

Cyclacel Pharmaceuticals, Inc.
Form 10-Q
August 14, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2006

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 0-50626

CYCLACEL PHARMACEUTICALS, INC.

(Exact name of Registrant as Specified in Its Charter)

DELAWARE
(State or Other Jurisdiction
of Incorporation or Organization)
150 JOHN F. KENNEDY PARKWAY, SHORT HILLS, NJ
(Address of principal executive offices)

91-1707622
(I.R.S. Employer
Identification No.)
07078
(Zip Code)

Registrant's telephone number, including area code: (973) 847-5955

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" as defined in Rule 12b-2 of the Exchange Act (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of August 11, 2006 there were 16,157,991 shares of the registrant's common stock outstanding.

CYCLACEL PHARMACEUTICALS, INC.

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PART I. FINANCIAL INFORMATION

CYCLACEL PHARMACEUTICALS, INC.
(A Development Stage Company)
CONDENSED CONSOLIDATED BALANCE SHEETS

	As of June 30, 2006 (Unaudited) \$000	As of December 31, 2005 (Note 1) \$000
ASSETS		
Current assets:		
Cash and cash equivalents	63,101	3,117
Short-term investments	1,886	10,690
Prepaid expenses and other current assets	2,961	3,219
Total current assets	67,948	17,026
Property, plant and equipment (net)	1,711	2,045
Deposits and other assets	259	—
Goodwill	2,749	—
Total assets	72,667	19,071
LIABILITIES AND STOCKHOLDERS EQUITY		
Current liabilities:		
Accounts payable	1,908	2,159
Amounts due to Cyclacel Group plc	217	10,467
Accrued liabilities	1,741	1,869
Other current liabilities	164	128
Derivative liability	1,632	—
Current portion of other accrued restructuring charges	993	—
Current portion of equipment financing	218	251
Total current liabilities	6,873	14,874
Other accrued restructuring charges, net of current	1,537	—