

Company Registration No. 05158324 (England and Wales)

WAVESIGHT LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013



WAVESIGHT LIMITED

COMPANY INFORMATION

Directors	P K Sood A K Sood J S Pittom
Secretary	A K Sood
Company number	05158324
Registered office	Unit 13 Sundon Business Park Dencora Way Sundon Park Luton Bedfordshire LU3 3HP
Independent Auditors	Saffery Champness Lion House Red Lion Street London WC1R 4GB
Bankers	Barclays Bank plc Dunstable Road Luton LU1 1BB

WAVESIGHT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2013

The directors present their report and financial statements for the year ended 31 July 2013

Principal activities

The principal activity of the company continued to be that of the manufacture and sale of wireless and cable broadband products

Directors

The following directors have held office since 1 August 2012

P K Sood
A K Sood
J S Pittom

Auditors

Saffery Champness were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors have reviewed the company's financial position at the balance sheet date and for the period ending on the anniversary of the date of approval of these financial statements. They have considered liquidity risk, key assumptions and uncertainties. As a result of this assessment, the directors have adopted the going concern basis of accounting for the preparation of these financial statements.

WAVESIGHT LIMITED

**DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2013**

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

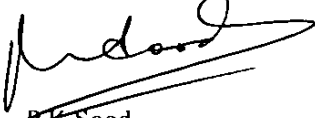
Going concern

The financial statements have been prepared on the going concern basis, which is dependent upon the continuing financial support of the company's parent company, Jaltek Systems Limited.

The parent company has given written assurance that it will provide continued financial support to the company. Written assurance has also been provided that existing loans made to the company are subordinated and acknowledges that repayment thereof will not be required until the company's overall financial position allows it to do so. The financial statements do not include any adjustments that would result from the company not being able to continue as a going concern.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board



P. K. Sood

Director

17 January 2014

WAVESIGHT LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WAVESIGHT LIMITED

We have audited the financial statements of Wavesight Limited for the year ended 31 July 2013 set out on pages 5 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 July 2013 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

WAVESIGHT LIMITED

**INDEPENDENT AUDITORS' REPORT (continued)
TO THE MEMBERS OF WAVESIGHT LIMITED**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report



**Michael Di Leto (Senior Statutory Auditor)
for and on behalf of Saffery Champness**

21 January 2014

**Chartered Accountants
Statutory Auditors**

Lion House
Red Lion Street
London
WC1R 4GB

WAVESIGHT LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2013**

	Notes	2013 £	2012 £
Turnover	2	1,377,517	880,209
Cost of sales		<u>(807,774)</u>	<u>(305,905)</u>
Gross profit		569,743	574,304
Administrative expenses		(477,390)	(442,854)
Other operating income		<u>2,058</u>	<u>458</u>
Profit on ordinary activities before taxation	3	94,411	131,908
Tax on profit on ordinary activities	4	<u>(912)</u>	<u>192</u>
Profit for the year	11	<u>93,499</u>	<u>132,100</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

The notes on pages 7 to 13 form part of these financial statements

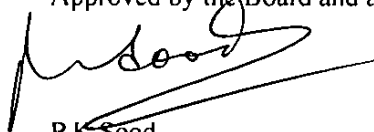
WAVESIGHT LIMITED**BALANCE SHEET
AS AT 31 JULY 2013**

	Notes	£	2013 £	£	2012 £
Current assets					
Stocks		132,007		103,761	
Debtors	6	347,164		295,674	
Cash at bank and in hand		15,859		10,493	
			495,030	409,928	
Creditors: amounts falling due within one year	7	<u>(2,938,089)</u>		<u>(2,946,486)</u>	
Total assets less current liabilities			(2,443,059)	(2,536,558)	
			<u>(2,443,059)</u>	<u>(2,536,558)</u>	
Capital and reserves					
Called up share capital	10		81	81	
Profit and loss account	11		<u>(2,443,140)</u>	<u>(2,536,639)</u>	
Shareholders' funds	12		<u>(2,443,059)</u>	<u>(2,536,558)</u>	

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

The notes on pages 7 to 13 form part of these financial statements

Approved by the Board and authorised for issue on 17 January 2014



P K Sood
Director

Company Registration No. 05158324

WAVESIGHT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

1.4 Research and development

Research and development expenditure is written off to the profit and loss account in the year in which it is incurred

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Plant and machinery	33% straight line
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1.6 Stock

Stock is valued at the lower of cost and net realisable value

1.7 Pensions

The company operates a defined contributions scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.8 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

WAVESIGHT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2013**

2 Turnover

In the year to 31 July 2013 36% (2012 - 30%) of the company's turnover was to markets outside the United Kingdom

3 Operating profit	2013	2012
	£	£
Operating profit is stated after charging		
Loss on foreign exchange transactions	-	2,486
Auditors' remuneration (including expenses and benefits in kind)	4,733	5,398
and after crediting		
Profit on foreign exchange transactions	<u>(316)</u>	<u>-</u>

WAVESIGHT LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2013**

4 Taxation	2013 £	2012 £
Domestic current year tax		
Adjustment for prior years	-	(1,453)
Total current tax	-	(1,453)
Deferred tax		
Origination and reversal of timing differences	912	1,261
	<u>912</u>	<u>(192)</u>
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	<u>94,411</u>	<u>131,908</u>
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 24.00% (2012 - 24.00%)	<u>22,659</u>	<u>31,658</u>
Effects of		
Non deductible expenses	947	328
Capital allowances	(681)	(908)
Tax losses utilised	(22,925)	(5,505)
Research and development	-	(25,573)
Adjustments for prior year	-	(1,453)
	<u>(22,659)</u>	<u>(33,111)</u>
Current tax charge for the year	<u>-</u>	<u>(1,453)</u>

The company has estimated losses of £1,176,737 (2012 - £1,272,256) available for carry forward against future trading profits

A deferred tax asset of £247,115 (2012 £292,619) for losses incurred has not been recognised in the accounts

WAVESIGHT LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2013**

5 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 August 2012 & at 31 July 2013	<u>47,118</u>
Depreciation	
At 1 August 2012 & at 31 July 2013	<u>47,118</u>
Net book value	
At 31 July 2013	<u>-</u>
At 31 July 2012	<u>-</u>

6 Debtors

	2013 £	2012 £
Trade debtors	243,290	225,463
Amounts owed by group undertakings	100,377	48,788
Other debtors	781	17,795
Deferred tax asset (see note 8)	<u>2,716</u>	<u>3,628</u>
	<u>347,164</u>	<u>295,674</u>

WAVESIGHT LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2013**

7	Creditors: amounts falling due within one year	2013	2012
		£	£
	Trade creditors	47,391	15,961
	Amounts owed to group undertakings	2,868,367	2,925,224
	Taxation and social security	22,136	6,437
	Other creditors	195	(1,136)
		<u>2,938,089</u>	<u>2,946,486</u>

Included in amounts owed to group undertakings above is a loan due to Jaltek Systems Limited of £1,329,080 (2012 £1,329,080). The loan term is 8 years from 6 October 2004 and carries interest at 5% per annum, compounded daily and paid on the redemption date. Interest due on the loans has been waived for the period under review.

8 Provisions for liabilities

The deferred tax asset (included in debtors, note 6) is made up as follows:

	2013	
	£	
Balance at 1 August 2012	(3,628)	
Profit and loss account	<u>912</u>	
Balance at 31 July 2013	<u>(2,716)</u>	

	2013	2012
	£	£
Decelerated capital allowances	<u>(2,716)</u>	<u>(3,628)</u>

WAVESIGHT LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)**
FOR THE YEAR ENDED 31 JULY 2013

9 Pension and other post-retirement benefit commitments**Defined contribution**

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 pension cost charge represents contributions payable by the company to the fund.

	2013 £	2012 £
Contributions payable by the company for the year	<u>5,095</u>	<u>3,478</u>

10 Share capital

	2013 £	2012 £
Allotted, called up and fully paid		
813,750 ordinary shares of £0.0001 each	<u>81</u>	<u>81</u>

11 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 August 2012	(2,536,639)
Profit for the year	<u>93,499</u>
Balance at 31 July 2013	<u>(2,443,140)</u>

12 Reconciliation of movements in shareholders' funds

	2013 £	2012 £
Profit for the financial year	93,499	132,100
Opening shareholders' funds	<u>(2,536,558)</u>	<u>(2,668,658)</u>
Closing shareholders' funds	<u>(2,443,059)</u>	<u>(2,536,558)</u>

WAVESIGHT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2013

13 Financial commitments

At 31 July 2013 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 July 2014

	Other 2013 £	2012 £
Operating leases which expire		
Within one year	-	2,344
Within two to five years	6,103	-
	<u>6,103</u>	<u>2,344</u>

14 Control

The parent company is Jaltek Systems Limited, a company incorporated in England and Wales

The company's ultimate controlling party is Jaltek Trust, a discretionary Trust established in Jersey

Jaltek Systems Limited prepare consolidated accounts and these are available at Companies House, Crown Way, Maundy, Cardiff

15 Related party relationships and transactions

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group