

Company Registration No. 01897343 (England and Wales)

**TRILOGY COMMUNICATIONS LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
**PAGES FOR FILING WITH REGISTRAR**

# TRILOGY COMMUNICATIONS LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Ms M Dominguez Mr C H Miyahira Mr H Y Miyahira Ms H I Miyahira
<b>Company number</b>	01897343
<b>Registered office</b>	2000 Beach Drive Cambridge Research Park Cambridge CB25 9TP
<b>Auditor</b>	Fiander Tovell Limited Stag Gates House 63/64 The Avenue Southampton Hampshire SO17 1XS

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# TRILOGY COMMUNICATIONS LIMITED

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# TRILOGY COMMUNICATIONS LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2020

		2020		2019	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	4		30,395		58,005
<b>Current assets</b>					
Stocks		1,027,017		947,813	
Debtors	5	5,188,271		2,328,798	
Cash at bank and in hand		374,958		740,068	
		<u>6,590,246</u>		<u>4,016,679</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(810,449)</u>		<u>(409,090)</u>	
<b>Net current assets</b>			<u>5,779,797</u>		<u>3,607,589</u>
<b>Total assets less current liabilities</b>			<u>5,810,192</u>		<u>3,665,594</u>
<b>Creditors: amounts falling due after more than one year</b>	7		(1,235,099)		(2,051,269)
<b>Provisions for liabilities</b>			<u>(3,042)</u>		<u>(1,537)</u>
<b>Net assets</b>			<u><u>4,572,051</u></u>		<u><u>1,612,788</u></u>
<b>Capital and reserves</b>					
Called up share capital			52,002		52,002
Profit and loss reserves			4,520,049		1,560,786
<b>Total equity</b>			<u><u>4,572,051</u></u>		<u><u>1,612,788</u></u>

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

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

The financial statements were approved by the board of directors and authorised for issue on 21 December 2021 and are signed on its behalf by:

Ms M Dominguez  
**Director**

**Company Registration No. 01897343**

# TRILOGY COMMUNICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

##### Company information

Trilogy Communications Limited is a private company limited by shares, incorporated in England and Wales. The registered office is 2000 Beach Drive, Cambridge Research Park, Cambridge, CB25 9TP.

##### 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.

Trilogy Communications Limited is a 100% owned subsidiary of Trilogy Communications Holdings Limited. The parent company has the same registered office as Trilogy Communications Limited.

##### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, even in light of Covid-19. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

Revenue is recognised as earned when, and to the extent that, the company obtains the right to consideration. It is measured at the fair value to the right to consideration, which represents amounts chargeable but excluding VAT.

Cash credits due from HMRC in respect of R&D work completed are recognised on an accruals basis in other 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.

##### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	25% straight line
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# TRILOGY COMMUNICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies (Continued)

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.

#### 1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### 1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 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.

##### 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.

# TRILOGY COMMUNICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **1.10 Equity instruments**

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

##### **1.11 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.

##### **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.

# TRILOGY COMMUNICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies (Continued)

##### 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

The company operates a defined contribution scheme for the benefit of its employees. Contributions are charged to the profit and loss account in the year they are payable.

##### 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.

##### 1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

#### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

##### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

##### Stock provisions

Stock is held at the lower of cost and net realisable value. Stock is reviewed annually to evaluate the age and movement of stock items and provision is made for slow moving stock.

Stock provisions are calculated based on the age and type of the stock, with a percentage of cost ranging from 10% to 70% being provided for. The stock provision recognised in 2020 was £150,608 (2019 - £206,353).

# TRILOGY COMMUNICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 3 Employees

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

	2020 Number	2019 Number
Total	17	19

#### 4 Tangible fixed assets

	Plant and machinery etc £
<b>Cost</b>	
At 1 January 2020 and 31 December 2020	2,050,296
<b>Depreciation and impairment</b>	
At 1 January 2020	1,992,291
Depreciation charged in the year	27,610
At 31 December 2020	2,019,901
<b>Carrying amount</b>	
At 31 December 2020	30,395
At 31 December 2019	58,005

#### 5 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade debtors	216,752	123,692
Amounts owed by group undertakings	4,869,853	2,029,018
Other debtors	76,878	86,176
Prepayments and accrued income	24,788	89,912
	5,188,271	2,328,798

# TRILOGY COMMUNICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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

	2020	2019
	£	£
Trade creditors	165,908	147,191
Corporation tax	326,322	-
Other taxation and social security	42,279	80,128
Other creditors	29,390	42,858
Accruals and deferred income	246,550	138,913
	<u>810,449</u>	<u>409,090</u>

#### 7 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Amounts owed to group undertakings	<u>1,235,099</u>	<u>2,051,269</u>

#### 8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Paul Meacher FCA and the auditor was Fiander Tovell Limited.

#### 9 Financial commitments, guarantees and contingent liabilities

The company is registered with HM Revenue and Customs as a member of a group for VAT purposes and as a result is jointly and severally liable on a continuing basis for amounts owing by other members of that group in respect of unpaid VAT.

#### 10 Operating lease commitments

##### Lessee

Trilogy Communications Limited incurs fees for use of warehousing space in the UK. There is no a formal lease or sublease agreement in place for this arrangement.

#### 11 Parent company

The company's immediate parent company is Trilogy Communications Holdings Limited, a company incorporated in England & Wales. The registered office address is 2000 Beach Drive, Cambridge Research Park, Cambridge, England, CB25 9TP.

Trilogy Communications Holdings Limited has a parent company, Clear-Com LLC, which is incorporated in the USA. Clear-Com LLC is itself owned by HM Electronics Inc which is also incorporated in the USA.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.