

Report of the Directors and
Financial Statements
for the Year Ended 31st December 2022
for
Comtest Wireless International Ltd

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

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	3
Income Statement	5
Other Comprehensive Income	6
Balance Sheet	7
Statement of Changes in Equity	8
Notes to the Financial Statements	9

Company Information
for the Year Ended 31st December 2022

DIRECTORS:

H P C Derksen
K C Siebert
M T Taylor

REGISTERED OFFICE:

Astor House
Newbury Business Park
London Road
Newbury
Berkshire
RG14 2PZ

REGISTERED NUMBER:

09524599 (England and Wales)

AUDITORS:

Haines Watts (Berkhamsted) Limited
4 Claridge Court, Lower Kings Road
Berkhamsted
Hertfordshire
HP4 2AF

**Report of the Directors
for the Year Ended 31st December 2022**

The directors present their report with the financial statements of the company for the year ended 31st December 2022.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of wireless telecommunications.

DIRECTORS

The directors who have held office during the period from 1st January 2022 to the date of this report are as follows:

S F Dance - resigned 13th May 2022
M C Bullery - resigned 13th May 2022
H P C Derksen - appointed 13th May 2022
K C Siebert - appointed 13th May 2022
M T Taylor - appointed 13th May 2022

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Haines Watts (Berkhamsted) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

ON BEHALF OF THE BOARD:

M T Taylor - Director

20th July 2023

Report of the Independent Auditors to the Members of
Comtest Wireless International Ltd

Opinion

We have audited the financial statements of Comtest Wireless International Ltd (the 'company') for the year ended 31st December 2022 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st December 2022 and of its loss 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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 take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Members of
Comtest Wireless International Ltd

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the company and the sector in which it operates. We determined that the following laws and regulations were most significant: The Companies Act 2006, UK GAAP, the UK Corporate Governance Code, UK corporate tax laws, Occupational Health and Safety regulations, the Data Protection Act.
- We obtained an understanding of how the company are complying with those legal and regulatory frameworks and made enquiries to the management of known or suspected instances of fraud and non-compliance with laws and regulations. We corroborated our enquiries through our review of board minutes, other relevant meeting minutes and review of correspondence with regulatory bodies.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the audit team included:
 - Identifying and assessing the controls management has in place to prevent and detect fraud;
 - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
 - Challenging assumptions and judgments made by management in its significant accounting estimates and judgments.
 - Identifying and testing journal entries, in particular journal entries posted with unusual account combinations; and
 - Assessing the extent of compliance with the relevant laws and regulations.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations are from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusions.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

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 a Report of the Auditors 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.

Bianca Permal (Senior Statutory Auditor)
for and on behalf of Haines Watts (Berkhamsted) Limited
4 Claridge Court, Lower Kings Road
Berkhamsted
Hertfordshire
HP4 2AF

13th July 2023

**Income Statement
for the Year Ended 31st December 2022**

	Notes	31.12.22 £	31.12.21 £
TURNOVER		204,414	678,846
Cost of sales		<u>122,607</u>	<u>473,989</u>
GROSS PROFIT		81,807	204,857
Administrative expenses		<u>185,021</u>	<u>154,741</u>
		(103,214)	50,116
Other operating income		<u>2,284</u>	<u>-</u>
OPERATING (LOSS)/PROFIT and (LOSS)/PROFIT BEFORE TAXATION		(100,930)	50,116
Tax on (loss)/profit	5	<u>5,977</u>	<u>14,554</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(106,907)</u>	<u>35,562</u>

**Other Comprehensive Income
for the Year Ended 31st December 2022**

	Notes	31.12.22 £	31.12.21 £
(LOSS)/PROFIT FOR THE YEAR		(106,907)	35,562
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(106,907)</u>	<u>35,562</u>

Balance Sheet
31st December 2022

	Notes	31.12.22 £	£	31.12.21 £	£
FIXED ASSETS					
Intangible assets	7		-		132,390
Tangible assets	8		-		-
			<u>-</u>		<u>132,390</u>
CURRENT ASSETS					
Debtors	9	98,304		337,572	
Cash at bank		<u>106,062</u>		<u>182,972</u>	
		204,366		520,544	
CREDITORS					
Amounts falling due within one year	10	<u>69,925</u>		<u>411,586</u>	
NET CURRENT ASSETS			<u>134,441</u>		<u>108,958</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>134,441</u>		<u>241,348</u>
CAPITAL AND RESERVES					
Called up share capital	11		150,000		150,000
Retained earnings	12		<u>(15,559)</u>		<u>91,348</u>
SHAREHOLDERS' FUNDS			<u>134,441</u>		<u>241,348</u>

The financial statements were approved by the Board of Directors and authorised for issue on 20th July 2023 and were signed on its behalf by:

M T Taylor - Director

**Statement of Changes in Equity
for the Year Ended 31st December 2022**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1st January 2021	150,000	105,786	255,786
Changes in equity			
Dividends	-	(50,000)	(50,000)
Total comprehensive income	-	35,562	35,562
Balance at 31st December 2021	<u>150,000</u>	<u>91,348</u>	<u>241,348</u>
Changes in equity			
Total comprehensive income	-	(106,907)	(106,907)
Balance at 31st December 2022	<u>150,000</u>	<u>(15,559)</u>	<u>134,441</u>

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

1. STATUTORY INFORMATION

Comtest Wireless International Ltd 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.

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" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared on a going concern basis.

As a UK company, the accounts are prepared in Sterling. However, all sales income and the majority of expenses are translated from Euros.

The year end £:€ spot rate used was £1/€1.1276 (2021 - £1/€1.1912).

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of paragraph 3.17(d);
- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirement of paragraph 33.7.

Turnover

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

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.

An impairment loss has been recognised in the profit and loss, following an assessment at the balance sheet date indicating that the recoverable amount was less than the assets carrying value on 13 May 2022.

Intellectual Property Rights were being amortised evenly over their estimated useful life of ten years. Following an assessment at the balance sheet date, the assets carrying amount on 13 May 2022 has been fully impaired.

Tangible fixed assets

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

Computer equipment - Straight line over 2 years

Tangible fixed assets are recognised at cost. After initial recognition, tangible fixed assets are measured at cost less any accumulated depreciation and impairment losses.

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.

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into Sterling at the rates of exchange ruling at the balance sheet date. Transactions and non-monetary assets and liabilities in foreign currencies are translated into Sterling at the rate of exchange ruling at the date of transaction, or at an average rate where this rate approximates the actual rate at the date of the transaction. Exchange differences are recognised in the profit or loss in the period in which they arise.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks.

Notes to the Financial Statements - continued
for the Year Ended 31st December 2022

2. ACCOUNTING POLICIES - continued

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.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit and loss.

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.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Recoverability of intangible assets

In line with the accounting policies, the company assesses its fixed assets for impairment when indicators of impairment arise.

Following the acquisition of the Comtest Wireless Group on 13 May 2022, the revenue stream of the group changed and there is no longer a sufficient revenue stream for Comtest Wireless International Ltd to support the carrying value of the intellectual property rights.

Therefore, the intellectual property rights have been impaired at the acquisition date to a nil value and an impairment expense of £122,742 has been recognized in the profit and loss for the period.

Revenue recognition

The company recognises revenue when it is realised or realisable and earned. The company considers revenue realised or realisable and earned when there is persuasive evidence of an arrangement, delivery has occurred, the amount of revenue can be measured reliably, and collectability is reasonably assured. Delivery does not occur until services have been provided and in cases where formal acceptance is required, customer acceptance has been obtained or customer acceptance provisions have lapsed. In situations where a formal acceptance is required but the acceptance only relates to whether the product meets its published specifications, revenue is recognised upon delivery provided all other revenue recognition criteria are met.

3. EMPLOYEES AND DIRECTORS

There were no staff costs for the year ended 31st December 2022 nor for the year ended 31st December 2021.

The average number of employees during the year was as follows:

	31.12.22	31.12.21
Directors	<u>3</u>	<u>2</u>
	31.12.22	31.12.21
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

4. OPERATING (LOSS)/PROFIT

The operating loss (2021 - operating profit) is stated after charging/(crediting):

	31.12.22	31.12.21
	£	£
Profit on disposal of fixed assets	(40)	-
Intellectual Property Rights amortisation	9,648	26,479
Foreign exchange differences	(2,284)	3,305
Impairment losses for intangible fixed assets	<u>105,912</u>	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 31st December 2022

5. TAXATION**Analysis of the tax charge**

The tax charge on the loss for the year was as follows:

	31.12.22	31.12.21
	£	£
Current tax:		
Group Relief	5,977	14,554
Tax on (loss)/profit	<u>5,977</u>	<u>14,554</u>

UK corporation tax has been charged at 19%.

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.12.22	31.12.21
	£	£
(Loss)/profit before tax	<u>(100,930)</u>	<u>50,116</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	(19,177)	9,522
Effects of:		
Income not taxable for tax purposes	(8)	-
Depreciation in excess of capital allowances	<u>25,162</u>	<u>5,032</u>
Total tax charge	<u>5,977</u>	<u>14,554</u>

6. DIVIDENDS

	31.12.22	31.12.21
	£	£
Interim	<u>-</u>	<u>50,000</u>

7. INTANGIBLE FIXED ASSETS

	Intellectual Property Rights £
COST	
At 1st January 2022	264,781
Impairments	<u>(122,742)</u>
At 31st December 2022	<u>142,039</u>
AMORTISATION	
At 1st January 2022	132,391
Amortisation for year	<u>9,648</u>
At 31st December 2022	<u>142,039</u>
NET BOOK VALUE	
At 31st December 2022	<u>-</u>
At 31st December 2021	<u>132,390</u>

Notes to the Financial Statements - continued
for the Year Ended 31st December 2022

8. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1st January 2022	3,218
Disposals	<u>(3,218)</u>
At 31st December 2022	<u>-</u>
DEPRECIATION	
At 1st January 2022	3,218
Eliminated on disposal	<u>(3,218)</u>
At 31st December 2022	<u>-</u>
NET BOOK VALUE	
At 31st December 2022	<u><u>-</u></u>
At 31st December 2021	<u><u>-</u></u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22 £	31.12.21 £
Trade debtors	23,753	283,079
CWL Debtors	44,023	-
Prepayments	<u>30,528</u>	<u>54,493</u>
	<u><u>98,304</u></u>	<u><u>337,572</u></u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22 £	31.12.21 £
Trade creditors	293	-
CWIS Creditors	-	204,024
CWL Intercompany	-	19,309
Tax	-	785
VAT	2,685	35,267
Deferred Income	57,197	105,100
Accrued expenses	9,750	11,535
Inter Company Accruals	<u>-</u>	<u>35,566</u>
	<u><u>69,925</u></u>	<u><u>411,586</u></u>

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			31.12.22	31.12.21
Number:	Class:	Nominal value:	£	£
150,000	Ordinary	£1	<u>150,000</u>	<u>150,000</u>

Ordinary Shares with a nominal value of £1.00 have equal rights to vote, to receive dividends and to receive distributions on a winding up.

12. RESERVES

	Retained earnings £
At 1st January 2022	91,348
Deficit for the year	<u>(106,907)</u>
At 31st December 2022	<u><u>(15,559)</u></u>

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.

Notes to the Financial Statements - continued
for the Year Ended 31st December 2022

13. RELATED PARTY DISCLOSURES - continued

During the period, £5,880 (including VAT) was paid on the company's behalf by its immediate parent to a company controlled by one of the directors in return for accounting services. In the prior period, this figure (including VAT) totalled £1,380.

At the reporting date, the immediate parent company was Comtest Wireless Limited (registered office: Astor House, Newbury Business Park, London Road, Newbury, Berkshire, United Kingdom, RG14 2PZ).

The ultimate parent undertaking is Viavi Solutions Inc. (registered office: 1445 South Spectrum Blvd, Suite 102, Chandler, Arizona, 85286, United States of America).

Viavi Solutions Inc. is the smallest and largest group of which the company is a member and for which group financial statements are prepared. Copies of the financial statements can be obtained from its registered office, or investor.viavisolutions.com.

The directors do not consider there to be one ultimate controlling party.

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.