

COMMAGILITY LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

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COMMAGILITY LIMITED

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COMMAGILITY LIMITED

COMPANY INFORMATION

Directors	Karim Michel Sabbagh (appointed 30 December 2022) Edward De Salis Young (resigned 11 March 2022) Michael Kandell (resigned 30 December 2022) Timothy Whelan (resigned 30 December 2022) John Willis (resigned 30 December 2022)
Company secretary	Taylor Wessing Secretaries Limited (appointed 13 January 2023)
Registered number	05914025
Registered office	5 New Street Square London United Kingdom EC4A 3TW
Independent auditor	Cooper Parry Group Limited Statutory Auditor Sky View Argosy Road East Midlands Airport Castle Donington Derbyshire DE74 2SA

COMMAGILITY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report and the financial statements for the year ended 31 December 2022.

Directors' responsibilities statement

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the company's financial statements and then apply them consistently;
- make judgments 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 to 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.

Results and dividends

The loss for the year, after taxation, amounted to £1,981,448 (2021: loss £448,707).

Directors

The directors who served during the year were:

Karim Michel Sabbagh (appointed 30 December 2022)

Edward De Salis Young (resigned 11 March 2022)

Michael Kandell (resigned 30 December 2022)

Timothy Whelan (resigned 30 December 2022)

John Willis (resigned 30 December 2022)

Qualifying third party indemnity provisions

The company has granted an indemnity to its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.


COMMAGILITY LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

DocuSigned by:

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Karim Michel Sabbagh
Director

Date: 22 September 2023

COMMAGILITY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMAGILITY LIMITED

Opinion

We have audited the financial statements of CommAgility Limited (the 'company') for the year ended 31 December 2022, which comprise the statement of income and retained earnings, the balance sheet and the related notes, 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 31 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 Auditor's 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 United Kingdom, including the Financial Reporting Council'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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.

COMMAGILITY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMAGILITY LIMITED (CONTINUED)

Opinion 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report 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 directors' report.

We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 2, 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 is 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.

COMMAGILITY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMAGILITY LIMITED (CONTINUED)

Auditor's 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 an auditor's report 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our assessment focused on key laws and regulations the company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice and relevant tax legislation.

We are not responsible for preventing irregularities. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the company through discussions with directors and other management;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence where applicable;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- reviewed discussion points within board minutes.

To address the risk of fraud through management bias and override of controls, we:

- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias, in particular the director's assessment of recognising turnover;
- investigated the rationale behind significant or unusual transactions.
- reviewed management's basis for provisions including doubtful debt; and
- reviewed certain nominal codes for indication of any management override.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and associated parties

COMMAGILITY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMAGILITY LIMITED (CONTINUED)

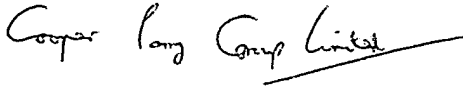
Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect any irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 auditor's report.

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 an auditor's 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.



Steven Ellis (Senior Statutory Auditor)

for and on behalf of
Cooper Parry Group Limited

Statutory Auditor

Sky View
Argosy Road
East Midlands Airport
Castle Donington
Derbyshire
DE74 2SA

Date: 25 September 2023

COMMAGILITY LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Turnover	1.3	4,072,765	6,381,630
Cost of sales		(1,149,893)	(2,188,053)
Gross profit		<u>2,922,872</u>	<u>4,193,577</u>
Administrative expenses		(5,618,964)	(5,225,605)
Other operating income		251,271	21,685
Operating loss		<u>(2,444,821)</u>	<u>(1,010,343)</u>
Taxation on loss		463,373	561,636
Loss for the financial year		<u>(1,981,448)</u>	<u>(448,707)</u>
Retained earnings at the beginning of the financial year		5,151,263	5,599,970
Loss for the financial year		(1,981,448)	(448,707)
Retained earnings at the end of the financial year		<u>3,169,815</u>	<u>5,151,263</u>

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of income and retained earnings.

The notes on pages 10 to 18 form part of these financial statements.

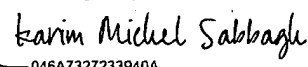
COMMAGILITY LIMITED
REGISTERED NUMBER: 05914025

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	3	-	-
Tangible fixed assets	4	607,976	432,867
		607,976	432,867
Current assets			
Stocks	5	383,926	481,256
Debtors	6	3,319,544	4,879,776
Cash at bank and in hand		3,888	2,253,174
		3,707,358	7,614,206
Creditors			
Amounts falling due within one year	7	(993,513)	(2,600,769)
		2,713,845	5,013,437
Net current assets		2,713,845	5,013,437
Total assets less current liabilities		3,321,821	5,446,304
Creditors			
Amounts falling due after more than one year	8	-	(218,750)
		(151,994)	(76,279)
Deferred taxation	9	(151,994)	(76,279)
Net assets		3,169,827	5,151,275
Capital and reserves			
Called up share capital	10	12	12
Profit and loss account		3,169,815	5,151,263
Shareholders' funds		3,169,827	5,151,275

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and signed on its behalf by:

DocuSigned by:

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Karim Michel Sabbagh
 Director

Date: 22 September 2023

The notes on pages 10 to 18 form part of these financial statements.

COMMAGILITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

CommAgility Limited is a limited liability company incorporated and domiciled in the United Kingdom. The address of its registered office is disclosed on the company information page. The financial statements are prepared in Sterling (£) which is the functional currency of the company.

The financial statements are for a year ended 31 December 2022 (the prior year 2021: year ended 31 December 2021).

The financial statements have been prepared on a going concern basis, 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 United Kingdom and the Republic of Ireland and the Companies Act 2006.

1.2 Going concern

The company and wider group has been affected by several external factors including Brexit, Coronavirus and the shortage of semiconductors.

At the balance sheet date the company had net current assets of £2,713,845 (2021: £5,013,437) and going forward will significantly rely on support from the ultimate parent company espace inc. who has confirmed its willingness to support the company for a period of 12 months from the date of these financial statements.

The implication of this, have been considered by the director in assessing the ability of the group to continue as a going concern. The director manages the financial effects of changes in the economic environment within which the company operates, by making prompt and appropriate changes to operations and continues to monitor cashflows in order to be able to manage any response required to future events.

On this basis the director considers the company to be a going concern for the purpose of preparing these financial statements.

COMMAGILITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies (continued)

1.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

The company derives turnover from hardware sales, software licences, bespoke software work, consultancy and implementation services, support, training and software maintenance contracts and royalties:

- Software licences - are generally developed in units/modules and are recognised when delivered to the customer, or if earlier, when the acceptance criteria has been met;

- Hardware sales - are recorded upon dispatch as this is when the company transfers the significant risks and rewards to the customer;

- Consultancy and implementation services, support, training, bespoke software work - turnover is recognised as services are performed;

- Software maintenance contracts - turnover is recognised over the contract period;

- Royalties - Turnover is recognised when the royalty generating event occurs, for example when the product is used in production or is sold by the customer as part of one of their products.

1.4 Intangible assets

Patents are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives of 3 years.

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the statement of income and retained earnings over its estimated economic life of 3 years. A full year's amortisation is charged in the year of acquisition and none in the year of disposal.

1.5 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.

COMMAGILITY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. Accounting policies (continued)

1.5 Tangible fixed assets (continued)

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	- Straight line over 5 years
Fixtures and fittings	- Straight line over 5 years
Office equipment	- Straight line over 5 years
Other fixed assets	- Straight line over 3 to 5 years
Office refurbishment	- Straight line over 7 years or remainder of the lease

A full year's depreciation is charged in the year of acquisition and none in the year of disposal.

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 the statement of income and retained earnings.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined by the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

1.6 Government grants

Grants of a revenue nature are recognised in the statement of income and retained earnings in the same period as the related expenditure.

1.7 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 weighted average basis.

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 the statement of income and retained earnings.

COMMAGILITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies (continued)

1.8 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable, other third party loans and loans with related parties.

All financial assets and liabilities are initially measured at transaction price or are subsequently measured at amortised cost.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference of an assets carrying amount and the best estimate of the amount that the company would receive for the asset if it were sold at the balance sheet date.

1.9 Current and deferred taxation

The tax charge for the year comprises of current and deferred tax.

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit or loss for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

1.10 Research and development

Expenditure on research and development is charged to the statement of income and retained earnings in the year in which it is incurred.

1.11 Foreign currency translation

Foreign currency transactions are translated into the functional currency at the dates of the transactions using the previous month end spot exchange rate.

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 the statement of income and retained earnings.

1.12 Operating leases

Rentals paid under operating leases are charged to the statement of income and retained earnings on a straight line basis over the period of the lease

COMMAGILITY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. Accounting policies (continued)

1.13 Pensions

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 the statement of income and retained earnings 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.

1.14 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 in the statement of income and retained earnings 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.

1.15 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size of incidence.

2. Employees and directors

The average monthly number of employees during the year was 46 (2021:46).

3. Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2022 and 31 December 2022	1,238,880
Amortisation	
At 1 January 2022 and 31 December 2022	1,238,880
Net book value	
At 31 December 2022	-
At 31 December 2021	-

COMMAGILITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

4. Tangible fixed assets

	Office refurbishment £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Other fixed assets £	Total £
Cost or valuation						
At 1 January 2022	53,842	134,143	19,240	293,189	916,260	1,416,674
Additions	-	-	850	83,552	309,268	393,670
Disposals	-	-	-	(1,195)	-	(1,195)
At 31 December 2022	<u>53,842</u>	<u>134,143</u>	<u>20,090</u>	<u>375,546</u>	<u>1,225,528</u>	<u>1,809,149</u>
Depreciation						
At 1 January 2022	53,842	110,194	16,592	241,971	561,208	983,807
Charge for the year	-	1,412	1,476	37,782	177,876	218,546
Disposals	-	-	-	(1,180)	-	(1,180)
At 31 December 2022	<u>53,842</u>	<u>111,606</u>	<u>18,068</u>	<u>278,573</u>	<u>739,084</u>	<u>1,201,173</u>
Net book value						
At 31 December 2022	<u>-</u>	<u>22,537</u>	<u>2,022</u>	<u>96,973</u>	<u>486,444</u>	<u>607,976</u>
At 31 December 2021	<u>-</u>	<u>23,949</u>	<u>2,648</u>	<u>51,218</u>	<u>355,052</u>	<u>432,867</u>

COMMAGILITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

5. Stocks

	2022 £	2021 £
Raw materials	310,663	391,311
Work-in-progress	21,459	37,770
Finished goods	51,804	52,175
	<u>383,926</u>	<u>481,256</u>

6. Debtors: amount falling due within one year

	2022 £	2021 £
Trade debtors	576,896	269,544
Amounts owed by group undertakings	1,099,965	3,641,894
Corporation tax recoverable	1,178,258	584,497
Other debtors	25,718	-
Prepayments and accrued income	438,707	383,841
	<u>3,319,544</u>	<u>4,879,776</u>

7. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank loans (note 8)	-	31,250
Trade creditors	357,181	621,145
Amounts owed to group undertakings	-	1,032,611
Other taxation and social security	114,641	148,985
Corporation tax	17,195	41,005
Other creditors	504,496	725,773
	<u>993,513</u>	<u>2,600,769</u>

8. Creditors: amounts falling due after more than one year

	2022 £	2021 £
Bank loans	-	218,750
	<u>-</u>	<u>218,750</u>

During the period, on 30 May 2022 the bank loan (a Coronavirus Business Interruption Loan (CBILS Loans)) was paid off.

COMMAGILITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

9. Deferred taxation

	2022 £	2021 £
At beginning of year	76,279	76,279
Charged to the profit and loss account	75,715	-
At end of year	151,994	76,279

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	151,994	76,279
	151,994	76,279

10. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
4 (2021:4) Ordinary shares shares of £1.00	4	4
1 (2021:1) Ordinary A shares share of £1.00	1	1
1 (2021:1) Ordinary B shares share of £1.00	1	1
1 (2021:1) Ordinary C shares share of £1.00	1	1
1 (2021:1) Ordinary D shares share of £1.00	1	1
1 (2021:1) Ordinary E shares share of £1.00	1	1
1 (2021:1) Ordinary F shares share of £1.00	1	1
1 (2021:1) Ordinary G shares share of £1.00	1	1
1 (2021:1) Ordinary H shares share of £1.00	1	1
	12	12

11. 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 £96,103 (2021: £80,689). There were no (2021: £nil) contributions payable to the fund at the balance sheet date.

12. Related party disclosures

As the company is a wholly owned subsidiary of a company whose consolidated accounts include the results of the subsidiary, the company has taken advantage of FRS 102 section 1 exemption from disclosing transactions with group undertakings.

COMMAGILITY LIMITED

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13. Ultimate controlling party

The company's immediate parent undertaking is CommAgility Holdings Limited, a company registered in England and Wales.

Until 30 December 2022 the ultimate parent company was Wireless Telecom Group Inc, a company registered on the New York Stock Exchange in the United States of America (exchange listing symbol: WTT).

From 30 December 2022 the ultimate parent company is espace Inc. registered office of 1201 Orange Street, Suite 600, Wilmington, New Castle County, Delaware, 19801, USA.