

Financial Statements
for the Year Ended 31 December 2022
for
Trilogy Communications Limited

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for the Year Ended 31 December 2022

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Trilogy Communications Limited

Company Information
for the Year Ended 31 December 2022

DIRECTORS: Ms M Dominguez
Ms H I Miyahira
H Y Miyahira
C H Miyahira

REGISTERED OFFICE: 2000 Beach Drive
Cambridge Research Park
Cambridge
Cambridgeshire
CB25 9TP

BUSINESS ADDRESS: Unit 18
Prince Henry House
Kingsclere Industrial Park
Kingsclere
Hampshire
RG20 4SW

REGISTERED NUMBER: 01897343 (England and Wales)

AUDITORS: Knights Lowe Limited
Eldo House
Kempson Way
Suffolk Business Park
Bury St Edmunds
Suffolk
IP32 7AR

Trilogy Communications Limited (Registered number: 01897343)

Balance Sheet
31 December 2022

	Notes	2022 £	£	2021 as restated £	£
FIXED ASSETS					
Tangible assets	4		3,151		16,071
CURRENT ASSETS					
Stocks		951,571		897,332	
Debtors	5	3,785,595		4,871,689	
Cash at bank		321,252		384,912	
		5,058,418		6,153,933	
CREDITORS					
Amounts falling due within one year	6	518,054		1,691,144	
NET CURRENT ASSETS			4,540,364		4,462,789
TOTAL ASSETS LESS CURRENT LIABILITIES			4,543,515		4,478,860
CAPITAL AND RESERVES					
Called up share capital	8		52,002		52,002
Retained earnings			4,491,513		4,426,858
SHAREHOLDERS' FUNDS			4,543,515		4,478,860

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 29 September 2023 and were signed on its behalf by:

Ms M Dominguez - Director

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 December 2022

1. STATUTORY INFORMATION

Trilogy Communications Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

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:

Sale of goods

Revenue 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 revenue 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.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Plant and machinery - 25% on reducing balance

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 first in, first out 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 profit or loss.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

2. ACCOUNTING POLICIES - continued

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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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 Income and Retained Earnings.

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 balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet 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.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

2. **ACCOUNTING POLICIES - continued**

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Income and Retained Earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Operating leases: the company as lessee

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.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

2. ACCOUNTING POLICIES - continued

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 range from 3 to 6 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.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 17 (2021 - 17) .

4. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 January 2022 and 31 December 2022	<u>383,393</u>
DEPRECIATION	
At 1 January 2022	367,322
Charge for year	<u>12,920</u>
At 31 December 2022	<u>380,242</u>
NET BOOK VALUE	
At 31 December 2022	<u>3,151</u>
At 31 December 2021	<u>16,071</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021 as restated
	£	£
Trade debtors	501,462	131,802
Amounts owed by group undertakings	3,095,175	4,410,008
Other debtors	<u>188,958</u>	<u>329,879</u>
	<u>3,785,595</u>	<u>4,871,689</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021 as restated
	£	£
Trade creditors	52,625	62,219
Amounts owed to group undertakings	193,499	129,705
Taxation and social security	136,308	241,700
Other creditors	135,622	1,257,520
	<u>518,054</u>	<u>1,691,144</u>

7. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022	2021 as restated
	£	£
Within one year	<u>42,035</u>	<u>42,035</u>

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2022	2021 as restated
			£	£
52,002	Ordinary	£1	<u>52,002</u>	<u>52,002</u>

9. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

James Knights ACA BSc (Senior Statutory Auditor)
for and on behalf of Knights Lowe Limited

10. ULTIMATE CONTROLLING PARTY

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.

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