

Company registration number 08415038 (England and Wales)

**HOX THERAPEUTICS LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**  
**PAGES FOR FILING WITH REGISTRAR**

# HOX THERAPEUTICS LIMITED

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# HOX THERAPEUTICS LIMITED

## BALANCE SHEET

AS AT 28 FEBRUARY 2023

		2023	2022
	Notes	£	£
<b>Fixed assets</b>			
Tangible assets	4	807	1,269
<b>Current assets</b>			
Debtors	5	52,386	61,912
Cash at bank and in hand		2,495,935	130,954
		<u>2,548,321</u>	<u>192,866</u>
<b>Creditors: amounts falling due within one year</b>	6	<u>(125,094)</u>	<u>(98,277)</u>
<b>Net current assets</b>		<u>2,423,227</u>	<u>94,589</u>
<b>Net assets</b>		<u>2,424,034</u>	<u>95,858</u>
<b>Capital and reserves</b>			
Called up share capital	9	1,935	1,555
Share premium account		5,985,835	3,484,215
Other reserves		-	270,672
Profit and loss reserves		<u>(3,563,736)</u>	<u>(3,660,584)</u>
<b>Total equity</b>		<u>2,424,034</u>	<u>95,858</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 26 May 2023 and are signed on its behalf by:

A J Culverwell  
Director

Company Registration No. 08415038

# HOX THERAPEUTICS LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 28 FEBRUARY 2023

	Share capital	Share premium account	Other reserves	Profit and loss reserves	Total
Notes	£	£	£	£	£
<b>Balance at 1 March 2021</b>	1,555	3,484,215	62,625	(3,220,050)	328,345
<b>Year ended 28 February 2022:</b>					
Loss and total comprehensive income for the year	-	-	-	(440,534)	(440,534)
Transfers	-	-	208,047	-	208,047
<b>Balance at 28 February 2022</b>	1,555	3,484,215	270,672	(3,660,584)	95,858
<b>Year ended 28 February 2023:</b>					
Loss and total comprehensive income for the year	-	-	-	(173,824)	(173,824)
Issue of share capital <b>9</b>	380	2,501,620	-	-	2,502,000
Transfers	-	-	(270,672)	-	(270,672)
Prior period adjustment	-	-	-	270,672	270,672
<b>Balance at 28 February 2023</b>	1,935	5,985,835	-	(3,563,736)	2,424,034

# HOX THERAPEUTICS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023

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### 1 Accounting policies

#### Company information

Hox Therapeutics Limited is a private company limited by shares incorporated in England and Wales. The registered office is 30 Upper High Street, Thame, Oxfordshire, OX9 3EZ.

#### 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 disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 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.

#### 1.3 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

#### 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.

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:

Plant and equipment	33% straight line
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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 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.

# HOX THERAPEUTICS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 28 FEBRUARY 2023

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#### 1 Accounting policies

(Continued)

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.

#### 1.6 Cash and cash equivalents

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.

#### 1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

#### Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

#### Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# HOX THERAPEUTICS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

### 1 Accounting policies

(Continued)

#### Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.8 Equity instruments

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

#### 1.9 Taxation

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

##### 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.

#### 1.10 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.

Where material, 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.

#### 1.11 Retirement benefits

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

#### 1.12 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. 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.

# HOX THERAPEUTICS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

### 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.

#### 1.13 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.

### 3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Total	3	3



# HOX THERAPEUTICS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2023

### 4 Tangible fixed assets

	Plant and equipment £
<b>Cost</b>	
At 1 March 2022	4,583
Additions	2,455
Disposals	(5,652)
	<hr/>
At 28 February 2023	1,386
	<hr/>
<b>Depreciation and impairment</b>	
At 1 March 2022	3,314
Depreciation charged in the year	735
Eliminated in respect of disposals	(3,470)
	<hr/>
At 28 February 2023	579
	<hr/>
<b>Carrying amount</b>	
At 28 February 2023	807
	<hr/>
At 28 February 2022	1,269
	<hr/>

### 5 Debtors

	2023 £	2022 £
<b>Amounts falling due within one year:</b>		
Corporation tax recoverable	37,949	33,074
Other debtors	11,359	25,760
	<hr/>	<hr/>
	49,308	58,834
	<hr/>	<hr/>
	<b>2023</b>	<b>2022</b>
	£	£
<b>Amounts falling due after more than one year:</b>		
Other debtors	3,078	3,078
	<hr/>	<hr/>
<b>Total debtors</b>	<hr/>	<hr/>
	52,386	61,912
	<hr/>	<hr/>

### 6 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	18,181	1,473
Other creditors	106,913	96,804
	<hr/>	<hr/>
	125,094	98,277
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# HOX THERAPEUTICS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2023

### 7 Deferred taxation

As at 28 February 2023 there existed a potential net deferred tax asset of £586,011 (2022: £560,375), in respect of unrelieved trading losses less accelerated capital allowances.

This has not been reflected as an asset given the uncertainty of future revenue streams and the company is committed to significant continued investment in research and development.

### 8 Share-based payment transactions

	Number of share options		Weighted average exercise price	
	2023 Number	2022 Number	2023 £	2022 £
Outstanding at 1 March 2022	4,965	5,828	15.00	15.00
Expired	(4,965)	(863)	15.00	15.00
Outstanding at 28 February 2023	-	4,965	-	15.00
Exercisable at 28 February 2023	-	4,965	-	15.00

### 9 Called up share capital

	2023 Number	2022 Number	2023 £	2022 £
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
Ordinary of 1p each	193,482	155,382	1,935	1,554
CQRS of 1p each	-	100	-	1
	193,482	155,482	1,935	1,555

At the year end, 5,156 (2022: 5,156) of warrants were in issue. The warrants were all issued at a value of £60. No value has been recorded in the accounts in respect of the warrants.

### 10 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.

Senior Statutory Auditor:	Alison Richardson
Statutory Auditor:	Richardsons

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.