

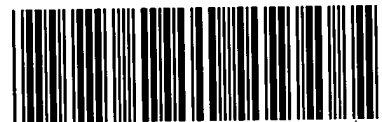
TRIBOSONICS LTD

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

WEDNESDAY



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COMPANIES HOUSE

TRIBOSONICS LTD

COMPANY INFORMATION

Directors

Dr P B Harper
D M Wallace
G A Burton-Fletcher
C E King
J Pryke
S L Sandle

Registered number

05743780

Registered office

Units 2 & 3 Edmund Road Business Centre
135 Edmund Road
Sheffield
South Yorkshire
England
S2 4ED

Accountants

Cooper Parry Advisory Limited
Sky View
Argosy Road
East Midlands Airport
Castle Donington
Derby
DE74 2SA

TRIBOSONICS LTD

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TRIBOSONICS LTD
REGISTERED NUMBER: 05743780

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	As restated 2022 £
Fixed assets			
Intangible assets	4	896,351	395,138
Tangible assets	5	210,630	71,593
		<u>1,106,981</u>	<u>466,731</u>
Current assets			
Stocks	6	36,783	46,921
Debtors: amounts falling due within one year	7	679,349	835,853
Cash at bank and in hand		462,578	1,008,338
		<u>1,178,710</u>	<u>1,891,112</u>
Creditors: amounts falling due within one year	8	<u>(650,004)</u>	<u>(513,961)</u>
Net current assets		<u>528,706</u>	<u>1,377,151</u>
Total assets less current liabilities		<u>1,635,687</u>	<u>1,843,882</u>
Creditors: amounts falling due after more than one year	9	<u>(98,486)</u>	<u>(143,940)</u>
Net assets		<u><u>1,537,201</u></u>	<u><u>1,699,942</u></u>
Capital and reserves			
Called up share capital	10	201	201
Share premium account		2,624,870	2,624,870
Profit and loss account		<u>(1,087,870)</u>	<u>(925,129)</u>
		<u><u>1,537,201</u></u>	<u><u>1,699,942</u></u>

TRIBOSONICS LTD
REGISTERED NUMBER: 05743780

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

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 profit and loss account 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:

DocuSigned by:


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G A Burton-Fletcher
Director

Date: 18 May 2023

The notes on pages 4 to 9 form part of these financial statements.

TRIBOSONICS LTD

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 April 2021	155	1,124,916	(525,464)	599,607
Loss for the year (as restated)	-	-	(399,665)	(399,665)
Shares issued during the year	46	1,499,954	-	1,500,000
At 1 April 2022	201	2,624,870	(925,129)	1,699,942
Loss for the year	-	-	(162,741)	(162,741)
At 31 March 2023	201	2,624,870	(1,087,870)	1,537,201

The notes on pages 4 to 9 form part of these financial statements.

TRIBOSONICS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. General information

Tribosonics Ltd ("the company") is a limited liability company incorporated and domiciled in the United Kingdom. The address of its registered office is disclosed on the company information page.

The financial statements are prepared in Sterling (£), which is the functional currency of the company. The financial statements are for the year ended 31 March 2023 (2022: year ended 31 March 2022).

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 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 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised on delivery of goods when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 Operating leases

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

TRIBOSONICS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.4 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.

Amortisation is provided on the following bases:

Website development	-	straight line over 3 years
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No amortisation has been charged on research and development or patents on the basis development remains ongoing.

2.5 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.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the profit and loss account during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Property improvements	- 33% straight line method
Plant and machinery	- 20 - 25% straight line method
Office equipment	- 20 - 25% straight line method
Cloud cabinets	- 20% straight line method

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 the profit and loss account.

2.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the profit and loss account.

TRIBOSONICS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.7 Provisions for liability

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the profit and loss account in the year that the company becomes aware of the obligation and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

2.8 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

All financial assets and liabilities are initially measured at transaction price and subsequently measured at amortised cost.

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 balance sheet date.

2.9 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the profit and loss account at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the profit and loss account in the same period as the related expenditure.

2.10 Pensions

Defined contribution pension plan

The company contributes to defined contribution plans 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 the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plans are held separately from the company in independently administered funds.

TRIBOSONICS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.11 Taxation

Tax is recognised in the profit and loss account 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.

3. Average number of employees

The average monthly number of employees, including directors, during the year was 33 (2022: 31).

4. Intangible assets

	Patents £	Research and development expenditure £	Website development £	Total £
Cost				
At 1 April 2022 (as previously stated)	-	332,534	16,243	348,777
Prior year adjustment	61,547	-	-	61,547
At 1 April 2022 (as restated)	61,547	332,534	16,243	410,324
Additions	67,142	433,773	1,950	502,865
At 31 March 2023	128,689	766,307	18,193	913,189
Amortisation				
At 1 April 2022	-	-	15,186	15,186
Charge for the year	-	-	1,652	1,652
At 31 March 2023	-	-	16,838	16,838
Net book value				
At 31 March 2023	128,689	766,307	1,355	896,351
At 31 March 2022 (as restated)	61,547	332,534	1,057	395,138

• **TRIBOSONICS LTD**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

5. Tangible fixed assets

	Leasehold property improvements £	Plant and machinery £	Assets under construction £	Office equipment £	Cloud cabinets £	Total £
Cost						
At 1 April 2022	-	185,896	-	130,297	-	316,193
Additions	64,483	-	69,591	32,027	21,898	187,999
At 31 March 2023	<u>64,483</u>	<u>185,896</u>	<u>69,591</u>	<u>162,324</u>	<u>21,898</u>	<u>504,192</u>
Depreciation						
At 1 April 2022	-	148,455	-	96,145	-	244,600
Charge for the year	18,955	14,698	-	13,484	1,825	48,962
At 31 March 2023	<u>18,955</u>	<u>163,153</u>	<u>-</u>	<u>109,629</u>	<u>1,825</u>	<u>293,562</u>
Net book value						
At 31 March 2023	<u>45,528</u>	<u>22,743</u>	<u>69,591</u>	<u>52,695</u>	<u>20,073</u>	<u>210,630</u>
At 31 March 2022	<u>-</u>	<u>37,441</u>	<u>-</u>	<u>34,152</u>	<u>-</u>	<u>71,593</u>

6. Stocks

	2023 £	2022 £
Raw materials and consumables	<u>36,783</u>	<u>46,921</u>

7. Debtors

	2023 £	2022 £
Trade debtors	128,661	315,613
Other debtors	434,192	431,867
Prepayments and accrued income	116,496	88,373
	<u>679,349</u>	<u>835,853</u>

TRIBOSONICS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

8. Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans	45,454	45,454
Trade creditors	171,753	97,157
Other taxation and social security	62,643	42,318
Other creditors	233,866	175,498
Accruals and deferred income	136,288	153,534
	<u>650,004</u>	<u>513,961</u>

The bank loan is secured by way of a CBIL Scheme Guarantee and a debenture from the company over all assets.

9. Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Bank loans	<u>98,486</u>	<u>143,940</u>

10. Share capital

	2023	2022
	£	£
Allotted, called up and fully paid		
9,957 A Ordinary shares of £0.01 each	100	100
10,100 Ordinary shares of £0.01 each	101	101
	<u>201</u>	<u>201</u>

All shares rank pari passu.

11. Prior year restatement

In the prior year, costs in relation to patents were written off the the profit and loss account under professional fees. As intellectual property costs will have long term benefits to the company, these costs have now been capitalised as an intangible asset. The patent costs capitalised totalled £61,547.

The impact of the prior year reclassification is to reduce the loss previously reported by £61,547 and increase net assets by £61,547.