

MASK LOGIC LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2023
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MASK LOGIC LTD
BALANCE SHEET
AS AT 28 FEBRUARY 2023

	Note	28.02.2023	28.02.2022
		£	£
Fixed assets			
Tangible assets	3	9,050	4,067
		9,050	4,067
Current assets			
Debtors	4	4,522	25,203
Cash at bank and in hand		35,709	119,144
		40,231	144,347
Creditors: amounts falling due within one year	5	(15,170)	(25,568)
Net current assets		25,061	118,779
Total assets less current liabilities		34,111	122,846
Creditors: amounts falling due after more than one year	6	(13,708)	0
Net assets		20,403	122,846
Capital and reserves			
Called-up share capital	7	253	253
Share premium account		114,679	114,679
Equity reserve		15,000	15,000
Profit and loss account		(109,529)	(7,086)
Total shareholders' funds		20,403	122,846

For the financial year ending 28 February 2023 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 of its financial statements for the financial year in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements; and
- These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and a copy of the Profit and Loss Account has not been delivered.

The financial statements of Mask Logic Ltd (registered number: SC688636) were approved and authorised for issue by the Director on 25 October 2023. They were signed on its behalf by:

Dr M Fink
Director

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NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding financial period, unless otherwise stated.

General information and basis of accounting

Mask Logic Ltd (the Company) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in Scotland. The address of the Company's registered office is Floor 3, 1-4 Atholl Crescent, Edinburgh, EH3 8HA, Scotland, United Kingdom.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are presented in pounds sterling which is the functional currency of the Company and rounded to the nearest £.

Going concern

The directors have assessed the Balance Sheet and likely future cash flows at the date of approving these financial statements. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence and to meet its financial obligations as they fall due for at least 12 months from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Turnover

Turnover represents amounts receivable for work carried out in respect of research and development of bespoke-fit reusable P3 facemasks, net of VAT.

Turnover generated from research and development of bespoke-fit reusable P3 facemask is recognised based on the stage of completion of each project determined with reference to associated costs incurred as a proportion of projected costs.

Turnover recognised in the profit and loss account but not yet invoiced is held on the balance sheet within accrued income. Turnover invoiced but not yet recognised in the profit and loss account is held on the balance sheet within deferred income.

Employee benefits

Short term benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Taxation

Current tax

Current tax is provided at amounts expected to be paid (or recoverable) using the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date.

Intangible assets

Intangible assets are stated at cost or valuation, net of amortisation and any provision for impairment. Amortisation is provided on all intangible assets at rates to write off the cost or valuation of each asset over its expected useful life as follows:

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Research and development

Research expenditure is written off as incurred. Development expenditure is also written off, except where the directors are satisfied as to the technical, commercial and financial viability of individual projects. In such cases, the identifiable expenditure is capitalised as an intangible asset and amortised over the period during which the Company is expected to benefit. This period is between three and five years. Provision is made for any impairment.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment property and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line or reducing balance basis over its expected useful life, as follows:

Plant and machinery	3 years straight line
Computer equipment	3 years straight line

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each Balance Sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Profit and Loss Account as described below.

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand.

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a 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.

Financial assets and liabilities are only offset in the Balance Sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

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Basic financial liabilities

Basic financial liabilities, including creditors and 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

2. Employees

	Year ended 28.02.2023	Period from 09.02.2021 to 28.02.2022
	Number	Number
Monthly average number of persons employed by the Company during the year, including directors	2	3

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3. Tangible assets

	Plant and machinery	Computer equipment	Total
	£	£	£
Cost			
At 01 March 2022	0	4,183	4,183
Additions	9,566	0	9,566
At 28 February 2023	9,566	4,183	13,749
Accumulated depreciation			
At 01 March 2022	0	116	116
Charge for the financial year	3,189	1,394	4,583
At 28 February 2023	3,189	1,510	4,699
Net book value			
At 28 February 2023	6,377	2,673	9,050
At 28 February 2022	0	4,067	4,067

4. Debtors

	28.02.2023	28.02.2022
	£	£
Other debtors	4,522	25,203

5. Creditors: amounts falling due within one year

	28.02.2023	28.02.2022
	£	£
Trade creditors	572	855
Other taxation and social security	1,270	1,980
Other creditors	13,328	22,733
	15,170	25,568

6. Creditors: amounts falling due after more than one year

	28.02.2023	28.02.2022
	£	£
Other creditors	13,708	0

There are no amounts included above in respect of which any security has been given by the small entity.

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7. Called-up share capital

	28.02.2023	28.02.2022
	£	£
Allotted, called-up and fully-paid		
25,275 Ordinary shares of £ 0.01 each	253	253

8. Financial commitments

Commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	28.02.2023	28.02.2022
	£	£
within one year	3,450	6,150

9. Events after the Balance Sheet date

Since the year end the company has raised additional equity investment of £220,000 from investors.

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.