the ultimate parent company and a number of fellow subsidiaries, and it is not practically possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries, however management do not deem the time spent on this subsidiary to be material. The total emoluments of the directors are included in the aggregate of emoluments included in the financial statements of the ultimate parent company.

6. FINANCE INCOME

	2021 €'000	2020 €'000
Dividend received from SPV Chelsea 1 Oy	17,898	-

Notes to the Financial Statements of CRF Health Technologies Limited for the year ended 31 March 2021 (continued)

7. FINANCE COSTS

	2021	2020
	€'000	€'000
Interest owed to group undertakings	-	1,541

The interest payable relates to a loan from Buccaneer Bidco Limited, a fellow group entity. Interest is charged at 8%. The decision was taken during the year ending on March 2020 to repay the loan as part of group funding transactions, as a result current year there is no interest cost.

8. TAX ON ORDINARY ACTIVITIES

Factors affecting the total tax charge for the year

The charge/(credit) for the year can be reconciled to the profit per the income statement as follows:

Profit/(loss) for the year	21,286	(2,361)
Tax on profit/loss at standard UK rate of 19%	4,044	(449)
Effects of:		
Income not taxable	(3,401)	-
Transfer pricing adjustments	(688)	(480)
Effects of group relief/other relief	60	929
CIR reactivated interest deduction	(15)	-
Total tax charge for the year	-	-

9. INVESTMENT IN SUBSIDIARY

	2021	2020
	€'000	€'000
Investment in subsidiary - cost	174,536	174,536
	174,536	174,536

The investment in subsidiary comprises 100% of the equity shares in SPV Chelsea 1 Oy, which is not publicly traded. The company was incorporated in Finland. The address of their registered office is Fredrikinkatu 42, 00100 Helsinki, Finland.

Details of indirect investment in subsidiaries held by the Company are included in the accounts of the direct subsidiary.

Notes to the Financial Statements of CRF Health Technologies Limited for the year ended 31 March 2021 (continued)

10. AMOUNTS OWED BY GROUP UNDERTAKINGS

	2021	2020
	€'000	€'000
Amounts owed by group undertakings	<u>3,993</u>	<u>3,993</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

11. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	€'000	€'000
Amounts owed to group undertakings	<u>31,264</u>	<u>52,550</u>
	31,264	52,550

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

12. CALLED UP SHARE CAPITAL

			Nominal	2021	2020
	Class	No.	value	€	€
Allotted and fully paid up	Ordinary	7,209,292,279	0.01	<u>72,092,923</u>	<u>72,092,923</u>
				72,092,923	72,092,923

Each holder of ordinary shares has the right to receive notice of, and attend, any general meeting of the company. The shares carry one vote per share. Subject to the Board recommending a payment of a dividend, holders of shares have the right to receive their pro rata share of any distribution.

13. SHARE PREMIUM

	2021	2020
	€'000	€'000
Cost	<u>16,837</u>	<u>16,837</u>

Notes to the Financial Statements of CRF Health Technologies Limited for the year ended 31 March 2021 (continued)

14. OTHER RESERVES

	2021	2020
	€'000	€'000
Capital contribution	29,580	29,580

During the year ended 31 March 2019 the Company received a capital contribution from CRF Health Group Limited as part of the restructuring that took place as a result of the acquisition by Buccaneer Holdco Limited.

15. CAPITAL AND OTHER COMMITMENTS

Amounts contracted for, but not recognised in the financial statements, amounted to nil.

16. RELATED PARTY BALANCES

All related party balances are disclosed in these accounts.

17. ULTIMATE CONTROLLING PARTY

The immediate parent undertaking is CRF Health Group Limited.

The ultimate parent undertaking and the largest group to consolidate these financial statements is Buccaneer Holdco Limited. Copies of the Buccaneer Holdco Limited consolidated financial statements can be obtained from:

Ground Floor
Waterfront Building
Manbre Road
Hammersmith Embankment
London
W6 9RH

Most of the issued share capital of Buccaneer Holdco Limited is held by Genstar BI Gen Holdings Cayman, LP. Genstar VII GP AIV BR Ltd is the ultimate controlling party as it manages the funds who own the General Partner (Genstar BI Gen investments LLC), who manage Genstar BI Gen Holdings Cayman, LP, which directly controls Buccaneer Holdco Limited.