

Cell Therapy Catapult Services Limited

Annual Report and Financial Statements

Registered number 08215513

For the year ended 31 March 2016

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Company Information

Directors	KJ Thompson MB Durdy
Registered Number	08215513
Registered Office	12 th Floor, Tower Wing Guy's Hospital Great Maze Pond London SE1 9RT
Independent Auditors	KPMG LLP Quayside House 110 Quayside Newcastle Upon Tyne NE1 3DX

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Directors' Report

The directors present their Directors' Report and Financial Statements for the year ended 31 March 2016.

Principal activities

Cell Therapy Catapult Services Limited principal activity is to provide commercial research and collaboration services to the cell therapy industry.

Business review and results

Cell Therapy Catapult Services Limited has continued to develop relationships in the cell therapy industry and has ongoing contracts with a growing customer base for the provision of commercial research and collaborative services.

Turnover for the period was £1,276,000 with a profit before tax of £404,000.

Directors

The directors who held office during the period were as follows:

KJ Thompson
MB Durdy

Political contributions

The Company made no political donations and incurred no political expenditure during the current or prior period.

Disclosure of information to auditor

The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, all relevant audit information has been disclosed, made available or brought to the attention of the company's auditor; and that they have taken all reasonable steps to establish that the Company's auditor has been made aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the Board



K J Thompson
Director

12th Floor, Tower Wing
Guy's Hospital
Great Maze Pond
London
SE1 9RT

16 August 2016

Statement of directors' responsibilities in respect of the Annual Report and the Financial Statements

The directors are responsible for preparing 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 period. Under that law they have elected to prepare company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 of the company for that period. In preparing the company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



KPMG LLP

Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX
United Kingdom

Independent auditor's report to the members of Cell Therapy Catapult Services Limited

We have audited the financial statements of Cell Therapy Catapult Services Limited for the year ended 31 March 2016 set out on pages 5 to 15. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of the company's profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Cell Therapy Catapult Services Limited *(continued)*

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, 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.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the directors' report and in not preparing a strategic report.



Nick Plumb (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX

16 August 2016

Profit and Loss Account
for the year ended 31 March 2016

	<i>Note</i>	Year ending 31 March 2016 £000	13 month period ending 31 March 2015 £000
Turnover	<i>1, 2</i>	1,276	315
Operating expenses		(797)	(304)
Operating profit		479	11
Interest receivable and similar income	<i>3</i>	19	-
Interest payable and similar charges	<i>4</i>	(94)	-
Profit on ordinary activities before taxation	<i>2-6</i>	404	11
Tax on profit on ordinary activities	<i>7</i>	(96)	(2)
Profit for the financial period	<i>12</i>	308	9

Statement of Comprehensive Income
for the year ended 31 March 2016

	<i>Note</i>	Year ending 31 March 2016 £000	13 month period ending 31 March 2015 £000
Profit for the financial period		308	9
Other comprehensive income for the period		-	-
Total comprehensive income for the period	<i>12</i>	308	9

Balance Sheet
as at 31 March 2016

	<i>Note</i>	2016 £000	£000	2015 £000	£000
Current Assets					
Debtors	9	825		154	
		<u>825</u>		<u>154</u>	
			825		154
Creditors: amounts falling due within one year	10	(504)		(141)	
		<u>(504)</u>		<u>(141)</u>	
			(504)		(141)
Net assets			<u>321</u>		<u>13</u>
			<u>321</u>		<u>13</u>
Capital and reserves					
Share Capital	11	-		-	
Profit and loss account	12	321		13	
		<u>321</u>		<u>13</u>	
			<u>321</u>		<u>13</u>

These Financial Statements were approved by the Board of directors on 16 August 2016 and were signed on its behalf by:


K J Thompson
Director

Registered number 08215513

Statement of Changes in Equity
for the year ended 31 March 2016

	Share capital £000	Profit and loss account £000	Total equity £000
Opening balance on 1 March 2014	-	4	4
Total comprehensive income for the period			
Profit	-	9	9
Total comprehensive income for the period	-	9	9
Balance at 31 March 2015	-	13	13
Opening balance on 1 April 2015	-	13	13
Total comprehensive income for the period			
Profit	-	308	308
Total comprehensive income for the period	-	308	308
Balance at 31 March 2016	-	321	321

Cash Flow Statement
for the year ended 31 March 2016

		Year ending 31 March 2016 £000	13 month period ending 31 March 2015 £000
	<i>Note</i>		
Cash flows from operating activities			
Profit for the period		308	9
Adjustments for:			
Taxation	5	96	2
Interest receivable and similar income		(19)	-
Interest payable and similar charges		94	-
Increase in trade and other debtors	7	(647)	(108)
Increase in trade and other creditors	8	365	97
Tax paid		197	-
Interest received/(paid)		(122)	-
		(75)	-
Net cash from operating activities		-	-
Net increase/(decrease) in cash and cash equivalents		-	-
Cash and cash equivalents at the start of year		-	-
Cash and cash equivalents at the end of year		-	-

Notes

(forming part of the Financial Statements)

1 Accounting policies

Cell Therapy Catapult Services Limited (the “Company”) is a company incorporated on 14 September 2012 and domiciled in the UK.

These Financial Statements were prepared in accordance with Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (“FRS 102”). The functional and presentation currency of these Financial Statements is £ Sterling. All amounts in the Financial Statements have been rounded to the nearest £1,000.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Financial Statements.

1.1 Measurement convention

The Financial Statements are prepared on the historical cost basis.

1.2 Going concern

Cell Therapy Catapult Services Limited is a wholly owned subsidiary of Cell Therapy Catapult Limited. Cell Therapy Catapult Limited is committed to supporting Cell Therapy Catapult Services Limited for at least the next 12 months.

The directors are confident that the company’s financial statements should be prepared on a going concern basis on the grounds that current and potential sources of funding or support will be adequate for the company’s needs.

1.3 Foreign currency

Transactions in foreign currencies are translated to the Company’s functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the profit and loss account.

1.4 Financial instruments

Trade and other debtors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Trade and other creditors

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs.

Subsequent to initial recognition they are measured at amortised cost using the effective interest method. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

1.5 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Notes (continued)

1 Accounting policies (continued)

1.6 Turnover

Turnover represents sales of services net of value added tax. Sales of services are recognised when the company obtains the rights to consideration. Any non cash consideration is measured at fair value.

1.7 Taxation

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

2 Turnover

	Year ending 31 March 2016 £000	13 month period ending 31 March 2015 £000
Supply of services	1,276	315
Total turnover	1,276	315

Analysis of turnover by geographical area

	Year ending 31 March 2016 £000	13 month period ending 31 March 2015 £000
Analysis by geographical area is as follows:		
UK	123	238
US	656	32
Rest of the world	497	45
	1,276	315

Notes (continued)

3 Interest receivable and similar income

	Year ending 31 March 2016 £000	13 month period ending 31 March 2015 £000
Net foreign exchange gain	19	-

4 Interest payable and similar income

	Year ending 31 March 2016 £000	13 month period ending 31 March 2015 £000
Net loss on financial assets measured at fair value through profit or loss	94	-

The above loss arose on the disposal of shares which were received as consideration for services provided by the Company to a customer.

5 Expenses and auditor's remuneration

All auditor's remuneration is borne by the parent company Cell Therapy Catapult Limited and is disclosed in the Group financial statements. No recharges are made for these services during the current or prior period.

6 Staff numbers and costs

The company did not employ any staff during the current or prior period.

All staff costs are borne by the parent company Cell Therapy Catapult Limited and are disclosed in the financial statements of that company. Appropriate recharges for salary costs are made to Cell Therapy Catapult Services Limited.

Notes (continued)

7 Taxation

Total tax expense recognised in the profit and loss account.

	Year ending 31 March 2016 £000	13 month period ending 31 March 2015 £000	£000
<i>UK corporation tax</i>			
Current tax on income for the period	96	2	
Total current tax	96	2	
<i>Deferred tax</i>			
Origination of timing differences	-	-	
Total deferred tax	-	-	
Total tax	96	2	

Reconciliation of effective tax rate

	Year ending 31 March 2016 £000	13 month period ending 31 March 2015 £000
Profit for the period	308	9
Total tax expense	96	2
Profit excluding taxation	404	11
Tax using the UK corporation tax rate of 20%	81	2
Non-deductible expenses	19	-
Income not taxable for tax purposes	(4)	-
Group relief claimed	(96)	-
Payment for group relief	96	-
Total tax expense included in profit or loss	96	2

8 Directors' remuneration

All directors' remuneration is borne by the parent company Cell Therapy Catapult Limited and is disclosed in the Group financial statements.

No recharges are made for the services of directors. None of the directors received any remuneration for their services to the Company during the current or prior period.

Notes (continued)

9 Debtors

	2016 £000	2015 £000
Trade debtors	427	154
Amounts owing from parent company	276	-
Accrued income	98	-
Corporation tax debtor	24	-
Due within one year	825	154

10 Creditors: amounts falling due within one year

	2016 £000	2015 £000
Amounts due to parent company	-	80
Trade creditors	63	-
Other taxes and social security	-	15
Deferred income	441	44
Corporation tax	-	2
	504	141

11 Called up share capital

	2016 £	2015 £
Called up, allotted and fully paid		
1 ordinary share of £1	1	1

Notes (continued)

12 Reserves

Profit and loss account

	Year ending 31 March 2016 £000	13 month period ending 31 March 2015 £000
Opening balance at beginning of period	13	4
Profit for the period	308	9
Balance at end of period	321	13

13 Financial instruments

The carrying amounts of the financial assets and liabilities include:

	2016 £000	2015 £000
Financial Assets		
Trade debtors	427	154
Amount owed from parent company	302	-
Accrued income	98	-
Financial Liabilities		
Amounts due to parent company	-	80
Trade creditors	63	-

There is no material difference between the book value of financial assets and liabilities noted above, and their fair value.

The Company's financial assets and liabilities comprise cash and liquid resources, and various items, such as trade receivables and trade payables that arise directly from its operations. The company has no undrawn borrowing facilities. The Company is not exposed to significant foreign exchange risk.

14 Related parties

Transactions with parent company

During the period the Company was recharged expenditure of £660,000 (13 month period ended 31 March 2015: £304,000) from the parent company Cell Therapy Catapult Limited. In addition the Company was charged £137,500 (2015: £nil) in respect of licence fees by Cell Therapy Catapult Limited. At 31 March 2016 the Company was owed £276,000 (2015: £80,000 owed to) by Cell Therapy Catapult Limited.

Notes *(continued)*

15 Ultimate parent company and controlling party

The Company is a subsidiary undertaking of Cell Therapy Catapult Limited.

100% of the issued share capital of this company is directly owned by Cell Therapy Catapult Limited; a company limited by guarantee, incorporated in Great Britain and registered in England and Wales. The group accounts of Cell Therapy Catapult Limited can be obtained from 12th Floor, Tower Wing, Guy's Hospital, Great Maze Pond, London, SE1 9RT.

The largest and smallest group in which the results of the Company are consolidated is that headed by Cell Therapy Catapult Limited. No other group financial statements include the results of the Company.