

ENTOMICS BIOSYSTEMS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

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ENTOMICS BIOSYSTEMS LIMITED
REGISTERED NUMBER:09851144

BALANCE SHEET
AS AT 31 MARCH 2024

| | Note | 2024 £ | 2023 £ |
|---|------|-------------------------|-------------------------|
| Fixed assets | | | |
| Intangible assets | 4 | 361,553 | 1,102 |
| Tangible assets | 5 | 1,628,717 | 2,153,866 |
| | | <u>1,990,270</u> | <u>2,154,968</u> |
| Current assets | | | |
| Debtors: amounts falling due within one year | 6 | 751,037 | 1,076,553 |
| Cash at bank and in hand | | 2,124,293 | 4,786,957 |
| | | <u>2,875,330</u> | <u>5,863,510</u> |
| Creditors: amounts falling due within one year | 7 | (218,193) | (261,252) |
| Net current assets | | <u>2,657,137</u> | <u>5,602,258</u> |
| Total assets less current liabilities | | <u>4,647,407</u> | <u>7,757,226</u> |
| Creditors: amounts falling due after more than one year | 8 | (11,643) | (22,363) |
| Net assets | | <u><u>4,635,764</u></u> | <u><u>7,734,863</u></u> |
| Capital and reserves | | | |
| Called up share capital | | 247 | 277 |
| Share premium account | | 12,611,625 | 12,611,609 |
| Capital redemption reserve | | 31 | 18 |
| Other reserves | | 965,603 | 819,105 |
| Profit and loss account | | (8,941,742) | (5,696,146) |
| | | <u><u>4,635,764</u></u> | <u><u>7,734,863</u></u> |

ENTOMICS BIOSYSTEMS LIMITED
REGISTERED NUMBER:09851144

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2024

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by
by:

Signed by:

BA587EJDDDBA4D5...
Fotios Fotiadis
Director

Date: 09 January 2025

The notes on pages 3 to 11 form part of these financial statements.

ENTOMICS BIOSYSTEMS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

1. General information

Entomics Biosystems Limited (the company) is a private company, limited by shares, registered in England and Wales, registration number 09851144. The address of its registered office is disclosed on the company information page.

2. Accounting Policies

2.1 Basis of preparation of financial statements

The functional and presentational currency of the company is Sterling (£). The financial statements are for the year ended 31 March 2024 (2023: Year ended 31 March 2023).

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

We have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

The directors have considered the basis of the financial statements and are satisfied that the shareholders will continue to support the company so that it can meet its liabilities as they fall due.

The company is involved in research and development activities and is working towards achieving a sustainable revenue generating activity. The directors have considered the basis of the financial statements and are satisfied that a combination of business growth and further investment commitments will enable the company to meet its liabilities as they fall due.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

The amount of revenue can reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria has been met for each of the company's activities.

2.4 Operating leases

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

ENTOMICS BIOSYSTEMS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024****2. Accounting Policies (continued)****2.5 Research and development**

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which has been estimated to be 5 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.6 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Pensions**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.8 Share-based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

ENTOMICS BIOSYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting Policies (continued)

2.9 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2.10 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

| | | |
|-------------------------|---|---------|
| Patents | - | 7 years |
| Development expenditure | - | 5 years |

2.11 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | |
|-----------------------|---------------|
| Plant and machinery | - 25% on cost |
| Fixtures and fittings | - 25% on cost |
| Other fixed assets | - 33% on cost |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.12 Financial instruments

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

The Company has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted by the UK Endorsement Board) with the disclosure requirements of Sections 11 and 12 and the other presentation requirements of FRS 102.

Financial instruments are recognised in the Company's Balance Sheet when the Company becomes

ENTOMICS BIOSYSTEMS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024****2. Accounting Policies (continued)****2.12 Financial instruments (continued)**

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 trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, 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.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

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 the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

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

ENTOMICS BIOSYSTEMS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024****2. Accounting Policies (continued)****2.12 Financial instruments (continued)**

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

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

Derecognition of financial instruments**Derecognition of financial assets**

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

2.13 Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3. Employees

The average monthly number of employees, including directors, during the year was 25 (2023: 39).

ENTOMICS BIOSYSTEMS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

4. Intangible assets

| | Development expenditure £ | Patents £ | Total £ |
|-----------------------|--|----------------------|-----------------------|
| Cost | | | |
| At 1 April 2023 | - | 7,732 | 7,732 |
| Additions | 398,040 | - | 398,040 |
| At 31 March 2024 | <u>398,040</u> | <u>7,732</u> | <u>405,772</u> |
| Amortisation | | | |
| At 1 April 2023 | - | 6,630 | 6,630 |
| Charge for the year | 36,487 | 1,102 | 37,589 |
| At 31 March 2024 | <u>36,487</u> | <u>7,732</u> | <u>44,219</u> |
| Net book value | | | |
| At 31 March 2024 | <u><u>361,553</u></u> | <u><u>-</u></u> | <u><u>361,553</u></u> |
| At 31 March 2023 | <u><u>-</u></u> | <u><u>1,102</u></u> | <u><u>1,102</u></u> |

ENTOMICS BIOSYSTEMS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

5. Tangible fixed assets

| | Motor vehicles £ | Fixtures and fittings £ | Other fixed assets £ | Total £ |
|--------------------------|------------------------|-------------------------------|----------------------------|------------------|
| Cost or valuation | | | | |
| At 1 April 2023 | 40,890 | 1,125,647 | 1,607,053 | 2,773,590 |
| Additions | - | 13,195 | 36,543 | 49,738 |
| Disposals | (14,150) | - | - | (14,150) |
| At 31 March 2024 | <u>26,740</u> | <u>1,138,842</u> | <u>1,643,596</u> | <u>2,809,178</u> |
| Depreciation | | | | |
| At 1 April 2023 | 12,836 | 342,217 | 264,671 | 619,724 |
| Charge for the year | (5,009) | 226,200 | 333,141 | 554,332 |
| Disposals | 6,405 | - | - | 6,405 |
| At 31 March 2024 | <u>14,232</u> | <u>568,417</u> | <u>597,812</u> | <u>1,180,461</u> |
| Net book value | | | | |
| At 31 March 2024 | <u>12,508</u> | <u>570,425</u> | <u>1,045,784</u> | <u>1,628,717</u> |
| At 31 March 2023 | <u>28,054</u> | <u>783,430</u> | <u>1,342,382</u> | <u>2,153,866</u> |

6. Debtors

| | 2024 £ | 2023 £ |
|---------------|----------------|------------------|
| Trade debtors | 149,042 | 49,967 |
| Other debtors | 595,014 | 1,008,373 |
| Prepayments | 6,981 | 18,213 |
| | <u>751,037</u> | <u>1,076,553</u> |

ENTOMICS BIOSYSTEMS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

7. Creditors: Amounts falling due within one year

| | 2024 | 2023 |
|------------------------------|----------------|----------------|
| | £ | £ |
| Bank loans | 10,000 | 10,000 |
| Trade creditors | 105,659 | 74,126 |
| Taxation and social security | 46,887 | 60,396 |
| Other creditors | 9,564 | 40,893 |
| Accruals and deferred income | 46,083 | 75,837 |
| | <u>218,193</u> | <u>261,252</u> |

8. Creditors: Amounts falling due after more than one year

| | 2024 | 2023 |
|------------|---------------|---------------|
| | £ | £ |
| Bank loans | 11,643 | 22,363 |
| | <u>11,643</u> | <u>22,363</u> |

ENTOMICS BIOSYSTEMS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

9. Share capital

| | 2024 | 2023 |
|--|-------------|-------------|
| | £ | £ |
| Allotted, called up and fully paid | | |
| 623,828 (2023: 528,019) Series A Preferred shares of £0.00010 each | 62 | 60 |
| 454,000 (2023: 454,000) Preferred shares of £0.00010 each | 45 | 45 |
| Nil (2023: 1,320,212) Deferred shares of £0.00010 each | - | 32 |
| 1,399,612 (2023: 1,399,600) Ordinary shares of £0.00010 each | 140 | 140 |
| | <hr/> | <hr/> |
| | 247 | 277 |
| | <hr/> <hr/> | <hr/> <hr/> |

On the 10th April 2024 there were 23,209 series A preference shares with a nominal value of £0.00010 where issued for £17.23

During the year the remaining deferred shares were repurchased and cancelled.