

**3T ADDITIVE MANUFACTURING LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2021**

# 3T ADDITIVE MANUFACTURING LIMITED

## COMPANY INFORMATION

<b>Directors</b>	J Oberhofer (resigned 9 April 2021) T Koehler (resigned 9 April 2021) T Steels (resigned 9 April 2021) D Lichtenstein (resigned 31 July 2022) M Antolotti (appointed 9 April 2021) C Bo (appointed 9 April 2021) D M Johns (appointed 9 April 2021)
<b>Registered number</b>	03333366
<b>Registered office</b>	Fulton Court Wofford Way Greenham Business Park Newbury Berkshire RG19 6HD
<b>Independent auditors</b>	James Cowper Kreston Audit Chartered Accountants and Statutory Auditor 2 Communications Road Greenham Business Park Greenham Newbury Berkshire RG19 6AB
<b>Solicitors</b>	Irwin Mitchell Mercantile House 18 London Road Newbury Berkshire RG14 1JX

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## **3T ADDITIVE MANUFACTURING LIMITED**

### **STRATEGIC REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021**

#### **Business review**

3T-AM Ltd. is a leading company in the Additive Manufacturing market and has consequently been investing in both capital and manpower resources to put itself in a leading position in the UK. In order to unlock full potential of its resources and gain access to wider and more diverse customer base, the company has been acquired by an Italian group, BeamIT S.p.a in April 2021.

The immediate focus under the new management was to implement a re-structuring of the business to transform 3T-AM Ltd. into an Advanced Manufacturing production company and align to the growth markets for high-end manufacturing.

This required all business initiatives to focus on changing methods, tools and processes in order to create the base for future growth. A key metric was applied to cost reduction and cost control in respect of the economic landscape post COVID-19, to ensure resilience was created in the business. 3T is seeing results of these initiatives in setting up a five-year business plan and negotiating and agreeing important LTAs.

The impact generated from the operational change program, and the change of accounting period to 31st December 2021 (9 month period after acquisition in April 2021) yielded a reduction in operating losses from previous years. The revised operating base and associated systems created the capacity for growth in the following years. Total operating loss for the period was £108k reducing it significantly from £636k in the prior year.

Total turnover for the period was £2,464k and gross profit margin was 34% compared to 20% in FY20/21. Although there was a 62% reduction in turnover, prior year turnover included Polymers which was a significant part of 3T business that was sold in late 2020. Turnover reduction is also impacted by comparing 9 month to 12 month period.

The management is aware of an ongoing IT issue as a main cause of materially overstated work in progress. It will take necessary steps to rectify this matter.

#### **Principal risks and uncertainties**

Risks and uncertainties affecting the Company's markets could have an impact on the Company's performance and cause actual results to differ from expected and historic performance. Risk management processes employed by 3T Additive Manufacturing cover identification, impact assessment, likely occurrence, and mitigation actions. Some level of risk, however, will always be present.

#### **Financial risks**

##### **Liquidity:**

This is the risk the Company could have insufficient resources to meet its financial liabilities as they fall due. 3T Additive Manufacturing addresses this risk by maintaining adequate banking facilities and continuously monitoring forecast and actual cash flows to ensure liquidity requirements will be met. It is considered unlikely the company will face any significant funding issues in the foreseeable future.

##### **Foreign currency:**

The Company's main foreign exchange exposure relates to the translation of results and net assets denominated in overseas currencies into sterling. This exposure is limited to currency liabilities.

##### **Credit risk:**

Credit risk exists in relation to customers, banks and insurers. These risks are mitigated by maintaining rigorous credit control procedures across a wide customer base. Credit risk attributable to trade and other receivables is maintained by dealing with recognised creditworthy third parties who have been through a credit verification process.

**3T ADDITIVE MANUFACTURING LIMITED**

**STRATEGIC REPORT (CONTINUED)  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

**Commercial and other risks**

Product demand:

Demand fluctuates from sector to sectors-based PESTLE analysis. The company however spreads its activities across a breadth of markets and geographical markets. This reduces its exposure to any one revenue stream and the company constantly reviews its costs to partially migrate any reduction in demand.

Loss of major suppliers of customers:

The company looks to add new service offerings to meet the demands of changing business sectors and geographies.

Product liability:

There is a risk that products supplied may fail in service, which can lead to a claim under product liability. To offset this risk, technically qualified personnel and control systems are in place to ensure products meet quality requirements. Further, the Company has established product liability insurance.

**Financial key performance indicators**

As with previous years, given the straightforward nature of the business, the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development or position of the entity.

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

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**M Antolotti**

Director

Date: 19 January 2023

## 3T ADDITIVE MANUFACTURING LIMITED

### DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the period ended 31 December 2021.

#### Directors

The directors who served during the period were:

J Oberhofer (resigned 9 April 2021)  
T Koehler (resigned 9 April 2021)  
T Steels (resigned 9 April 2021)  
D Lichtenstein (resigned 31 July 2022)  
M Antolotti (appointed 9 April 2021)  
C Bo (appointed 9 April 2021)  
D M Johns (appointed 9 April 2021)

#### Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the 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 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 financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the 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 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.

#### Future developments

For future developments see the Strategic Report.

#### Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

**3T ADDITIVE MANUFACTURING LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

**Auditors**

The auditors, James Cowper Kreston, will not be proposed for reappointment.

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

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**M Antolotti**

Director

Date: 19 January 2023

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 3T ADDITIVE MANUFACTURING LIMITED

**Qualified opinion**

We have audited the financial statements of 3T Additive Manufacturing Limited (the 'Company') for the period ended 31 December 2021, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its loss for the period 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 qualified opinion**

Included within stock as at 31 December 2021 is a balance of £942,955 relating to work in progress. Our audit testing has suggested that this figure is materially overstated however due to an ongoing IT issue management are unable to identify the correct figure, and as such we are unable to quantify the error. Given that management are unable to provide sufficient appropriate audit evidence our audit opinion is qualified in respect of work in progress.

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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 3T ADDITIVE MANUFACTURING LIMITED (CONTINUED)**

**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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. 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.

**Opinion 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 period 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 the 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.

**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 either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 3T ADDITIVE MANUFACTURING LIMITED (CONTINUED)

**Auditors' 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 Auditors' 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.

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**Use of our 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 Auditors' 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.

Robert Holland BSc FCA (Senior Statutory Auditor)  
for and on behalf of

**James Cowper Kreston Audit**

Chartered Accountants and Statutory Auditor  
2 Communications Road  
Greenham Business Park  
Greenham  
Newbury  
Berkshire

3T ADDITIVE MANUFACTURING LIMITED

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 DECEMBER 2021

		9 months ended 31 December 2021 £	31 March 2021 £
	Note		
Turnover	3	2,464,321	6,482,567
Cost of sales		(1,627,610)	(5,146,212)
<b>Gross profit</b>		<b>836,711</b>	<b>1,336,355</b>
Administrative expenses		(1,126,134)	(2,212,222)
Exceptional administrative expenses		(73,113)	(105,519)
Other operating income	5	254,354	345,770
<b>Operating loss</b>	6	<b>(108,182)</b>	<b>(635,616)</b>
Interest payable and similar expenses	8	(15,898)	(51,974)
<b>Loss before tax</b>		<b>(124,080)</b>	<b>(687,590)</b>
Tax on loss	9	26,006	128,734
<b>Loss for the financial period</b>		<b>(98,074)</b>	<b>(558,856)</b>

There was no other comprehensive income for 2021 (2021:£NIL).

The notes on pages 13 to 28 form part of these financial statements.

**3T ADDITIVE MANUFACTURING LIMITED**  
**REGISTERED NUMBER: 03333366**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

	Note	31 December 2021 £	31 March 2021 £
<b>Fixed assets</b>			
Tangible assets	10	2,208,735	2,660,076
<b>Current assets</b>			
Stocks	11	1,298,575	687,283
Debtors: amounts falling due within one year	12	1,103,089	1,697,288
Cash at bank and in hand	13	89,979	295,759
		<u>2,491,643</u>	<u>2,680,330</u>
Creditors: amounts falling due within one year	14	(1,364,402)	(1,989,005)
<b>Net current assets</b>		<u>1,127,241</u>	<u>691,325</u>
<b>Total assets less current liabilities</b>		<u>3,335,976</u>	<u>3,351,401</u>
Creditors: amounts falling due after more than one year	15	(140,567)	(333,661)
<b>Provisions for liabilities</b>			
Deferred tax	18	(103,279)	(129,285)
<b>Net assets</b>		<u><u>3,092,130</u></u>	<u><u>2,888,455</u></u>
<b>Capital and reserves</b>			
Called up share capital	19	2,546,696	2,546,696
Share premium account		387,287	85,538
Profit and loss account		158,147	256,221
		<u><u>3,092,130</u></u>	<u><u>2,888,455</u></u>

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

.....  
**M Antolotti**

Director

Date: 19 January 2023

# 3T ADDITIVE MANUFACTURING LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2021

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 April 2021	2,546,696	85,538	256,221	2,888,455
Loss for the period	-	-	(98,074)	(98,074)
Capital contribution	-	301,749	-	301,749
<b>At 31 December 2021</b>	<b>2,546,696</b>	<b>387,287</b>	<b>158,147</b>	<b>3,092,130</b>

## STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2021

	Called up share capital £	Share premium account £	Other reserves £	Profit and loss account £	Total equity £
At 1 April 2020	1,474,166	85,538	11,319	815,077	2,386,100
Loss for the year	-	-	-	(558,856)	(558,856)
Shares issued during the year	1,072,530	-	-	-	1,072,530
Share based payment charge	-	-	(11,319)	-	(11,319)
<b>At 31 March 2021</b>	<b>2,546,696</b>	<b>85,538</b>	<b>-</b>	<b>256,221</b>	<b>2,888,455</b>

The notes on pages 13 to 28 form part of these financial statements.

3T ADDITIVE MANUFACTURING LIMITED

STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 31 DECEMBER 2021

	31 December 2021 £	31 March 2021 £
<b>Cash flows from operating activities</b>		
Loss for the financial period	(98,074)	(558,856)
Depreciation of tangible assets	453,709	1,051,916
Loss on disposal of tangible assets	-	(30,111)
Government grants	(254,354)	(274,942)
Interest paid	15,898	51,974
Taxation charge	(26,006)	(128,734)
(Increase) in stocks	(611,292)	(173,757)
Decrease in debtors	594,199	290,027
(Decrease) in creditors	(432,932)	(1,306,521)
<b>Net cash generated from operating activities</b>	<b>(358,852)</b>	<b>(1,079,004)</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(2,368)	(68,362)
Sale of tangible fixed assets	-	1,110,607
Government grants received	254,354	274,942
HP interest paid	(15,898)	(33,606)
<b>Net cash from investing activities</b>	<b>236,088</b>	<b>1,283,581</b>
<b>Cash flows from financing activities</b>		
Issue of ordinary shares	-	1,072,530
Capital contribution	301,749	-
Repayment of other loans	-	(453,113)
Repayment of finance leases	(261,166)	(417,833)
Interest paid	-	(18,368)
<b>Net cash used in financing activities</b>	<b>40,583</b>	<b>183,216</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(82,181)</b>	<b>387,793</b>
Cash and cash equivalents at beginning of period	(243,635)	(631,428)
<b>Cash and cash equivalents at the end of period</b>	<b>(325,816)</b>	<b>(243,635)</b>
<b>Cash and cash equivalents at the end of period comprise:</b>		
Cash at bank and in hand	89,979	295,759
Bank overdrafts	(415,795)	(539,394)
	<b>(325,816)</b>	<b>(243,635)</b>

3T ADDITIVE MANUFACTURING LIMITED

ANALYSIS OF NET DEBT  
FOR THE PERIOD ENDED 31 DECEMBER 2021

	At 1 April 2021	Cash flows	At 31 December 2021
	£	£	£
Cash at bank and in hand	295,759	(205,780)	89,979
Bank overdrafts	(539,394)	123,599	(415,795)
Debt due within 1 year	(9,901)	(8,083)	(17,984)
Finance leases	(689,770)	261,166	(428,604)
	<u>(943,306)</u>	<u>170,902</u>	<u>(772,404)</u>

The notes on pages 13 to 28 form part of these financial statements.

## **3T ADDITIVE MANUFACTURING LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021**

#### **1. General information**

3T Additive Manufacturing Limited is a private company, limited by shares and incorporated and registered in England and Wales. The registered office and principal place of business is Fulton Court, Wofford Way, Greenham Business Park, Newbury, Berkshire, RG19 6HD.

The principal activity of the company is the design, production and sale of additive manufactured metal products.

#### **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 following principal accounting policies have been applied:

##### **2.2 Going concern**

At the balance sheet date the Company had net assets of £3,092,130 (March 2021: £2,888,445) including net current assets of £1,127,241 (March 2021: £691,325), having made a loss for the year after tax of £98,074 (March 2021: £558,856).

The Directors have considered the appropriateness of the going concern basis of preparation bearing in mind the Company's:

- recent financial performance and current financial position, as impacted by the Covid-19 pandemic
- future trading prospects
- adequacy of existing and future financing facilities

The Company is reliant on its financing facilities and the support of the parent company. The Company has use of an invoice discounting facility and has also received funding from the parent company by way of a capital contribution.

The Directors are confident that these financing facilities are adequate to support the Company's future financing needs and as such are confident that the Company will be able to continue to trade for the foreseeable future.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

**2. Accounting policies (continued)**

**2.3 Revenue**

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.

**Rendering of services**

Revenue 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 revenue 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 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021

**2. Accounting policies (continued)**

**2.4 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Improvements to property	-	10%
Plant and machinery	-	14%
Motor vehicles	-	20%
Fixtures and fittings	-	20%
Computer equipment	-	20%

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 profit or loss.

**2.5 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.

**2.6 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.

**2.7 Cash and cash equivalents**

Cash is represented by cash in hand 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.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.8 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 Comprehensive Income.

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.

2.9 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.

2.10 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 profit or loss 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 Statement of Comprehensive Income in the same period as the related expenditure.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.11 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.

2.12 Finance costs

Finance costs 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.

2.13 Pensions

**Defined contribution pension plan**

The Company operates a defined contribution plan 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 profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.14 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.15 Provisions for liabilities

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 profit or loss 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.16 Current and deferred taxation

The tax expense for the period 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 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:

- 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 balance sheet date.

2.17 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

# 3T ADDITIVE MANUFACTURING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

### 3. Turnover

An analysis of turnover by class of business is as follows:

	9 months ended 31 December 2021 £	31 March 2021 £
Metal sales	2,020,097	5,057,230
Polymer sales	444,224	1,345,830
Other income	-	79,507
	<u>2,464,321</u>	<u>6,482,567</u>

Analysis of turnover by country of destination:

	9 months ended 31 December 2021 £	31 March 2021 £
United Kingdom	2,020,097	5,136,737
Rest of Europe	304,147	370,613
Rest of the World	140,077	975,217
	<u>2,464,321</u>	<u>6,482,567</u>

### 4. Exceptional items

	9 months ended 31 December 2021 £	31 March 2021 £
Redundancy costs	73,113	51,587
Provision for costs of withdrawing from contract	-	23,001
Other	-	30,931
	<u>73,113</u>	<u>105,519</u>

# 3T ADDITIVE MANUFACTURING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

### 5. Other operating income

	9 months ended 31 December 2021 £	31 March 2021 £
R&D grant income	-	70,828
Government grants receivable	254,354	274,942
	<u>254,354</u>	<u>345,770</u>

### 6. Operating loss

The operating loss is stated after charging:

	9 months ended 31 December 2021 £	31 March 2021 £
Depreciation of tangible assets	453,709	1,051,916
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	10,300	10,050
Exchange differences	6,759	100,681
Defined contribution pension cost	<u>60,393</u>	<u>95,879</u>

3T ADDITIVE MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021

7. Employees

Staff costs were as follows:

	9 months ended 31 December 2021 £	31 March 2021 £
Wages and salaries	612,105	2,192,607
Social security costs	133,321	238,734
Cost of defined contribution scheme	60,393	95,879
	<u>805,819</u>	<u>2,527,220</u>

The average monthly number of employees, including the directors, during the period was as follows:

	9 months ended 31 December 2021 No.	31 March 2021 No.
Manufacturing and technical	27	37
Selling and administration	10	16
	<u>37</u>	<u>53</u>

8. Interest payable and similar expenses

	9 months ended 31 December 2021 £	31 March 2021 £
Bank interest payable	-	11,916
Other loan interest payable	-	6,452
Finance leases and hire purchase contracts	15,898	33,606
	<u>15,898</u>	<u>51,974</u>



# 3T ADDITIVE MANUFACTURING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

### 9. Taxation

	9 months ended 31 December 2021 £	31 March 2021 £
<b>Corporation tax</b>		
Current tax on profits for the year	-	18,703
<b>Total current tax</b>	<u>-</u>	<u>18,703</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	<u>(26,006)</u>	<u>(147,437)</u>
<b>Taxation on loss on ordinary activities</b>	<u>(26,006)</u>	<u>(128,734)</u>

#### Factors affecting tax charge for the period/year

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

	9 months ended 31 December 2021 £	31 March 2021 £
Loss on ordinary activities before tax	<u>(124,080)</u>	<u>(687,590)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(23,575)	(130,642)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	2,431	2,290
Adjustments to tax charge in respect of previous periods	-	18,703
Other timing differences leading to an increase (decrease) in taxation	(4,862)	(7,685)
Non-taxable income	-	(11,400)
<b>Total tax charge for the period/year</b>	<u>(26,006)</u>	<u>(128,734)</u>

#### Factors that may affect future tax charges

The main rate of corporation tax will rise from 19% to 25% from 1 April 2023. On this basis deferred tax is provided at the future rate of 25%.

3T ADDITIVE MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021

10. Tangible fixed assets

	Leasehold improvements £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>						
At 1 April 2021	480,945	5,261,641	1,995	32,924	753,552	6,531,057
Additions	-	-	-	-	2,368	2,368
			1,995			
At 31 December 2021	480,945	5,261,641		32,924	755,920	6,533,425
<b>Depreciation</b>						
At 1 April 2021	287,675	3,228,103	1,813	18,083	335,307	3,870,981
Charge for the period on owned assets	29,008	329,950	182	4,497	90,072	453,709
			1,995			
At 31 December 2021	316,683	3,558,053		22,580	425,379	4,324,690
<b>Net book value</b>						
At 31 December 2021	164,262	1,703,588	-	10,344	330,541	2,208,735
			182			
<b>At 31 March 2021</b>	193,270	2,033,538		14,841	418,245	2,660,076

3T ADDITIVE MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021

11. Stocks

	31 December 2021 £	31 March 2021 £
Raw materials and work in progress	355,620	395,532
Work in progress	942,955	291,751
	<u>1,298,575</u>	<u>687,283</u>

12. Debtors

	31 December 2021 £	31 March 2021 £
Trade debtors	726,308	948,743
Other debtors	197,858	447,737
Prepayments and accrued income	178,923	300,808
	<u>1,103,089</u>	<u>1,697,288</u>

13. Cash and cash equivalents

	31 December 2021 £	31 March 2021 £
Cash at bank and in hand	89,979	295,759
Less: bank overdrafts	(415,795)	(539,394)
	<u>(325,816)</u>	<u>(243,635)</u>

# 3T ADDITIVE MANUFACTURING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

### 14. Creditors: Amounts falling due within one year

	31 December 2021 £	31 March 2021 £
Bank overdrafts	415,795	539,394
Trade creditors	423,533	679,758
Other taxation and social security	103,673	84,668
Obligations under finance lease and hire purchase contracts	288,037	356,109
Other creditors	17,984	9,901
Accruals and deferred income	115,380	319,175
	<u>1,364,402</u>	<u>1,989,005</u>

### 15. Creditors: Amounts falling due after more than one year

	31 December 2021 £	31 March 2021 £
Net obligations under finance leases and hire purchase contracts	<u>140,567</u>	<u>333,661</u>

The following liabilities were secured:

	31 December 2021 £	31 March 2021 £
Net obligations under finance leases and hire purchase contracts	<u>428,604</u>	<u>689,770</u>

Details of security provided:

Finance leases secured on the company's plant and machinery category of fixed assets.

# 3T ADDITIVE MANUFACTURING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

### 16. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	31 December 2021 £	31 March 2021 £
Within one year	288,037	356,109
Between 1-3 years	140,567	333,661
	<u>428,604</u>	<u>689,770</u>

### 17. Financial instruments

	31 December 2021 £	31 March 2021 £
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	89,979	295,759
Financial assets that are debt instruments measured at amortised cost	924,166	1,415,183
	<u>1,014,145</u>	<u>1,710,942</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(833,227)</u>	<u>(1,464,097)</u>

Financial assets measured at fair value through profit or loss comprise cash balances.

Financial assets measured at amortised cost comprise trade and other debtors.

Financial liabilities measured at amortised cost comprise trade and other creditors, as well as finance lease liabilities.

3T ADDITIVE MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021

18. Deferred taxation

	2021 £	2021 £
At beginning of year	(129,285)	(276,722)
Charged to profit or loss	26,006	147,437
<b>At end of year</b>	<b>(103,279)</b>	<b>(129,285)</b>

The provision for deferred taxation is made up as follows:

	31 December 2021 £	31 March 2021 £
Accelerated capital allowances	(176,015)	(176,015)
Tax losses carried forward	72,736	46,730
	<b>(103,279)</b>	<b>(129,285)</b>

19. Share capital

	31 December 2021 £	31 March 2021 £
<b>Allotted, called up and fully paid</b>		
1,410,776 (2021 - 1,410,776) Ordinary shares of £1 each	1,410,776	1,410,776
1,135,920 (2021 - 1,135,920) Non-Voting Ordinary shares of £1 each	1,135,920	1,135,920
	<b>2,546,696</b>	<b>2,546,696</b>

20. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £60,393 (March 2021: £95,879). Contributions totalling £nil (March 2021: £9,901) were payable to the fund at the balance sheet date.

# 3T ADDITIVE MANUFACTURING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

### 21. Commitments under operating leases

At 31 December 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	31 December 2021 £	31 March 2021 £
<b>Land and buildings</b>		
Not later than 1 year	148,301	148,301
Later than 1 year and not later than 5 years	257,056	368,739
	<u>405,357</u>	<u>517,040</u>
	31 December 2021 £	31 March 2021 £
<b>Other leased assets</b>		
Not later than 1 year	456,191	476,688
Later than 1 year and not later than 5 years	667,595	827,841
	<u>1,123,786</u>	<u>1,304,529</u>

### 22. Related party transactions

The company is exempt under paragraph 33.1A of FRS 102 from disclosing related party transactions with group companies where 100% of the voting rights are controlled within the group.

### 23. Controlling party

The company is controlled by BEAMIT S.p.A., the direct parent company.

The parent of both the largest and smallest group for which group accounts including this company are drawn up is BEAMIT S.p.A.. Copies of these accounts are not available to the public.

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