

**ACOUSTIC SENSING TECHNOLOGY (UK) LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

RJF Accounting & Business Services

C/O Rjf We Work, No1 Spinningfields
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Acoustic Sensing Technology (UK) Ltd
Unaudited Financial Statements
For The Year Ended 31 December 2019

Contents

	Page
Company Information	1
Balance Sheet	2—3
Notes to the Financial Statements	4—6

Acoustic Sensing Technology (UK) Ltd
Company Information
For The Year Ended 31 December 2019

Directors	Mr Harvey West Mr Russell Hodgetts
Company Number	08301004
Registered Office	13th Floor City Tower Piccadilly Plaza Manchester Lancashire M1 4BT
Accountants	RJF Accounting & Business Services C/O Rjf We Work, No1 Spinningfields Quay Street Manchester Greater Manchester M3 3JE

Acoustic Sensing Technology (UK) Ltd
Balance Sheet
As at 31 December 2019

Registered number: 08301004

		2019		2018	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	3		1,326		3,491
			<u>1,326</u>		<u>3,491</u>
CURRENT ASSETS					
Stocks	4	23,323		23,323	
Debtors	5	7,456		135,037	
Cash at bank and in hand		82,788		32,651	
		<u>113,567</u>		<u>191,011</u>	
Creditors: Amounts Falling Due Within One Year	6	(101,723)		(112,065)	
		<u>11,844</u>		<u>78,946</u>	
NET CURRENT ASSETS (LIABILITIES)					
			<u>13,170</u>		<u>82,437</u>
Creditors: Amounts Falling Due After More Than One Year	7	(1,300,000)		(1,300,000)	
NET LIABILITIES			<u>(1,286,830)</u>		<u>(1,217,563)</u>
CAPITAL AND RESERVES					
Called up share capital	8	11,480		11,480	
Share premium account		644,844		644,844	
Profit and Loss Account		(1,943,154)		(1,873,887)	
SHAREHOLDERS' FUNDS			<u>(1,286,830)</u>		<u>(1,217,563)</u>

Acoustic Sensing Technology (UK) Ltd
Balance Sheet (continued)
As at 31 December 2019

For the year ending 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.
- The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.

On behalf of the board

Mr Harvey West

Director

10/03/2020

The notes on pages 4 to 6 form part of these financial statements.

Acoustic Sensing Technology (UK) Ltd
Notes to the Financial Statements
For The Year Ended 31 December 2019

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

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.

1.2. Going Concern Disclosure

These financial statements are prepared on the going concern basis. The company's business activities, together with factors likely to affect its future performance, have been carefully reviewed by the company's board and a detailed cash flow and forecast have been prepared. The forecast has been prepared subject to sensitivity, and scenario analysis, and is reviewed on a monthly basis.

Conversations with potential investors are ongoing, and have been held post the balance sheet date.

The company has convertible loan notes for £1,300,000 in total which were repayable to the North West Fund by 31 December 2017. The North West Fund have confirmed in writing that they will not seek repayment of the secured convertible loan notes, any earlier than twelve months from 1 April 2021.

The company's directors have a reasonable expectation that the company has available to it sufficient resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3. Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. Turnover is recognised when the service is provided.

1.4. Research and Development

Expenditure on research and development is written off in the year it is incurred.

1.5. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures & Fittings	33% Straight Line
Computer Equipment	33% Straight Line

1.6. Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Work-in-progress is reflected in the accounts on a contract by contract basis by recording turnover and related costs as contract activity progresses.

1.7. Foreign Currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Acoustic Sensing Technology (UK) Ltd
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2019

1.8. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other year and 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 end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and asset reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

2. Average Number of Employees

Average number of employees, including directors, during the year was as follows: 22 (2018: 20)

3. Tangible Assets

	Computer Equipment
	£
Cost	
As at 1 January 2019	17,711
As at 31 December 2019	17,711
Depreciation	
As at 1 January 2019	14,220
Provided during the period	2,165
As at 31 December 2019	16,385
Net Book Value	
As at 31 December 2019	1,326
As at 1 January 2019	3,491

Acoustic Sensing Technology (UK) Ltd
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2019

4. Stocks

	2019	2018
	£	£
Stock - work in progress	23,323	23,323
	<u>23,323</u>	<u>23,323</u>

5. Debtors

	2019	2018
	£	£
Due within one year		
Trade debtors	-	66,464
Prepayments and accrued income	907	1,939
Corporation tax recoverable assets	6,105	66,014
VAT	444	620
	<u>7,456</u>	<u>135,037</u>

6. Creditors: Amounts Falling Due Within One Year

	2019	2018
	£	£
Trade creditors	1,030	1,623
Other taxes and social security	1,722	1,402
Net wages	3,936	-
Other creditors	(31)	223
Accruals and deferred income	95,066	108,817
	<u>101,723</u>	<u>112,065</u>

7. Creditors: Amounts Falling Due After More Than One Year

	2019	2018
	£	£
Other creditors	1,300,000	1,300,000
	<u>1,300,000</u>	<u>1,300,000</u>

8. Share Capital

	2019	2018
	£	£
Allotted, Called up and fully paid	11,480	11,480

9. General Information

Acoustic Sensing Technology (UK) Ltd is a private company, limited by shares, incorporated in England & Wales, registered number 08301004. The registered office is 13th Floor City Tower, Piccadilly Plaza, Manchester, Lancashire, M1 4BT.

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.