

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
FOR
GLOBAL SENSING TECHNOLOGY LIMITED

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FOR THE YEAR ENDED 30 JUNE 2021**

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**COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2021**

DIRECTORS:

K W Chow
S Gao
Ms R Gu

REGISTERED OFFICE:

Appledram Barns
Birdham Road
Chichester
West Sussex
PO20 7EQ

REGISTERED NUMBER:

10631242 (England and Wales)

AUDITORS:

Lewis Brownlee (Chichester) Limited
Chartered Accountants
Statutory Auditors
Appledram Barns
Birdham Road
Chichester
West Sussex
PO20 7EQ

BALANCE SHEET
30 JUNE 2021

	Notes	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible assets	5		27,110		29,485
CURRENT ASSETS					
Stocks		53,455		30,680	
Debtors	6	7,871		4,268	
Prepayments and accrued income		5,206		1,067	
Cash at bank		50		<u>50,182</u>	
		66,582		<u>86,197</u>	
CREDITORS					
Amounts falling due within one year	7	45,974		<u>85,942</u>	
NET CURRENT ASSETS			20,608		<u>255</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			47,718		29,740
ACCRUALS AND DEFERRED INCOME			5,237		<u>5,075</u>
NET ASSETS			42,481		<u>24,665</u>
CAPITAL AND RESERVES					
Called up share capital			400		400
Share premium			209,700		209,700
Retained earnings			(167,619)		<u>(185,435)</u>
SHAREHOLDERS' FUNDS			42,481		<u>24,665</u>

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 14 March 2022 and were signed on its behalf by:

K W Chow - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

1. STATUTORY INFORMATION

Global Sensing Technology 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. 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" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The directors note the significant retained losses but are pleased with the profit level reported for the current period.

The directors have received confirmation from group members that financial support will not be withdrawn in the 12 months from the date of signature of these financial statements and purchases by group companies from Global Sensing Technology Ltd will continue at least at the present level.

On this basis the directors believe the going concern basis remains appropriate.

Turnover

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

Tangible fixed assets

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

Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 10% on reducing balance
Computer equipment	- 33% on cost

Government grants

Grants relating to revenue are recognised in income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. Income from grants are recognised when there is reasonable assurance that the grant will be received by the company.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2021

2. ACCOUNTING POLICIES - continued

Financial instruments

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income Statement.

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

Expenditure on research and development is written off in the year in which it 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.

Leasing commitments

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

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2021

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 4 (2020 - 4) .

4. AUDITORS' REMUNERATION

	2021	2020
	£	£
Fees payable to the company's auditors for the audit of the company's financial statements	3,250	3,250
	<u><u> </u></u>	<u><u> </u></u>

5. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 July 2020	56,922	2,446	1,688	61,056
Additions	4,975	-	916	5,891
At 30 June 2021	<u>61,897</u>	<u>2,446</u>	<u>2,604</u>	<u>66,947</u>
DEPRECIATION				
At 1 July 2020	29,564	555	1,452	31,571
Charge for year	7,561	189	516	8,266
At 30 June 2021	<u>37,125</u>	<u>744</u>	<u>1,968</u>	<u>39,837</u>
NET BOOK VALUE				
At 30 June 2021	<u>24,772</u>	<u>1,702</u>	<u>636</u>	<u>27,110</u>
At 30 June 2020	<u>27,358</u>	<u>1,891</u>	<u>236</u>	<u>29,485</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Other debtors	<u>7,871</u>	<u>4,268</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	2,522	42,180
Amounts owed to group undertakings	29,988	29,988
Taxation and social security	2,468	2,774
Directors' current accounts	<u>10,996</u>	<u>11,000</u>
	<u>45,974</u>	<u>85,942</u>

8. LEASING AGREEMENTS

At the year end the company had minimum lease payments under non-cancellable operating leases of £20,625 (2020: 37,125).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2021

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

The Report of the Auditors was unqualified.

Sam Ede BFP FCA FCCA (Senior Statutory Auditor)
for and on behalf of Lewis Brownlee (Chichester) Limited

10. **RELATED PARTY DISCLOSURES**

During the year the company received an interest free loan from an entity under common control which is repayable within one year. The balance owed by the company at the year ended 30 June 2021 was £29,988 (2020: £29,988). Global Sensing Technology Limited made sales to the company under common control during the year of £347,002 (2020: £445,974).

11. **ULTIMATE CONTROLLING PARENT**

The results of Global Sensing Technology Limited are consolidated into their parent company Zhengzhou Winsen Electronics Technology Co Ltd, a company registered and domiciled in China. Group accounts are available from Zhengzhou Winsen Electronics Technology Co Ltd, No.299 Jinsuo Road, National High-Tech Zone, Zhengzhou, China.