REGISTERED NUMBER: 03439720 (England and Wales)

Financial Statements

for the Year Ended 31 December 2022

for

HME Clear-Com Limited

Contents of the Financial Statements for the Year Ended 31 December 2022

HME Clear-Com Limited

Company Information
for the Year Ended 31 December 2022

DIRECTORS:	Ms H I Miyahira H Y Miyahira C H Miyahira Ms M Dominguez
SECRETARY:	Ms H I Miyahira
REGISTERED OFFICE:	2000 Beach Drive Cambridge Research Park Cambridge Cambridgeshire CB25 9TP
REGISTERED NUMBER:	03439720 (England and Wales)
AUDITORS:	Knights Lowe Limited Chartered Accountants and Statutory Auditors Eldo House, Kempson Way Suffolk Business Park Bury St Edmunds Suffolk IP32 7AR

Balance Sheet
31 December 2022

	Notes	2022 £	2022 £	2021 £	2021 £
FIXED ASSETS					
Tangible assets	5		**14,060**		111,772
CURRENT ASSETS					
Debtors	6	**4,713,991**		4,263,409	
Cash at bank		**325,657**		33,239	
		5,039,648		4,296,648	
CREDITORS					
Amounts falling due within one year	7	**803,349**		730,974	
NET CURRENT ASSETS			**4,236,299**		3,565,674
TOTAL ASSETS LESS CURRENT LIABILITIES			**4,250,359**		3,677,446
CREDITORS					
Amounts falling due after more than one year	8		**(116,000)**		(92,800)
PROVISIONS FOR LIABILITIES	10		**-**		(5,852)
NET ASSETS			**4,134,359**		3,578,794
CAPITAL AND RESERVES					
Called up share capital	11		**2**		2
Retained earnings			**4,134,357**		3,578,792
SHAREHOLDERS' FUNDS			**4,134,359**		3,578,794

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 29 September 2023 and were signed on its behalf by:

Ms M Dominguez - Director

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 December 2022

1. **STATUTORY INFORMATION**

HME Clear-Com 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 (£).

2. **STATEMENT OF COMPLIANCE**

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.

3. **ACCOUNTING POLICIES**

Basis of preparing the financial statements
The financial statements have been prepared under the historical cost convention.

Going concern
The directors have a reasonable expectation that the company has adequate resources to continue in operation existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Turnover
Turnover comprises the value of sales (excluding VAT) of goods and services supplied during the year. Income from the provision of services to Clear Com LLC, a fellow group company, is also shown as turnover.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Research & development assets	- Straight line over 2 years
Equipment, fixtures & fittings	- 3 to 15 years straight line

Fixed assets relating to the lease of the premises have been written of over the life of the lease, this being 10 years.

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3. **ACCOUNTING POLICIES - continued**

Financial instruments
Financial assets and 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 arrangement 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
All financial assets and liabilities are initially measured at transaction price (including transaction costs), except fo those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction.

Financial assets and liabilities are only offset in the statement of financial position 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.

Financial assets are derecognised when and only when (a) the contractual rights to the cash flows from the financial asset expire or are settled, (b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or (c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

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 balance sheet date.

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet 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 and development expenditure is written off in the period that the expenditure is incurred.

Foreign currencies
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet 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.

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3. **ACCOUNTING POLICIES - continued**

Operating leases
Costs in respect of operating leases are charged on a straight line basis over the lease term.

Pension costs and other post-retirement benefits
The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting period.

Impairment
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 profit or loss as described below.

Non-financial assets
An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets
For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cashflows, discounted at the financial asset's original effective interest rate.

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

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

4. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 38 (2021 - 34) .

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5. **TANGIBLE FIXED ASSETS**

	Plant and machinery etc £
COST	
At 1 January 2022	**1,255,688**
Additions	**8,828**
At 31 December 2022	**1,264,516**
DEPRECIATION	
At 1 January 2022	**1,143,916**
Charge for year	**106,540**
At 31 December 2022	**1,250,456**
NET BOOK VALUE	
At 31 December 2022	**14,060**
At 31 December 2021	111,772

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

	2022 £	2021 £
Trade debtors	**16,310**	12,752
Amounts owed by group undertakings	**4,507,954**	4,037,945
Other debtors	**189,727**	212,712
	4,713,991	4,263,409

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

	2022 £	2021 £
Trade creditors	**41,151**	75,956
Amounts owed to group undertakings	**363,757**	321,437
Taxation and social security	**160,612**	199,598
Other creditors	**237,829**	133,983
	803,349	730,974

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

	2022 £	2021 £
Other creditors	**116,000**	92,800

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9. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022	2021
	£	£
Within one year	97,739	179,167
Between one and five years	706,780	-
In more than five years	1,545,041	-
	2,349,560	179,167

10. PROVISIONS FOR LIABILITIES

	2021
	£
Deferred tax	
Accelerated capital allowances	5,852

	Deferred tax
	£
Balance at 1 January 2022	5,852
Provided during year	(36,665)
Balance at 31 December 2022	(30,813)

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2022 £	2021 £
2	Ordinary	£1	2	2

12. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

James Knights BSc ACA (Senior Statutory Auditor)
for and on behalf of Knights Lowe Limited

13. RELATED PARTY DISCLOSURES

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.

14. PARENT UNDERTAKING

The controlling party is HM Electronics Inc.

HME Clear-Com Ltd's parent company is HM Electronics Inc, a company incorporated in America. Their registered office and principal place of business is 14110 Stowe Drive, Poway, California 92064.