

Cytel Statistical Services and Software UK Limited

Financial Statements

For the year ended 31 December 2021

For Filing with Registrar

Company Registration No. 10823705 (England and Wales)

Cytel Statistical Services and Software UK Limited

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Cytel Statistical Services and Software UK Limited

Balance Sheet

As at 31 December 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	4	107,209		82,970	
Investments	5	1		1	
		<u>107,210</u>		<u>82,971</u>	
Current assets					
Debtors	6	1,422,899		3,080,416	
Cash at bank and in hand		532,906		147,212	
		<u>1,955,805</u>		<u>3,227,628</u>	
Creditors: amounts falling due within one year	7	<u>(1,651,006)</u>		<u>(3,535,201)</u>	
Net current assets/(liabilities)		<u>304,799</u>		<u>(307,573)</u>	
Total assets less current liabilities		<u>412,009</u>		<u>(224,602)</u>	
Provisions for liabilities		<u>(55,000)</u>		<u>-</u>	
Net assets/(liabilities)		<u><u>357,009</u></u>		<u><u>(224,602)</u></u>	
Capital and reserves					
Called up share capital	8	100		100	
Profit and loss reserves		356,909		(224,702)	
Total equity		<u><u>357,009</u></u>		<u><u>(224,602)</u></u>	

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 14 September 2022 and are signed on its behalf by:

S Charles
Director

Company Registration No. 10823705

CYTEL STATISTICAL SERVICES AND SOFTWARE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

1 Accounting policies

Company information

Cytel Statistical Services and Software UK Limited is a private company limited by shares incorporated in England and Wales. The registered office is 6th Floor, 9 Appold Street, London, EC2A 2AP.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements, which are those of Cytel Statistical Services and Software UK Limited as an individual entity, have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The company's ongoing principal activity is to provide software services to its parent entity, Cytel, Inc. The company's principal risks are therefore closely linked to those of the parent entity and it is consequently exposed to the parent entity's willingness and capacity to provide financial support to the company and to fellow subsidiaries with whom the company has trading balances. Cytel, Inc is a leading provider of statistical software and advanced analytics for clinical trial design and execution that has operated successfully for many years. Cytel, Inc has demonstrated their commitment to the long-term success of the company and view it as a critical component of its overall business strategy. The Directors have reviewed the financial standing of the parent entity and are confident they are able to continue supporting the business. Cytel, Inc have provided a letter of support for at least one year of the date of signing these financial statements.

The directors continue to monitor the risk posed by the ongoing COVID 19 pandemic. Despite the variants that have occurred since the start of the pandemic, the result of actions by governments in providing vaccines and the company's own actions such as office procedures and remote working have ensured there has been so significant impact. The directors are satisfied that any ongoing adverse impacts can continue to be managed and will not affect the longer term prosperity of the business. An adequate financial buffer remains in place to address any potential continuing financial shock.

1.3 Turnover

Turnover represents the fair value of services provided during the period. Turnover is recognised as contract activity progresses and the right to consideration is earned. Fair value reflects the amount expected to be recoverable and is based on services provided and expenses incurred, but excludes VAT.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

CYTEL STATISTICAL SERVICES AND SOFTWARE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2021

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer equipment	over 5 years on a straight line basis
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that 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 it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.7 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Debtors and creditors

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans and other debtors receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Creditors

Short term trade creditors and other current creditors payable on demand are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

CYTEL STATISTICAL SERVICES AND SOFTWARE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2021

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, 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 assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

CYTEL STATISTICAL SERVICES AND SOFTWARE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2021

1 Accounting policies

(Continued)

1.13 Share-based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the Statement of comprehensive income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

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

CYTEL STATISTICAL SERVICES AND SOFTWARE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2021

1 Accounting policies

(Continued)

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The directors do not consider there to be any key estimates or judgements applicable to the company.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 68 (2020 - 38).

	2021 Number	2020 Number
Total	68	38

CYTEL STATISTICAL SERVICES AND SOFTWARE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2021

4 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2021	129,352
Additions	57,588
	<hr/>
At 31 December 2021	186,940
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Depreciation and impairment	
At 1 January 2021	46,382
Depreciation charged in the year	33,349
	<hr/>
At 31 December 2021	79,731
	<hr/>
Carrying amount	
At 31 December 2021	107,209
	<hr/>
At 31 December 2020	82,970
	<hr/>

5 Fixed asset investments

	2021 £	2020 £
Shares in group undertakings and participating interests	1	1
	<hr/>	<hr/>

6 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Amounts owed by group undertakings	1,221,661	2,823,611
Other debtors	195,793	256,805
	<hr/>	<hr/>
	1,417,454	3,080,416
	<hr/>	<hr/>
Amounts falling due after more than one year:		
Other debtors	5,445	-
	<hr/>	<hr/>
Total debtors	1,422,899	3,080,416
	<hr/>	<hr/>

CYTEL STATISTICAL SERVICES AND SOFTWARE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2021

7 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	30,890	200,866
Amounts owed to group undertakings	601,214	2,647,122
Corporation tax	71,975	-
Other taxation and social security	265,231	160,773
Other creditors	681,696	526,440
	<u>1,651,006</u>	<u>3,535,201</u>

8 Called up share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital Issued and fully paid of £1 each	100	100	100	100
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

CYTEL STATISTICAL SERVICES AND SOFTWARE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2021

9 Share-based payment transactions

During the year ended 31 December 2021, the company operated an equity settled share option plan for which employees were granted share option rights in the former ultimate parent company (NMC Crimson Holdings, Inc). At the start of the year 18,000 options remained outstanding to 3 employees at an exercise price of between \$100 and \$375. A change of control occurred on 1 March 2021 and therefore all outstanding options issued by NMC Crimson Holdings, Inc. were vested and exercised.

On 1 March 2021, the company operated an equity settled share option plan for which employees were granted share option rights in the ultimate parent company (Cronos Topco LP). As of 31 December 2021, 3,499,736 options remain outstanding to 2 employees at an exercise price of between \$1 and \$3. The options vest over five years and can be exercised at any time from the date of vesting to 10 years from the date of grant, if still performing services for the company. During the year ended December 2021, no share options were exercised.

10 Related party transactions

The company has taken advantage of the exemption from disclosing transactions with members within a wholly owned group.

No directors remuneration was payable by the company to the directors during the year 2021 (2020: 0) for their services to the company. The directors are remunerated elsewhere in the group.

11 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Andrew Grieve and the auditor was Moore Kingston Smith LLP.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.