

Registered number: 05743780

TRIBOSONICS LTD

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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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 Group Limited Chartered Accountants 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 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	4	333,591	6,472
Tangible assets	5	71,593	69,008
		405,184	75,480
Current assets			
Stocks	6	46,921	32,448
Debtors	7	835,853	609,620
Cash at bank and in hand		1,008,338	418,958
		1,891,112	1,061,026
Creditors: amounts falling due within one year	8	(513,961)	(347,504)
Net current assets		1,377,151	713,522
Total assets less current liabilities		1,782,335	789,002
Creditors: amounts falling due after more than one year	9	(143,940)	(189,395)
Net assets		1,638,395	599,607
Capital and reserves			
Called up share capital	10	201	155
Share premium account		2,624,870	1,124,916
Profit and loss account		(986,676)	(525,464)
		1,638,395	599,607

TRIBOSONICS LTD
REGISTERED NUMBER: 05743780

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

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 income and retained earnings 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:



G A Burton-Fletcher
Director

Date: 14/7/22

The notes on pages 4 to 10 form part of these financial statements.

TRIBOSONICS LTD

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

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2020	101	-	213,293	213,394
Loss for the year	-	-	(738,757)	(738,757)
Shares issued during the year	54	1,124,916	-	1,124,970
At 1 April 2021	155	1,124,916	(525,464)	599,607
Loss for the year	-	-	(461,212)	(461,212)
Shares issued during the year	46	1,499,954	-	1,500,000
At 31 March 2022	201	2,624,870	(986,676)	1,638,395

The notes on pages 4 to 10 form part of these financial statements.

TRIBOSONICS LTD

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

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 2022 (2021: year ended 31 March 2021).

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 Coronavirus and going concern

At the time of signing these financial statements, the directors have considered the going concern position and have taken appropriate action to support the company through this uncertain period. The directors have prepared detailed forecasts and consider that this does indicate that the company will continue to trade for a period of at least 12 months from the date of signing these financial statements due to the facilities available to it.

On that basis, the directors have prepared these financial statements on a going concern basis.

2.3 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 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.

TRIBOSONICS LTD

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

2. Accounting policies (continued)

2.3 Turnover (continued)

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.

2.4 Operating leases

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

2.5 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 expenditure on the basis development remains ongoing.

2.6 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.

TRIBOSONICS LTD

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

2. Accounting policies (continued)

2.6 Tangible fixed assets (continued)

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:

Plant and machinery	- 20 - 25% straight line method
Office equipment	- 20 - 25% 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.

2.7 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. Work in progress and finished goods include labour and attributable overheads.

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.

2.8 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.

2.9 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 with 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.

TRIBOSONICS LTD

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

2. Accounting policies (continued)

2.10 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.

2.11 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.

2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that deferred tax assets are only 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.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Average number of employees

The average monthly number of employees, including directors, during the year was 31 (2021: 25).

TRIBOSONICS LTD

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

4. Intangible assets

	Research and development expenditure £	Website development £	Total £
Cost			
At 1 April 2021	-	16,243	16,243
Additions	332,534	-	332,534
At 31 March 2022	<u>332,534</u>	<u>16,243</u>	<u>348,777</u>
Amortisation			
At 1 April 2021	-	9,771	9,771
Charge for the year	-	5,415	5,415
At 31 March 2022	<u>-</u>	<u>15,186</u>	<u>15,186</u>
Net book value			
At 31 March 2022	<u>332,534</u>	<u>1,057</u>	<u>333,591</u>
At 31 March 2021	<u>-</u>	<u>6,472</u>	<u>6,472</u>

TRIBOSONICS LTD

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

5. Tangible fixed assets

	Plant and machinery £	Office equipment £	Total £
Cost			
At 1 April 2021	167,501	120,415	287,916
Additions	18,395	9,882	28,277
At 31 March 2022	185,896	130,297	316,193
Depreciation			
At 1 April 2021	133,943	84,965	218,908
Charge for the year	14,512	11,180	25,692
At 31 March 2022	148,455	96,145	244,600
Net book value			
At 31 March 2022	37,441	34,152	71,593
At 31 March 2021	33,558	35,450	69,008

6. Stocks

	2022 £	2021 £
Raw materials and consumables	46,921	32,448

7. Debtors

	2022 £	2021 £
Trade debtors	315,613	213,196
Other debtors	431,867	354,631
Prepayments and accrued income	88,373	41,793
	835,853	609,620

TRIBOSONICS LTD

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

8. Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans	45,454	45,454
Trade creditors	97,157	90,092
Other taxation and social security	42,318	64,858
Other creditors	175,498	103,948
Accruals and deferred income	153,534	43,152
	513,961	347,504

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

	2022 £	2021 £
Bank loans	143,940	189,395
	143,940	189,395

10. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
9,999 (2021: 5,357) A Ordinary shares of £0.01 each	100	54
10,100 Ordinary shares of £0.01 each	101	101
	201	155

On 16 February 2022, 4,642 A Ordinary shares with nominal value £0.01 were issued for a consideration of £1,500,000.

All shares rank pari passu.