

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024
FOR
C3 BIOTECHNOLOGIES LIMITED

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For The Year Ended 30 September 2024**

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C3 BIOTECHNOLOGIES LIMITED
COMPANY INFORMATION
For The Year Ended 30 September 2024

DIRECTORS:	Professor N S Scrutton FRS M H Smith
SECRETARY:	P Dennison ACA, FCCA
REGISTERED OFFICE:	20 Mannin Way Lancaster Business Park Caton Road Lancaster Lancashire LA1 3SW
REGISTERED NUMBER:	09620994 (England and Wales)
SENIOR STATUTORY AUDITOR:	Rebecca Pickard FCCA
AUDITORS:	TC Group 1 Rushmills Bedford Road Northampton Northamptonshire NN4 7YB

BALANCE SHEET
30 September 2024

	Notes	2024 £	£	2023 £	£
FIXED ASSETS					
Intangible assets	4		400,084		311,147
Tangible assets	5		68,667		103,240
Investments	6		<u>4,984</u>		<u>4,684</u>
			473,735		419,071
CURRENT ASSETS					
Debtors	7	87,323		156,558	
Cash at bank		<u>160,056</u>		<u>275,965</u>	
		247,379		432,523	
CREDITORS					
Amounts falling due within one year	8	<u>255,876</u>		<u>184,417</u>	
NET CURRENT (LIABILITIES)/ASSETS			<u>(8,497)</u>		<u>248,106</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			465,238		667,177
CREDITORS					
Amounts falling due after more than one year	9		(8,006)		(58,769)
PROVISIONS FOR LIABILITIES			<u>(15,484)</u>		<u>(18,593)</u>
NET ASSETS			<u>441,748</u>		<u>589,815</u>
CAPITAL AND RESERVES					
Called up share capital	10		7,028		7,028
Share premium			34,296		34,296
Retained earnings			<u>400,424</u>		<u>548,491</u>
SHAREHOLDERS' FUNDS			<u>441,748</u>		<u>589,815</u>

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 24 February 2025 and were signed on its behalf by:

Professor N S Scrutton FRS - Director

M H Smith - Director

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 30 September 2024

1. **STATUTORY INFORMATION**

C3 Biotechnologies Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

There were no departures from that standard.

The Company's functional and presentational currency is GBP. Monetary amounts in these financial statements are rounded to the nearest £.

Preparation of consolidated financial statements

The financial statements contain information about C3 Biotechnologies Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

An impairment loss has been recognised in the Income Statement, following an assessment at the Balance Sheet date indicating the recoverable amount was less than its carrying value.

Patents, trademarks & licences are being amortised evenly over their estimated useful life of twenty years.

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 provided at the following annual rates in order to write off each asset over its estimated useful life.

Scientific equipment	33% on cost
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Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'administrative expenses' in the statement of income and retained earnings.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 30 September 2024

2. **ACCOUNTING POLICIES - continued**

Financial instruments

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Basic financial liabilities, including trade and other payables, and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Taxation

Taxation for the year 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 equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 30 September 2024

2. ACCOUNTING POLICIES - continued**Research and development**

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company, as also supported by fellow group companies, has adequate resources and funding in place to continue in operational existence for the foreseeable future and pay its liabilities as they fall due. Furthermore, the directors have prepared detailed financial forecasts including cash flow forecasts, based on the results of these, and the support noted above, they consider the company retains sufficient working capital to continue trading for the foreseeable future.

The directors have considered the impact the current economic environment in relation to their assessment of going concern and in their opinion have taken all reasonable steps to mitigate these factors. As at the point of authorising the accounts, and for the foreseeable future, the directors consider the going concern assumption to still be appropriate. The directors acknowledge that given the currently rapidly changing business and social environment, there are likely to be significant unknown factors which may present themselves. Such factors are considered by the directors to represent a general inherent level of risk in relation to the going concern assumption albeit not quantifiable at this time.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 7 (2023 - 5) .

4. INTANGIBLE FIXED ASSETS

	Patents, trademarks & licences £
COST	
At 1 October 2023	316,324
Additions	125,815
Disposals	<u>(32,114)</u>
At 30 September 2024	<u>410,025</u>
AMORTISATION	
At 1 October 2023	5,177
Amortisation for year	<u>4,764</u>
At 30 September 2024	<u>9,941</u>
NET BOOK VALUE	
At 30 September 2024	<u>400,084</u>
At 30 September 2023	<u>311,147</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 30 September 2024

5.	TANGIBLE FIXED ASSETS	Scientific equipment £
	COST	
	At 1 October 2023	157,134
	Additions	<u>16,150</u>
	At 30 September 2024	<u>173,284</u>
	DEPRECIATION	
	At 1 October 2023	53,894
	Charge for year	<u>50,723</u>
	At 30 September 2024	<u>104,617</u>
	NET BOOK VALUE	
	At 30 September 2024	<u>68,667</u>
	At 30 September 2023	<u>103,240</u>
6.	FIXED ASSET INVESTMENTS	Shares in group undertakings £
	COST	
	At 1 October 2023	4,684
	Additions	<u>300</u>
	At 30 September 2024	<u>4,984</u>
	NET BOOK VALUE	
	At 30 September 2024	<u>4,984</u>
	At 30 September 2023	<u>4,684</u>

The investments at the Balance Sheet date in the share capital of companies include the following:

C3 Biotechnologies (Maritime and Aerospace) Limited
C3 Biotechnologies (Acrylics) Limited
C3 Biotechnologies (Energetic Materials) Limited
C3 Biotechnologies (Hypersonics) Limited
C3 Biotechnologies (Bio-Propane) Limited
C3 Biotechnologies (Maritime and Aerospace USA) Inc - registered in the USA

7.	DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2024 £	2023 £
	Amounts owed by group undertakings	19,389	66,212
	Other debtors	-	29,696
	Tax	50,854	47,616
	VAT	-	10,642
	Prepayments and accrued income	<u>17,080</u>	<u>2,392</u>
		<u>87,323</u>	<u>156,558</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 30 September 2024

8.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR				
			2024	2023	
			£	£	
	Trade creditors		51,243	20,619	
	Amounts owed to group undertakings		300	-	
	Social security and other taxes		15,673	7,380	
	VAT		4,096	-	
	Other creditors		40,000	40,000	
	Accruals and deferred income		144,564	116,418	
			<u>255,876</u>	<u>184,417</u>	

Within accruals and deferred income, is deferred income / grants relating to the various projects that the company is undertaking of £38,972 (2023 - £122,944) which will be used against future allowable expenditure.

Included within other creditors is a £40,000 liability in relation to a warrant over share options. FRS102 requires other financial instruments to be held as a liability at fair value through profit or loss.

9.	CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR				
			2024	2023	
			£	£	
	Accruals and deferred income		<u>8,006</u>	<u>58,769</u>	

10.	CALLED UP SHARE CAPITAL				
	Allotted, issued and fully paid:				
	Number:	Class:	Nominal value:	2024	2023
				£	£
	547,240	Ordinary A Shares	£0.01	5,472	5,472
	155,608	Ordinary B Shares	£0.01	1,556	1,556
				<u>7,028</u>	<u>7,028</u>

11. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Rebecca Pickard FCCA (Senior Statutory Auditor)
for and on behalf of TC Group

12.	CAPITAL COMMITMENTS				
			2024	2023	
			£	£	
	Contracted but not provided for in the financial statements		<u>-</u>	<u>95,004</u>	

13. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

During the year the company incurred directors services fees of £nil (2023: £12,500) from a related entity.

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 30 September 2024**14. ULTIMATE CONTROLLING PARTY**

The directors are the ultimate controlling party by virtue of their shareholding.

15. SHARE-BASED PAYMENT TRANSACTIONS

The company has a share option scheme for some employees. 15,560 share options were granted in September 2024 at an exercise price of £0.69 and as at the year end none had vested. The vesting period for the shares is shown below. Once vested, the share options are exercisable upon an exit event and must be exercised before the 10th anniversary of the grant date.

Management do not consider their fair value to be material.

Expiry date	Exercise price	No of shares
September 2025	£0.69	3,890
March 2026	£0.69	2,917
September 2026	£0.69	2,918
March 2027	£0.69	2,917
September 2027	£0.69	2,918

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.