

Company registration number 10906840 (England and Wales)

LINA ENERGY LTD
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
PAGES FOR FILING WITH REGISTRAR

LINA ENERGY LTD

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 7

LINA ENERGY LTD

BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	4		185,004		183,003
Tangible assets	5		1,071,215		1,057,865
			<u>1,256,219</u>		<u>1,240,868</u>
Current assets					
Stocks		83,852		40,550	
Debtors	6	578,373		1,077,568	
Cash at bank and in hand		4,250,889		3,046,888	
		<u>4,913,114</u>		<u>4,165,006</u>	
Creditors: amounts falling due within one year	7	<u>(194,813)</u>		<u>(259,196)</u>	
Net current assets			<u>4,718,301</u>		<u>3,905,810</u>
Total assets less current liabilities			<u>5,974,520</u>		<u>5,146,678</u>
Capital and reserves					
Called up share capital	8		196		178
Share premium account			10,259,290		7,272,913
Profit and loss reserves			(4,284,966)		(2,126,413)
Total equity			<u>5,974,520</u>		<u>5,146,678</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 18 October 2023 and are signed on its behalf by:

Mr J Morrish
Director

Company Registration No. 10906840

LINA ENERGY LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

LiNa Energy Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Unit 8 Sharpes Mill, White Cross Business Park, South Road, Lancaster, LA1 4XQ.

1.1 Accounting convention

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 Intangible fixed assets other than goodwill

The intellectual property rights are valued at the cost of acquisition.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	33% Straight Line
Intellectual Property	10% Straight Line
Patent Costs	Over the expected useful life of the patent

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over the terms of the lease
Plant and equipment	10%-33% Straight Line
Computers	33% Straight Line
Plant and equipment - Modified	100% Straight Line

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.

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

LINA ENERGY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (Continued)

1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors, 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.

Classification of financial liabilities

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.

Basic financial liabilities

Basic financial liabilities, including creditors, 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.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

LINA ENERGY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (Continued)

1.9 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes 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 reporting end date.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

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

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1.14 Research and development

Research and development expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

LINA ENERGY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

2 Judgements and key sources of estimation uncertainty (Continued)

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Amortisation of intellectual property

Intellectual property which has been capitalised is amortised over the period explained in the relevant accounting policy.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Total	25	20

4 Intangible fixed assets

	Software £	Intellectual Property £	Patent Costs £	Total £
Cost				
At 1 April 2022	16,462	199,962	31,522	247,946
Additions	11,334	-	14,264	25,598
At 31 March 2023	27,796	199,962	45,786	273,544
Amortisation and impairment				
At 1 April 2022	9,954	54,989	-	64,943
Amortisation charged for the year	2,922	19,996	679	23,597
At 31 March 2023	12,876	74,985	679	88,540
Carrying amount				
At 31 March 2023	14,920	124,977	45,107	185,004
At 31 March 2022	6,508	144,973	31,522	183,003

LINA ENERGY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

5	Tangible fixed assets	Leasehold improvements	Plant and equipment	Computers	Total
		£	£	£	£
	Cost				
	At 1 April 2022	410,430	915,895	36,533	1,362,858
	Additions	210,555	458,077	22,101	690,733
	Disposals	-	(2,058)	(2,895)	(4,953)
	At 31 March 2023	<u>620,985</u>	<u>1,371,914</u>	<u>55,739</u>	<u>2,048,638</u>
	Depreciation and impairment				
	At 1 April 2022	76,909	214,367	13,717	304,993
	Depreciation charged in the year	348,044	313,468	13,960	675,472
	Eliminated in respect of disposals	-	(722)	(2,320)	(3,042)
	At 31 March 2023	<u>424,953</u>	<u>527,113</u>	<u>25,357</u>	<u>977,423</u>
	Carrying amount				
	At 31 March 2023	<u>196,032</u>	<u>844,801</u>	<u>30,382</u>	<u>1,071,215</u>
	At 31 March 2022	<u>333,521</u>	<u>701,528</u>	<u>22,816</u>	<u>1,057,865</u>
	6 Debtors			2023	2022
	Amounts falling due within one year:			£	£
	Corporation tax recoverable			474,810	249,613
	Other debtors			60,429	174,224
	Prepayments and accrued income			43,134	653,731
				<u>578,373</u>	<u>1,077,568</u>
	7 Creditors: amounts falling due within one year			2023	2022
				£	£
	Trade creditors			42,662	172,254
	Taxation and social security			42,450	39,806
	Other creditors			109,701	47,136
				<u>194,813</u>	<u>259,196</u>

LINA ENERGY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8	Called up share capital	2023	2022
		£	£
	Ordinary share capital		
	Issued and fully paid		
	195,670 (2022: 177,930) Ordinary shares of 0.1p each	196	178
		<u> </u>	<u> </u>

In the current year, the company has issued a further 17,740 (2022: 24,740) shares at a nominal value of 0.1p each for a consideration of £168.34 (2022: £150.50).

9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Statutory Auditor:

Darren Harding ACA, FCCA, DChA

10 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2023	2022
£	£
21,717	42,279
<u> </u>	<u> </u>

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.