

**WAVESIGHT LIMITED**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

BALANCE SHEET  
AS AT 31 DECEMBER 2021

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	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	4	1,266	5,380
<b>Current assets</b>			
Stocks	5	578,335	486,249
Debtors: amounts falling due within one year	6	886,918	831,484
Cash at bank and in hand	7	12,765	7,691
		<u>1,478,018</u>	<u>1,325,424</u>
Creditors: amounts falling due within one year	8	<u>(2,978,795)</u>	<u>(2,782,380)</u>
<b>Net current liabilities</b>		<u>(1,500,777)</u>	<u>(1,456,956)</u>
<b>Total assets less current liabilities</b>		<u>(1,499,511)</u>	<u>(1,451,576)</u>
Creditors: amounts falling due after more than one year	9	(34,399)	(50,000)
<b>Net liabilities</b>		<u><u>(1,533,910)</u></u>	<u><u>(1,501,576)</u></u>
<b>Capital and reserves</b>			
Called up share capital		81	81
Profit and loss account		(1,533,991)	(1,501,657)
		<u><u>(1,533,910)</u></u>	<u><u>(1,501,576)</u></u>

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**WAVESIGHT LIMITED**  
**REGISTERED NUMBER: 05158324**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2021**

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The Directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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.

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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 statement of comprehensive income 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 on 29 September 2022.

**Pravin Kumar Sood**  
**Director**

The notes on pages 3 to 11 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1. General information**

The Company is a private company limited by shares, registered in England and Wales. The address of the registered office is Unit 13 Sundon Business Park, Dencora Way, Sundon Park, Luton, Bedfordshire, LU3 3HP.

**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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

**2.2 Going concern**

The Company has prepared the financial statements on the going concern basis which is dependent on the continued financial support of the Company's creditors.

**2.3 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 Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.6 Interest income

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

2.7 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.

2.8 Borrowing costs

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

2.9 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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2. Accounting policies (continued)

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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.

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 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.

2.11 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.

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.

Depreciation is provided on the following basis:

Plant and machinery	-	33%
Office equipment	-	33%
Computer equipment	-	33%

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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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**2. Accounting policies (continued)**

**2.12 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.13 Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.14 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.

**2.15 Creditors**

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.16 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

**2.17 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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2. Accounting policies (continued)

2.17 Financial instruments (continued)

transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are 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 Statement of comprehensive income.

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

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

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.

3. Employees

The average monthly number of employees, including the Directors, during the year was as follows:

	2021 No.	2020 No.
Employees	<u>4</u>	<u>4</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

4. Tangible fixed assets

	Plant and machinery £	Office equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>				
At 1 January 2021	9,141	1,748	13,209	24,098
Additions	-	-	1,899	1,899
At 31 December 2021	<u>9,141</u>	<u>1,748</u>	<u>15,108</u>	<u>25,997</u>
<b>Depreciation</b>				
At 1 January 2021	7,710	1,319	9,689	18,718
Charge for the year on owned assets	1,431	429	4,153	6,013
At 31 December 2021	<u>9,141</u>	<u>1,748</u>	<u>13,842</u>	<u>24,731</u>
<b>Net book value</b>				
At 31 December 2021	<u>-</u>	<u>-</u>	<u>1,266</u>	<u>1,266</u>
<i>At 31 December 2020</i>	<u>1,431</u>	<u>429</u>	<u>3,520</u>	<u>5,380</u>

5. Stocks

	2021 £	2020 £
Finished goods and goods for resale	578,335	486,249
	<u>578,335</u>	<u>486,249</u>

6. Debtors

	2021 £	2020 £
Trade debtors	87,344	71,858
Amounts owed by group undertakings	751,867	618,141
Other debtors	47,707	137,795
Deferred taxation	-	3,690
	<u>886,918</u>	<u>831,484</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

6. Debtors (continued)

7. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	12,765	7,691
	<u>12,765</u>	<u>7,691</u>

8. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loans	10,000	-
Trade creditors	210,962	106,364
Amounts owed to group undertakings	1,368,898	637,790
Other taxation and social security	162,826	105,469
Other creditors	1,202,515	1,887,843
Accruals and deferred income	23,594	44,914
	<u>2,978,795</u>	<u>2,782,380</u>

9. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Bank loans	34,399	50,000
	<u>34,399</u>	<u>50,000</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

10. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
<b>Amounts falling due within one year</b>		
Bank loans	10,000	-
<b>Amounts falling due 1-2 years</b>		
Bank loans	34,399	50,000
	<u>44,399</u>	<u>50,000</u>

11. Deferred taxation

	2021 £
At beginning of year	3,690
Charged to profit or loss	(3,690)
<b>At end of year</b>	<u>-</u>

The deferred tax asset is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	-	3,690
	<u>-</u>	<u>3,690</u>

12. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £7,700 (2020 - £4,452). Contributions totalling £nil (2020 - £nil) were payable to the fund at the balance sheet date and are included in creditors.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**13. Related party transactions**

At the year end £482,927 (2020: £507,863) was owed by Wavesight Limited to Hidalgo Limited, a company in which P Sood and A Sood are directors and an associated company by virtue of common ownership. During the year, total purchases were £nil (2020: £15,759). Total sales for the year were £nil (2020: £nil).

During the year, the Company had the following transactions with Jaltek Systems Limited, a company in which P Sood and A Sood are directors. Total sales for the year were £nil (2020: £nil). Total purchases for the year were £43,162 (2020: £39,840). The amount due from Wavesight Limited at 31 December 2021 was £nil (2020: £nil).

During the year, the Company had the following transactions with Jaltek Holdings Limited, a company in which P Sood and A Sood are directors. The amount due to Wavesight Limited at 31 December 2021 was £170,128 (2020: £129,927).

During the year the Company made purchases from Jaltek Design Services Limited, a company in which P Sood and A Sood are directors. Total purchases for the year amounted to £nil (2020: £nil). At the year end Wavesight Limited owed Jaltek Design Services Limited £nil (2020: £nil).

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.