

Company registration number 11068010 (England and Wales)

**CSOLS LABS LTD**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**  
**PAGES FOR FILING WITH REGISTRAR**

# CSOLS LABS LTD

## COMPANY INFORMATION

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<b>Director</b>	Dr P J Goddard
<b>Secretary</b>	A E Goddard
<b>Company number</b>	11068010
<b>Registered office</b>	The Heath Business & Technology Park Runcorn Cheshire United Kingdom WA7 4QX
<b>Accountants</b>	Azets Ship Canal House 98 King Street Manchester M2 4WU

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## CSOLS LABS LTD

### PROFIT AND LOSS ACCOUNT

*FOR THE YEAR ENDED 28 FEBRUARY 2023*

	2023 £	2022 £
<b>Turnover</b>	178,415	174,005
Cost of sales	(23,443)	(78,833)
<b>Gross profit</b>	154,972	95,172
Administrative expenses	(72,582)	(62,167)
<b>Operating profit</b>	82,390	33,005
Interest payable and similar expenses	(1,696)	(1,128)
<b>Profit before taxation</b>	80,694	31,877
Tax on profit	(1,652)	49,676
<b>Profit for the financial year</b>	79,042	81,553

The profit and loss account has been prepared on the basis that all operations are continuing operations.

# CSOLS LABS LTD

## BALANCE SHEET

AS AT 28 FEBRUARY 2023

		2023	2022
	Notes	£	£
<b>Fixed assets</b>			
Intangible assets	5	471,567	366,311
Tangible assets	4	6,067	-
		<u>477,634</u>	<u>366,311</u>
<b>Current assets</b>			
Debtors	6	278,217	136,049
Cash at bank and in hand		2,268	3,025
		<u>280,485</u>	<u>139,074</u>
<b>Creditors: amounts falling due within one year</b>	7	<u>(523,892)</u>	<u>(311,958)</u>
<b>Net current liabilities</b>		<u>(243,407)</u>	<u>(172,884)</u>
<b>Total assets less current liabilities</b>		<u>234,227</u>	<u>193,427</u>
<b>Creditors: amounts falling due after more than one year</b>	8	(44,125)	(84,019)
<b>Provisions for liabilities</b>		<u>(1,652)</u>	<u>-</u>
<b>Net assets</b>		<u><u>188,450</u></u>	<u><u>109,408</u></u>
<b>Capital and reserves</b>			
Called up share capital	9	100	100
Profit and loss reserves		<u>188,350</u>	<u>109,308</u>
<b>Total equity</b>		<u><u>188,450</u></u>	<u><u>109,408</u></u>

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 28 February 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

## **CSOLS LABS LTD**

### **BALANCE SHEET (CONTINUED)**

***AS AT 28 FEBRUARY 2023***

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The financial statements were approved and signed by the director and authorised for issue on 22 December 2023

Dr P J Goddard  
**Director**

**Company Registration No. 11068010**

# CSOLS LABS LTD

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 28 FEBRUARY 2023**

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### **1 Accounting policies**

#### **Company information**

CSols Labs Ltd is a private company limited by shares incorporated in England and Wales. The registered office is The Heath Business & Technology Park, Runcorn, Cheshire, United Kingdom, WA7 4QX.

#### **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**

The directors have assessed the company's performance, projected income and expenditure and financial position since the balance sheet date and considered its ability to meet its liabilities as they fall due for a period of at least 12 months from the date of these accounts. In making their assessment the directors have considered the impact of the COVID-19 pandemic.

The directors are confident in the recovery of trading balances due from and other amounts advanced to related parties. The company has secured medium term funding from small business lenders and the directors are confident in the company's ability to service external debt and to meet capital repayment terms and related conditions. The company is reliant upon the continued support of its funders, including the majority shareholder and director, and the directors have no reason to believe such support will not be forthcoming.

Accordingly, the accounts are prepared on the going concern basis as the directors believe the necessary finance will continue to be made available in the foreseeable future to enable the company to 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.

Turnover from support agreements is released over the period of the contract to ensure income is recognised in the profit and loss account in the period in which services are provided. Any amounts invoiced, but for which contract services have not yet been provided, are recognised as deferred income. Any amounts not yet invoiced, but for which contract services have been provided, are recognised as accrued income.

#### **1.4 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.

# CSOLS LABS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

### 1 Accounting policies

(Continued)

#### 1.5 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 where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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:

Intellectual property	10 years straight line
Development costs	3 years straight line

Amortisation is charged from 12 months following the date of acquisition.

#### 1.6 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	3 years 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.

#### 1.7 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).

#### 1.8 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand and deposits held at call with banks.

#### 1.9 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.

# CSOLS LABS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

### 1 Accounting policies

(Continued)

#### **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.

#### **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.

#### **1.10 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

#### **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.



# CSOLS LABS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

### 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 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.

#### **1.13 Retirement benefits**

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

#### **1.14 Leases**

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

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is 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.

## CSOLS LABS LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 28 FEBRUARY 2023**

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#### 3 Employees

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

	2023 Number	2022 Number
Total	3	2
	<u>          </u>	<u>          </u>

#### 4 Tangible fixed assets

	Plant and machinery etc
	£
<b>Cost</b>	
At 1 March 2022	-
Additions	6,067
	<u>          </u>
At 28 February 2023	6,067
	<u>          </u>
<b>Depreciation and impairment</b>	
At 1 March 2022 and 28 February 2023	-
	<u>          </u>
<b>Carrying amount</b>	
At 28 February 2023	6,067
	<u>          </u>
At 28 February 2022	-
	<u>          </u>

# CSOLS LABS LTD

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

### 5 Intangible fixed assets

	Intellectual property £	Development costs £	Total £
<b>Cost</b>			
At 1 March 2022	314,301	170,696	484,997
Additions	83,765	101,172	184,937
Disposals	(19,645)	-	(19,645)
At 28 February 2023	378,421	271,868	650,289
<b>Amortisation and impairment</b>			
At 1 March 2022	94,740	23,947	118,687
Amortisation charged for the year	31,710	36,184	67,894
Disposals	(7,859)	-	(7,859)
At 28 February 2023	118,591	60,131	178,722
<b>Carrying amount</b>			
At 28 February 2023	259,830	211,737	471,567
At 28 February 2022	219,562	146,749	366,311

### 6 Debtors

	2023 £	2022 £
<b>Amounts falling due within one year:</b>		
Trade debtors	193,427	85,709
Corporation tax recoverable	26,849	26,849
Other debtors	57,650	23,171
Prepayments and accrued income	291	320
	278,217	136,049

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

	2023 £	2022 £
Bank loans and overdrafts	13,167	19,000
Trade creditors	375,290	290,653
Taxation and social security	985	160
Other creditors	132,200	-
Accruals and deferred income	2,250	2,145
	523,892	311,958

Bank loans and overdrafts due within one year totalling £4,167 (2022: £10,000) are secured by way of fixed and floating charges over all assets or undertaking of the company as well as a personal guarantee provided by director Dr P J Goddard.

## CSOLS LABS LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

**8 Creditors: amounts falling due after more than one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	20,250	33,417
Other creditors	23,875	50,602
	<u>44,125</u>	<u>84,019</u>

Bank loans and overdrafts due after one year totalling £NIL (2022: £4,167) are secured by way of fixed and floating charges over all assets or undertaking of the company as well as a personal guarantee provided by director Dr P J Goddard.

**9 Called up share capital**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

**10 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:

<b>2023</b>	<b>2022</b>
<b>£</b>	<b>£</b>
-	115
<u>-</u>	<u>115</u>

## **CSOLS LABS LTD**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **FOR THE YEAR ENDED 28 FEBRUARY 2023**

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#### **11 Related party transactions**

##### **Transactions with related parties**

During the year the company entered into the following transactions with related parties:

During the year, purchases and sales were made with Dendrite Labs Limited, a related party due to common shareholders. Purchases amounted to £15,473 (2022: £26,311) and sales amounted to £13,267 (2022: £18,425). At the balance sheet date a net amount of £23,336 (2022: £7,231) was due to Dendrite Labs Limited.

During the year, purchases and sales were made with Labmotive Limited, a related party due to common shareholders. Purchases amounted to £3,284 (2022: £nil) and sales amounted to £13,643 (2022: £3,400). At the balance sheet date a net amount of £10,360 (2022: £2,725) was due from Labmotive Limited.

During the year, sales were made to and purchases were made from XLabs Limited, a company incorporated in the Isle of Man which is a related party due to common shareholders. Purchases amounted to £4,653 (2022: £523) and sales amounted to £23,808 (2022: £52,100). At the balance sheet date a net amount of £63,483 (2022: £31,828) was due from XLabs Limited.

During the year, purchases and sales were made with CSols Limited, a parent company. Purchases amounted to £243,448 (2022: £102,454) and sales amounted to £188,004 (2022: £100,079). At the balance sheet date a net amount of £230,257 (2022: £230,773) was due to CSols Limited.

As at the balance sheet date, included within other creditors, Dr P J Goddard was owed £NIL (2022: £22,307) by the company, Mr K Jones was owed £2,497 (2022: £2,497), Mr D Raffo was owed £2,478 (2022: £2,998) and A E Goddard was owed £18,900 (2022: £22,800). These loans are unsecured and interest free.

Amounts totalling £4,167 (2022: £14,167) are secured by way of personal guarantee provided by director Dr P J Goddard.

#### **12 Parent company**

Throughout the current period the ultimate parent company was CSols Limited. This company is controlled by Dr P J Goddard.

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