

GYROGEAR LIMITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

**GYROGEAR LIMITED**

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# GYROGEAR LIMITED

## COMPANY INFORMATION

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Directors	J F Ong B J Thapa
Registered number	10065147
Registered office	90a High street Berkhamsted Hertfordshire HP4 2BL
Independent auditor	Blick Rothenberg Audit LLP Chartered Accountants & Statutory Auditor 16 Great Queen Street Covent Garden London WC2B 5AH

**GYROGEAR LIMITED****BALANCE SHEET  
AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	4	18,806	9,360
Investments	5	56,320	-
		<u>75,126</u>	<u>9,360</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	126,528	22,758
Cash at bank and in hand		3,029,271	406,693
		<u>3,155,799</u>	<u>429,451</u>
Creditors: amounts falling due within one year	7	(961,823)	(1,167,824)
<b>Net current assets/(liabilities)</b>		<u>2,193,976</u>	<u>(738,373)</u>
<b>Total assets less current liabilities</b>		<u>2,269,102</u>	<u>(729,013)</u>
Creditors: amounts falling due after more than one year	8	(41,667)	-
<b>Net assets/(liabilities)</b>		<u><u>2,227,435</u></u>	<u><u>(729,013)</u></u>
<b>Capital and reserves</b>			
Called up share capital	10	169	125
Share premium account		4,593,775	470,750
Profit and loss account		(2,366,509)	(1,199,888)
<b>Total equity</b>		<u><u>2,227,435</u></u>	<u><u>(729,013)</u></u>

**GYROGEAR LIMITED****BALANCE SHEET (CONTINUED)  
AS AT 31 MARCH 2021**

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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 profit and loss account 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:

**J F Ong**  
Director

Date: 14 April 2022

The notes on pages 5 to 13 form part of these financial statements.

# GYROGEAR LIMITED

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

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
<b>At 1 April 2019</b>	<b>125</b>	<b>470,750</b>	<b>(606,393)</b>	<b>(135,518)</b>
<b>Comprehensive loss for the year</b>				
Loss for the year	-	-	(593,495)	(593,495)
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>-</b>	<b>(593,495)</b>	<b>(593,495)</b>
<b>At 31 March 2020 and 1 April 2020</b>	<b>125</b>	<b>470,750</b>	<b>(1,199,888)</b>	<b>(729,013)</b>
<b>Comprehensive loss for the year</b>				
Loss for the year	-	-	(1,166,621)	(1,166,621)
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>-</b>	<b>(1,166,621)</b>	<b>(1,166,621)</b>
Shares issued during the year	44	4,123,025	-	4,123,069
<b>Total transactions with owners</b>	<b>44</b>	<b>4,123,025</b>	<b>-</b>	<b>4,123,069</b>
<b>At 31 March 2021</b>	<b>169</b>	<b>4,593,775</b>	<b>(2,366,509)</b>	<b>2,227,435</b>

The notes on pages 5 to 13 form part of these financial statements.

# GYROGEAR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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### 1. General information

Gyrogear Limited is a private company limited by shares incorporated in England and Wales. The address of its registered office is 90a High Street, Berkhamsted, Hertfordshire, England, HP4 2BL.

The financial statements are presented in Sterling (£).

### 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 Exemption from preparing consolidated financial statements

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the company as an individual and not about its group.

#### 2.3 Going concern

The company has reported an operating loss for the year. These losses will continue in the current accounting year to 31 March 2022. The company is currently in its research phase and is operating on a delayed timetable due to the impact of Covid-19.

The company has carried out fundraising exercises to date in order to provide the necessary capital for the company. The directors expect to continue to raise additional funding. Should future fundraising be lower than anticipated the directors will reduce the planned expenditure as necessary.

The directors are in advanced discussions with investors and have a reasonable expectation that they will be able to secure significant funding for the company for the next phase of research and development of their product.

The directors have prepared further budgets and cashflow forecasts with a worst-case scenario based on contractually committed expenditure. In this scenario the company is expected to have sufficient cash reserves to sustain the company for more than twelve months from the date of the approval of these financial statements. Accordingly, they have therefore prepared the financial statements on a going concern basis.

#### 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.

# GYROGEAR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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### 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.

The estimated useful lives range as follows:

Plant and machinery	- 8	years
Office equipment	- 3	years
Computer equipment	- 3	years

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 Financial instruments

The company has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument.

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.

The company's policies for its major classes of financial assets and financial liabilities are set out below.

##### Financial assets

Basic financial assets, including other debtors, cash and bank balances, intercompany working capital balances, 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

##### Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

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



**2. Accounting policies (continued)****Financial instruments (continued)****Impairment of financial assets**

Financial assets 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 profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the 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.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

**Derecognition of financial assets and financial liabilities**

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

**Offsetting of financial assets and financial liabilities**

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.

**2.6 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.

**2.7 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 and development shall be recognised as an expense when it is incurred.

**2. Accounting policies (continued)**

**2.8 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 profit and loss account in the same period as the related expenditure.

The company was in receipt of a Coronavirus Business Interruption Loan Scheme loan during the year including a Business Interruption Payment. The Business Interruption Payment constitutes a grant of a revenue nature and is recognised in the profit and loss account in the same period as the related expenditure.

The company was in receipt of Coronavirus Job Retention Scheme payments during the year. This grant is of a revenue nature and is recognised in the profit and loss account in other operating income in the same period as the related expenditure.

**2.9 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**2.10 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.

**2.11 Borrowing costs**

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

**2.12 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.

# GYROGEAR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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### 2. Accounting policies (continued)

#### 2.13 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.

Current tax is the amount of income tax payable in respect of taxable profit for the year or prior years.

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 arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

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.

# **GYROGEAR LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

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### **2. Accounting policies (continued)**

#### **2.14 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 profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

#### **2.15 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the profit and loss account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

### **3. Employees**

The average monthly number of employees, including directors, during the year was 10 (2020 -10).

# GYROGEAR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 4. Tangible fixed assets

	Plant and machinery £	Office equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>				
At 1 April 2020	415	9,843	21,408	31,666
Additions	-	2,891	15,792	18,683
Disposals	-	(912)	-	(912)
At 31 March 2021	415	11,822	37,200	49,437
<b>Depreciation</b>				
At 1 April 2020	69	8,276	13,961	22,306
Charge for the year on owned assets	52	1,513	7,672	9,237
Disposals	-	(912)	-	(912)
At 31 March 2021	121	8,877	21,633	30,631
<b>Net book value</b>				
At 31 March 2021	294	2,945	15,567	18,806
At 31 March 2020	346	1,567	7,447	9,360

### 5. Fixed asset investments

	Investments in subsidiary companies £
<b>Cost</b>	
Additions	56,320
At 31 March 2021	56,320

During the year Gyrogear Limited purchased 70% of the share capital for Gyrogear PTE Ltd (Based in Singapore).

# GYROGEAR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 6. Debtors

	2021 £	2020 £
Amounts owed by group undertakings	56,320	-
Other debtors	25,404	17,620
Called up share capital not paid	-	1,000
Prepayments and accrued income	10,482	4,138
Tax recoverable	34,322	-
	<u>126,528</u>	<u>22,758</u>

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

	2021 £	2020 £
Bank loans	8,333	-
Other loans	-	358,456
Trade creditors	100,108	70,344
Other taxation and social security	161,683	113,200
Other creditors	201,933	155,141
Accruals and deferred income	489,766	470,683
	<u>961,823</u>	<u>1,167,824</u>

Included in other creditors are amounts due to the director of £201,933 (2020: £153,506). This amount is interest free and repayable on demand.

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

	2021 £	2020 £
Bank loans	<u>41,667</u>	<u>-</u>

# GYROGEAR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 9. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
<b>Amounts falling due within one year</b>		
Bank loans	8,333	-
Other loans	-	358,456
	<u>8,333</u>	<u>358,456</u>
<b>Amounts falling due 1-2 years</b>		
Bank loans	41,667	-
	<u>50,000</u>	<u>358,456</u>

Bank loans shown above are guaranteed by the UK Government under BBLS.

### 10. Share capital

	2021 £	2020 £
<b>Allotted, called up and fully paid</b>		
16,870,180 (2020 -12,500,000) Ordinary shares of £0.000010 each	<u>169</u>	<u>125</u>

During the year the company issued 4,370,180 shares for a total contribution of £4,123,025.

### 11. Post balance sheet events

The company raised further funding post the balance sheet date. The company issued 827,278 shares for a total contribution of £974,864.

### 12. Controlling party

The company's ultimate controlling party is Dr Joon Faii Ong by virtue of his majority ownership of the issued share capital in the company.

### 13. Auditor's information

The auditor's report on the financial statements for the year ended 31 March 2021 was unqualified.

The audit report was signed on 27 April 2022 by Daniel Burke (senior statutory auditor) on behalf of Blick Rothenberg Audit LLP





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.