

Cytora Limited

Financial Statements

For Filing with Registrar

For the year ended 31 March 2021

Company Registration No. 08229538 (England and Wales)

Cytora Limited

Company Information

Directors	A Wiener R G Hartley P H Forster Parkwalk Advisors Ltd C Cheung L J Fong
Company number	08229538
Registered office	6th Floor One London Wall London United Kingdom EC2Y 5EB
Auditor	Moore Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
Business address	6th Floor One London Wall London United Kingdom EC2Y 5EB

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Balance Sheet

As at 31 March 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Intangible assets			-		50,050
Tangible assets	6		44,968		76,079
Investments	7		-		1
			<u>44,968</u>		<u>126,130</u>
Current assets					
Debtors	8	2,285,785		1,524,326	
Cash at bank and in hand		4,073,968		9,091,086	
		<u>6,359,753</u>		<u>10,615,412</u>	
Creditors: amounts falling due within one year	9	<u>(360,356)</u>		<u>(1,470,687)</u>	
Net current assets			<u>5,999,397</u>		<u>9,144,725</u>
Total assets less current liabilities			<u>6,044,365</u>		<u>9,270,855</u>
Provisions for liabilities	10		<u>(117,216)</u>		<u>(117,216)</u>
Net assets			<u><u>5,927,149</u></u>		<u><u>9,153,639</u></u>
Capital and reserves					
Called up share capital	11		1,425		1,424
Share premium account			22,418,808		22,414,973
Profit and loss reserves	12		<u>(16,493,084)</u>		<u>(13,262,758)</u>
Total equity			<u><u>5,927,149</u></u>		<u><u>9,153,639</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 8 December 2021 and are signed on its behalf by:

R G Hartley
Director

Company Registration No. 08229538

Cytora Limited

Statement of Changes in Equity

For the year ended 31 March 2021

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 April 2019		1,188	7,504,921	(6,973,830)	532,279
Year ended 31 March 2020:					
Loss and total comprehensive income for the year		-	-	(6,288,928)	(6,288,928)
Issue of share capital	11	236	14,910,052	-	14,910,288
Balance at 31 March 2020		1,424	22,414,973	(13,262,758)	9,153,639
Year ended 31 March 2021:					
Loss and total comprehensive income for the year		-	-	(3,230,326)	(3,230,326)
Issue of share capital	11	1	3,835	-	3,836
Balance at 31 March 2021		1,425	22,418,808	(16,493,084)	5,927,149

Cytora Limited

Notes to the Financial Statements

For the year ended 31 March 2021

1 Accounting policies

Company information

Cytora Limited is a private company limited by shares incorporated in England and Wales. The registered office is 6th Floor, One London Wall, London, United Kingdom, EC2Y 5EB.

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 pound.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The accounts have been prepared on a going concern basis as the directors' have a reasonable expectation that the company has adequate resources to continue trading for the foreseeable future. The company recognised a loss of £3,230,326 (2019: £6,288,928) during the year and had accumulated losses at year end of £16,493,084 (2019: £13,262,758). At the year end the company had cash reserves of £4,073,968 (2019: £9,091,086). The directors have prepared forecasts for a period of at least 12 months from the date of approval of these statements which indicates the company is able to operate with the funds available.

The directors regularly review the costs incurred by the company which enables them to manage and reduce costs where necessary in order to reduce cash burn. In addition to this the directors are also working to secure additional revenue and since the year end have secured additional contracts.

The full impact of the COVID-19 outbreak continues to evolve at the date of this report and continues to present a level of uncertainty in the future economic outlook of the Company. The company has adapted to the challenges presented by the pandemic and measures put in place to reduce the spread by implementing a fully remote working environment. As a result the company has been able to operate throughout the pandemic. At the date of approval of the financial statements, there was no material effect on the value of the company's asset base. Whilst the overall effect of COVID-19 on the company cannot be established at this time, the directors do not believe that it will adversely affect the ability of the company to continue its operations and meet its liabilities as they fall due.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Cytora Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

1 Accounting policies

(Continued)

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation 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:

Data acquired	12 months
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1.5 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.

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:

Fixtures and fittings	33% straight line
Computers	33% straight line
Office equipment	33% straight line

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.

1.6 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.

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Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

1 Accounting policies

(Continued)

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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.

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Cash at bank and in hand

Cash at bank and in hand 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.

1.9 Financial instruments

Basic financial instruments are measured at cost. The company has no other financial instruments or basic financial instruments measured at fair value.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

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

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.

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Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

1 Accounting policies

(Continued)

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.

1.12 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.

1.13 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.

1.14 Retirement benefits

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

1.15 Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black-Scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

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Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

1 Accounting policies

(Continued)

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

1.17 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 are included in the profit and loss account for the period.

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.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Share based payments

In assessing what is the true reflection of the value of the company, the directors have had to take into consideration key factors to calculate an appropriate fair value of the share options issued to employees.

Research and development tax credit

In assessing the value of the research and development tax credit the directors have recognised £2,154,650 as a receivable in the financial statements. This has been calculated based on the directors' best estimate of what will be received based on the research and development tax claim report and supporting calculations.

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Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 43 (2020 - 63).

4 Taxation

	2021	2020
	£	£
Current tax		
UK corporation tax on profits for the current period	(615,373)	(434,044)
Adjustments in respect of prior periods	(782,618)	419,873
Total current tax	<u>(1,397,991)</u>	<u>(14,171)</u>

5 Intangible fixed assets

	Data acquired
	£
Cost	
At 1 April 2020	89,146
Disposals	(89,146)
At 31 March 2021	<u>-</u>
Amortisation and impairment	
At 1 April 2020	39,069
Amortisation charged for the year	50,077
Disposals	(89,146)
At 31 March 2021	<u>-</u>
Carrying amount	
At 31 March 2021	<u>-</u>
At 31 March 2020	<u>50,050</u>

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Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

6 Tangible fixed assets

	Fixtures and fittings	Computers	Office equipment	Total
	£	£	£	£
Cost				
At 1 April 2020	9,050	133,967	18,849	161,866
Additions	-	25,157	-	25,157
Disposals	(9,050)	(31,650)	(18,849)	(59,549)
At 31 March 2021	-	127,474	-	127,474
Depreciation and impairment				
At 1 April 2020	5,224	67,937	12,626	85,787
Depreciation charged in the year	2,881	40,173	5,192	48,246
Eliminated in respect of disposals	(8,105)	(25,604)	(17,818)	(51,527)
At 31 March 2021	-	82,506	-	82,506
Carrying amount				
At 31 March 2021	-	44,968	-	44,968
At 31 March 2020	3,826	66,030	6,223	76,079

7 Fixed asset investments

	2021	2020
	£	£
Investments	-	1

Movements in fixed asset investments

	Shares in group undertakings
	£
Cost or valuation	
At 1 April 2020	1
Disposals	(1)
At 31 March 2021	-
Carrying amount	
At 31 March 2021	-
At 31 March 2020	1

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Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

8 Debtors	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	-	215,419
Other debtors	2,285,785	1,308,907
	<u>2,285,785</u>	<u>1,524,326</u>
	<u><u>2,285,785</u></u>	<u><u>1,524,326</u></u>
9 Creditors: amounts falling due within one year	2021	2020
	£	£
Trade creditors	42,647	214,694
Other taxation and social security	63,970	129,957
Other creditors	253,739	1,126,036
	<u>360,356</u>	<u>1,470,687</u>
	<u><u>360,356</u></u>	<u><u>1,470,687</u></u>
10 Provisions for liabilities	2021	2020
	£	£
	117,216	117,216
	<u>117,216</u>	<u>117,216</u>
	<u><u>117,216</u></u>	<u><u>117,216</u></u>

During a prior year, one of the founders was granted additional equity options. If in the future, there is an exit event for the current equity holders then the founder will purchase the options he has been granted. The company has agreed to provide for the future tax liability that the founder would have personally had to incur.

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Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

11 Called up share capital

	2021	2020
	£	£
Ordinary share capital		
Issued and fully paid		
89,439,719 Ordinary shares of 0.001p each	894	894
12,394,600 A ordinary shares of 0.0009p each	112	112
2,007,511 Growth shares of 0.001p each	20	20
340,953 B ordinary shares of 0.001p each	3	2
	<u>1,029</u>	<u>1,028</u>
Preference share capital		
Issued and fully paid		
39,592,181 B preference shares of 0.001p each	396	396
	<u>396</u>	<u>396</u>

12 Profit and loss reserves

Accumulated losses represents cumulative losses, net of dividends paid and other adjustments.

13 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 Jonathian Sutcliffe.

The auditor was Moore Kingston Smith LLP.

14 Financial commitments, guarantees and contingent liabilities

During the year the management team agreed to defer 20% of their remuneration which is repayable upon the signing of an agreement for annual recurring revenue. The percentage of the deferred salary will decrease on a sliding scale and a proportion of the withheld salary to date repaid for every annual recurring revenue agreement signed up until the target.

Due to the uncertainty of achieving annual recurring revenue no provision has been recognised in the accounts. The amount of withheld salary at year end was £44,750 which is repayable upon hitting the annual recurring revenue target.

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Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

15 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2021	2020
£	£
-	79,615
<u> </u>	<u> </u>

16 Related party transactions

The company has taken advantage of the exemption available under paragraph 33.1A of the Financial Reporting Standard 102 not to disclose transactions with any wholly owned members of the group.

17 Controlling party

No individual shareholder has a controlling interest in the company.

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.