

C3 456 Limited

Registered number: 13061044

Annual report

For the year ended 31 March 2022



C3 456 LIMITED

COMPANY INFORMATION

Directors

V C Kendall
J A MacLeay
E Rollason
L McLintock
J L Howard
A J McRae
N A Deman
P S Henderson

Registered number

13061044

Registered office

Capital Building
Tyndall Street
Cardiff
Wales
CF10 4AZ

Independent auditor

Mazars LLP
Chartered Accountants & Statutory Auditor
30 Old Bailey
London
EC4M 7AU

C3 456 LIMITED

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C3 456 LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

Introduction

The directors present their Strategic Report for C3 456 Limited for the year ended 31 March 2022.

Background and principal activities

The principal activity of the Company during the year was that of an intermediate holding company. The Company is part of a Group headed by C3 123 Limited (hereafter referred to as the "Group").

The principal activity of the Group is the provision of management consultancy services to support digitally-enabled transformation in the health and care market and adjacent sectors.

The financial statements in this report present the performance of the Company for the year ended 31 March 2022. The comparative information presented represents the performance of the Company from the date of incorporation in December 2020 until 31 March 2021.

Business review and key performance indicators

Due to the Company being an intermediate holding company which does not trade in its own right, the Directors believe that key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the Group, of which this Company is part of, is discussed in the C3 123 Limited consolidated Annual Report and financial statements, which does not form part of this Report.

Principal risks and uncertainties

During the year Russian armed forces entered Ukraine. Whilst the Company has no direct exposure in the territories, management continues to monitor the situation to assess the additional pressure on global supply and inflation that may impact the market.

The directors manage the Company's risks at the Group level. The principal risks and uncertainties of the Group are discussed in the C3 123 Limited consolidated Annual Report and financial statements.

This report was approved by the board and signed on its behalf by:



J L Howard
Director

Date: Aug 26, 2022

C3 456 LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

The directors present their report and the audited financial statements for the year ended 31 March 2022.

Principal activity

The principal activity of the Company during the year is that of a holding company.

The comparative period covers less than 12 months therefore the results are not directly comparable.

Results and dividends

The loss for the year, after taxation, amounted to £1,228,278 (period ended 31 March 2021: loss of £194,640).

The directors do not recommend the payment of a dividend for the year (period ended 31 March 2021: £nil).

Directors

The directors who served during the year and to the date of this report were:

V C Kendall
J A MacLeay
E Rollason
L McLintock
J L Howard
A J McRae
N A Deman (appointed 17 May 2021)
P S Henderson (appointed 22 April 2022)

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the audited financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare audited financial statements for each financial year. Under that law the directors have elected to prepare the audited financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the audited financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these audited financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the audited financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the audited financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Going concern

The financial statements have been prepared on a going concern basis as the directors have reviewed the Company's forecast cash flows and consider that the Company has adequate resources to continue in operational existence. Covid-19 has not had a material impact on the Company.

Qualifying third party indemnity provisions

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report. No claim or notice of claim in respect of these indemnities has been received in the year.

Matters covered in the Strategic Report

The Company has chosen in accordance with companies Act 2006, s414C(11) to set out in the Company's strategic report information required by Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and reports) Regulations 2008. Certain matters which are required to be disclosed in the directors' report have been omitted as they are included in the strategic report on page 1. These matters relate to the business review, principal risks and uncertainties and financial risk management and future developments.

C3 456 LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Provision of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

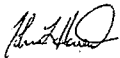
Post balance sheet events

Following the year end, the Group entered into a senior debt facility with Triple Point Advanced Leasing PLC, comprising a £3.25m term loan and a £1.0m revolving credit facility. The loan was used to refinance £3.0m of Company loan notes.

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf by:



J L Howard
Director

Date: Aug 26, 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF C3 456 LIMITED

Opinion

We have audited the financial statements of C3 456 Limited (the 'Company') for the year ended 31 March 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF C3 456 LIMITED

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF C3 456 LIMITED

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors intend either to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the Company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation, non-compliance with implementation of government support schemes relating to COVID-19.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF C3 456 LIMITED

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls, and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, revenue recognition (which we pinpointed to the cut-off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

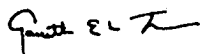
- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body for our audit work, for this report, or for the opinions we have formed.



Gareth Jones (Senior statutory auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
30 Old Bailey
London
EC4M 7AU

Date: Aug 26, 2022

C3 456 LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Year ended 31 March 2022 £	Period ended 31 March 2021 £
Administrative expenses		(102)	-
Operating loss		<u>(102)</u>	<u>-</u>
Interest receivable and similar income	6	91,454	15,475
Interest payable and similar expenses	7	(1,322,820)	(227,043)
Loss before tax		<u>(1,231,468)</u>	<u>(211,568)</u>
Tax on loss	8	3,190	16,928
Loss for the financial year/period		<u><u>(1,228,278)</u></u>	<u><u>(194,640)</u></u>
Total comprehensive loss for the year/period		<u><u>(1,228,278)</u></u>	<u><u>(194,640)</u></u>

The Statement of Comprehensive Income has been prepared on the basis that all operations are continuing operations.

The notes on pages 12 to 20 form part of these financial statements.

C3 456 LIMITED
REGISTERED NUMBER: 13061044

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	31 March 2022 £	31 March 2021 £
Fixed assets			
Investments	9	6,000	6,000
		<u>6,000</u>	<u>6,000</u>
Current assets			
Debtors: Amounts falling due within one year	10	11,146,047	11,051,403
Cash and cash equivalents		99	
		<u>11,146,146</u>	<u>11,051,403</u>
Creditors: Amounts falling due within one year	11	(1,768,682)	(445,661)
Net current assets		<u>9,377,464</u>	<u>10,605,742</u>
Total assets less current liabilities		<u>9,383,464</u>	<u>10,611,742</u>
Creditors: amounts falling due after more than one year	12	(10,800,382)	(10,800,382)
Net liabilities		<u>(1,416,918)</u>	<u>(188,640)</u>
Capital and reserves			
Called up share capital	15	6,000	6,000
Profit and loss account		(1,422,918)	(194,640)
Total Equity		<u>(1,416,918)</u>	<u>(188,640)</u>

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



N A Deman
Director

Date: Aug 26, 2022

The notes on pages 12 to 20 form part of these financial statements.

C3 456 LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At incorporation on 3 December 2020	-	-	-
Comprehensive loss for the period			
Loss for the period	-	(194,640)	(194,640)
Total comprehensive loss for the period	-	(194,640)	(194,640)
Shares issued during the period	6,000	-	6,000
Total transactions with owners	6,000	-	6,000
At 1 April 2021	6,000	(194,640)	(188,640)
Comprehensive loss for the year			
Loss for the year	-	(1,228,278)	(1,228,278)
Total comprehensive loss for the year	-	(1,228,278)	(1,228,278)
Total transactions with owners	-	-	-
At 31 March 2022	6,000	(1,422,918)	(1,416,918)

The notes on pages 12 to 20 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. General information

C3 456 Limited, is a private company limited by shares, incorporated and registered in England and Wales. The Company's registered number is 13061044. The address of the registered office of the Company is Capital Building, Tyndall Street, Cardiff, Wales, CF10 4AZ.

The principal activity of the Company during the year is that of a holding company.

The comparative period covers less than 12 months therefore the results are not directly comparable.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The financial statements have been presented in Pound Sterling as this is currency of the primary economic environment in which the Company operates and is rounded to the nearest pound.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of C3 123 Limited as at 31 March 2022 and these financial statements may be obtained from Capital Building, Tyndall Street, Cardiff, Caerdydd, Wales, CF10 4AZ.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.3 Going concern

The financial statements have been prepared on a going concern basis as the directors have reviewed the Company's forecast cash flows and consider that the Company has adequate resources to continue in operational existence. Covid-19 has not had a material impact on the Company.

2.4 Exemption from preparing consolidated financial statements

The Company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of any part of the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

2.5 Interest receivable and similar income

Interest receivable and similar income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.6 Interest payable and similar expenses

Interest payable and similar expenses 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 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. 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 reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.9 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash at bank and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The directors do not believe that any critical judgements or key estimations have been made in the process of applying the Company's accounting policies that would have a significant effect on the amounts recognised in the financial statements.

4. Auditor's remuneration

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

5. Employees

The Company has no employees other than the directors during the year (period ended 31 March 2021: £nil).

The directors did not receive any remuneration for their services to the Company during the year (period ended 31 March 2021: £nil).

6. Interest receivable and similar income

	Year ended 31 March 2022 £	Period ended 31 March 2021 £
Loan to group undertakings	91,454	15,475
	<u>91,454</u>	<u>15,475</u>

7. Interest payable and similar expenses

	Year ended 31 March 2022 £	Period ended 31 March 2021 £
Other loan interest payable	1,303,070	223,701
Loans from group undertakings	19,750	3,342
	<u>1,322,820</u>	<u>227,043</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Taxation

	Year ended 31 March 2022 £	Period ended 31 March 2021 £
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	(386)	(16,928)
Adjustments in respect of prior periods	1,931	-
Effect of tax rate change on opening balance	(4,735)	-
Total deferred tax	(3,190)	(16,928)
Taxation on loss	(3,190)	(16,928)

Factors affecting tax credit for the year/period

The tax assessed for the year/period is higher than (2021: higher than) the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	Year ended 31 March 2022 £	Period ended 31 March 2021 £
Loss on ordinary activities before tax	(1,231,468)	(211,568)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	(233,979)	(40,198)
Effects of:		
Expenses not deductible for tax purposes	174,199	22,635
Group relief surrendered	59,487	635
Adjustments to tax charge in respect of previous periods - deferred tax	1,931	-
Remeasurement of deferred tax for changes in tax rates	(4,828)	-
Total tax credit for the year/period	(3,190)	(16,928)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Taxation (continued)**Factors that may affect future tax charges**

The UK Government announced in the 2021 budget that from 1 April 2023, the rate of corporation tax in the United Kingdom will increase from 19% to 25%. Companies with profits of £50,000 or less will continue to be taxed at 19%, which is a new small profits rate. Where taxable profits are between £50,000 and £250,000, the higher 25% rate will apply but with a marginal relief applying as profits increase.

9. Investments

	Investments in subsidiary companies £
Cost	
At 1 April 2021	6,000
At 31 March 2022	<u>6,000</u>
Net book value	
At 31 March 2022	<u>6,000</u>
At 31 March 2021	<u>6,000</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
C3 789 Limited	Capital Building, Tyndall Street, Cardiff, United Kingdom, CF10 4AZ	Holding company	Ordinary	100%
Channel 3 Consulting Ltd*	Capital Building, Tyndall Street, Cardiff, United Kingdom, CF10 4AZ	Information technology consultancy	Ordinary	100%

*indirectly held through the investment in C3 789 Limited.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

10. Debtors: Amounts falling due within one year

	2022 £	2021 £
Amounts owed by group undertakings	10,122,436	10,122,436
Loans to group companies	1,003,493	912,039
Deferred taxation	20,118	16,928
	<u>11,146,047</u>	<u>11,051,403</u>

Amounts owed by group undertakings are interest free and payable on demand.

The loans to group companies are interest bearing at 10%, are not secured and are payable on demand.

11. Creditors: Amounts falling due within one year

	2022 £	2021 £
Loans to group companies	216,710	196,960
Amounts owed to group undertakings	1,265,286	25,000
Accruals and deferred income	286,686	223,701
	<u>1,768,682</u>	<u>445,661</u>

Amounts owed to group undertakings are interest free and repayable on demand.

The loans to group companies are interest bearing at 10%, are not secured and are repayable on demand.

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

	31 March 2022 £	31 March 2021 £
Other loans	10,800,382	10,800,382
	<u>10,800,382</u>	<u>10,800,382</u>

Other loans are secured and represent amounts due under the terms of a loan note agreement dated 28 January 2021. Interest is payable at a fixed rate of 12% on the principal amount outstanding, of which 10% is payable quarterly and 2% accrues and compounds quarterly and is payable when the principal is repaid. Repayments are due in 3 to 5 years.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

13. Loans

Analysis of the maturity of loans is given below:

	31 March 2022 £	31 March 2021 £
Amounts falling due within one year		
Loans to group companies	216,710	196,960
	<u>216,710</u>	<u>196,960</u>
Amounts falling due 2-5 years		
Other loans	10,800,382	10,800,382
	<u>11,017,092</u>	<u>10,997,342</u>

14. Deferred taxation asset

	2022 £	2021 £
At beginning of year/period	16,928	-
Credited to the Statement of Comprehensive Income	3,190	16,928
At end of year/period	<u>20,118</u>	<u>16,928</u>

The deferred tax asset is made up as follows:

	31 March 2022 £	31 March 2021 £
Short term timing differences	20,118	3,311
Losses and other deductions	-	13,617
	<u>20,118</u>	<u>16,928</u>

C3 456 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

15. Share capital

	31 March 2022 £	31 March 2021 £
Allotted, called up and fully paid		
600,000 (2021: 600,000) Ordinary shares of £0.01 each	6,000	6,000

Each share is entitled to one vote in any circumstances and is also entitled, *pari passu* to dividend payments or any other distribution.

16. Related party transactions.

The Company is a wholly owned subsidiary of C3 123 Limited and as such has taken advantage of the exemption permitted by Section 33 'Related party disclosures' not to provide disclosures of transactions entered into with other wholly owned members of the group. The Company and its subsidiary undertakings are included within the consolidated financial statements of C3 123 Limited.

17. Post balance sheet events

Following the year end, the Group entered into a senior debt facility with Triple Point Advancr Leasing PLC, comprising a £3.25m term loan and a £1.0m revolving credit facility. The loan was used to refinance £3.0m of Company loan notes.

18. Controlling party

The immediate parent undertaking is C3 123 Limited, a company incorporated and registered in the England, Wales. The address of its registered office is Capital Building, Tyndall Street, Cardiff, United Kingdom, CF10 4AZ.

The Company is ultimately controlled by Westbridge II LP by virtue of the majority shareholding.

C3 123 Limited is the smallest and largest group into which the Company's financial statements are consolidated. Copies of the group's financial statements may be obtained from Companies House.