

**WARWICK ACOUSTICS LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**WARWICK ACOUSTICS LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**DIRECTORS:** Dr D R Billson  
Dr M A Grant  
R J Kendrick  
Mercia Fund Management (Nominees) Limited  
G Waters  
I J Harnett  
J M Chapman

**SECRETARY:** Brodies Secretarial Services Limited

**REGISTERED OFFICE:** Mira Technology Park  
Unit 3, NW07  
Watling Street  
Nuneaton  
Warwickshire  
CV10 0TU

**REGISTERED NUMBER:** 04451674 (England and Wales)

**ACCOUNTANTS:** Duncan & Toplis Limited  
3 Princes Court  
Royal Way  
Loughborough  
Leicestershire  
LE11 5XR

**STATEMENT OF FINANCIAL POSITION  
30 SEPTEMBER 2023**

	Notes	2023 £	2022 £
<b>FIXED ASSETS</b>			
Intangible assets	4	6,976,063	5,448,674
Property, plant and equipment	5	171,132	219,098
Investments	6	<u>1</u>	<u>1</u>
		<u>7,147,196</u>	<u>5,667,773</u>
<b>CURRENT ASSETS</b>			
Inventories		479,689	363,425
Debtors	7	1,183,816	858,005
Cash at bank		<u>796,453</u>	<u>3,774,541</u>
		<u>2,459,958</u>	<u>4,995,971</u>
<b>CREDITORS</b>			
Amounts falling due within one year	8	<u>677,180</u>	<u>413,129</u>
<b>NET CURRENT ASSETS</b>		<u>1,782,778</u>	<u>4,582,842</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>8,929,974</u>	<u>10,250,615</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	9	(5,000)	(8,000)
<b>PROVISIONS FOR LIABILITIES</b>		<u>(1,260,499)</u>	<u>(1,009,927)</u>
<b>NET ASSETS</b>		<u><u>7,664,475</u></u>	<u><u>9,232,688</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	4,435,445	4,435,445
Share premium		5,641,343	5,641,343
Share option reserve		657,244	521,430
Retained earnings		<u>(3,069,557)</u>	<u>(1,365,530)</u>
		<u><u>7,664,475</u></u>	<u><u>9,232,688</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 September 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 September 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

**STATEMENT OF FINANCIAL POSITION - continued**  
**30 SEPTEMBER 2023**

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

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

The financial statements were approved by the Board of Directors and authorised for issue on 4 January 2024 and were signed on its behalf by:

Dr M A Grant - Director

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**1. GENERAL INFORMATION**

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

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

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The financial statements cover the individual entity.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

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

The financial statements have been prepared on the going concern basis

**Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**Revenue**

Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue is recognised upon despatch of goods or on provision of services.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets are amortised over their estimated useful life as follows:

Development costs	Amortised evenly over twenty years
Patents and licences	Amortised evenly over twenty years
Website	Amortised evenly over three years
Software and SAP implementation	Amortised evenly over three years

**Property, plant and equipment**

Property, plant and equipment is stated at cost less accumulated depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its expected useful life, as follows:

Office construction	Straight line over 24 months
Tooling	Straight line over 36 months
Other assets	Straight line over 36 months

**Investments in subsidiaries**

Investments in subsidiary undertakings are recognised at cost less impairment.

**Inventories**

Inventories are valued at the lower of cost and fair value less costs to complete and sell, after making due allowance for obsolete and slow moving items.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**2. ACCOUNTING POLICIES - continued**

**Taxation**

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

Current or deferred taxation assets and liabilities are not discounted.

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

**Deferred tax**

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

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

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

**Research and development**

Research expenditure is written off to the income statement in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is capitalised and amortised over the period during which the company is expected to benefit.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Share-based payment**

The cost and corresponding increase in equity in respect of equity-settled share-based payment transactions with employees are measured by reference to the fair value of equity instruments issued at the date of grant. Amounts are expensed on a straight line basis over the vesting period based on the estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions. The cost and fair value of the liability incurred in respect of cash-settled transactions is measured using an appropriate option pricing model with changes in fair value recognised in profit or loss for the period.

**Going concern**

The Directors have prepared and reviewed detailed financial forecasts of the Group and, in particular, considered the cash flow requirements for the period from the date of approval of these financial statements to the end of December 2024. These forecasts sit within the Group's latest estimate and within the longer-term financial plan, both of which are updated on a regular basis

The Directors have received confirmed offers, subject to standard conditions precedent, of significant equity funding from existing and potential new investors in the Company and, subject to securing a level of equity funding, has received an offer of debt finance from a UK institute. Notwithstanding this, the Directors remain mindful of the impact that the risks and uncertainties identified by the Executive Management in a submission made in September 2023 may have on these estimates and its ability to raise further funds.

After due consideration of the forecasts prepared, the Group's current cash resources and its ability to potentially access additional debt and equity funds to further develop the business, the Directors consider that the Company has adequate financial resources to continue in operational existence for the foreseeable future (being a period of at least 12 months from the date of this report), and for this reason the financial statements have been prepared on the going concern basis.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 46 (2022 - 35) .

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**4. INTANGIBLE FIXED ASSETS**

	Other intangible assets £
<b>COST</b>	
At 1 October 2022	6,375,248
Additions	1,878,325
At 30 September 2023	<u>8,253,573</u>
<b>AMORTISATION</b>	
At 1 October 2022	926,574
Charge for year	350,936
At 30 September 2023	<u>1,277,510</u>
<b>NET BOOK VALUE</b>	
At 30 September 2023	<u>6,976,063</u>
At 30 September 2022	<u>5,448,674</u>

**5. PROPERTY, PLANT AND EQUIPMENT**

	Plant and machinery etc £
<b>COST</b>	
At 1 October 2022	781,106
Additions	73,811
Disposals	(834)
At 30 September 2023	<u>854,083</u>
<b>DEPRECIATION</b>	
At 1 October 2022	562,008
Charge for year	120,943
At 30 September 2023	<u>682,951</u>
<b>NET BOOK VALUE</b>	
At 30 September 2023	<u>171,132</u>
At 30 September 2022	<u>219,098</u>

**6. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>COST</b>	
At 1 October 2022	
and 30 September 2023	<u>1</u>
<b>NET BOOK VALUE</b>	
At 30 September 2023	<u>1</u>
At 30 September 2022	<u>1</u>

The fixed asset investment relates to Sonoma Acoustics Limited, a wholly owned subsidiary. Sonoma Acoustics Limited is a dormant company.



**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023	2022
	£	£
Trade debtors	481,078	151,356
Tax	500,311	376,468
VAT	10,052	34,290
Accrued income	56,307	211,619
Prepayments	136,068	84,272
	<u>1,183,816</u>	<u>858,005</u>

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023	2022
	£	£
Bank loans and overdrafts	3,000	3,000
Trade creditors	171,810	179,908
Other taxes and social security	80,650	63,533
Other creditors	36,276	27,116
Deferred income	223,860	23,620
Accrued expenses	161,584	115,952
	<u>677,180</u>	<u>413,129</u>

**9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2023	2022
	£	£
Bank loans - 1-2 years	3,000	3,000
Bank loans - 2-5 years	2,000	5,000
	<u>5,000</u>	<u>8,000</u>

**10. CALLED UP SHARE CAPITAL**

	2023	2022
£		
<b>Allotted, called up and fully paid</b>		
749,815,288 Ordinary of £0.0001 each	74,982	74,982
4,185,799,159 C Ordinary of £0.001 each	4,185,799	4,185,799
1,746,651,553 D Ordinary of £0.0001 each	174,665	174,665
	<u>4,435,446</u>	<u>4,435,446</u>

During the year share options vested with a fair value of £135,814 (2022: £42,961) which has been recognised with an increase in the share option reserve.

**11. OTHER FINANCIAL COMMITMENTS**

The company has the following commitments due as follows:

	2023	2022
£		
In one year	211,498	228,212
2-5 years	185,582	397,080
	<u>397,080</u>	<u>625,292</u>