

Company registration number 04486025 (England and Wales)

PHOTON KINETICS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023
PAGES FOR FILING WITH REGISTRAR

PHOTON KINETICS LIMITED

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PHOTON KINETICS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Current assets					
Debtors	3	98,970		81,044	
Cash at bank and in hand		32,387		45,220	
		<u>131,357</u>		<u>126,264</u>	
Creditors: amounts falling due within one year	4	<u>(20,650)</u>		<u>(18,525)</u>	
Net current assets			110,707		107,739
			<u><u>110,707</u></u>		<u><u>107,739</u></u>
Capital and reserves					
Called up share capital			10		10
Profit and loss reserves			110,697		107,729
			<u>110,707</u>		<u>107,729</u>
Total equity			<u><u>110,707</u></u>		<u><u>107,739</u></u>

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

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

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Mr A Byrd
Director

Company registration number 04486025 (England and Wales)

PHOTON KINETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Company information

Photon Kinetics Limited is a private company limited by shares incorporated in England and Wales. The registered office is One Fleet Place, London, EC4M 7WS.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

1.2 Going concern

The financial statements of the company are consolidated in the financial statements of Photon Kinetics Inc. The financial statements have been prepared on a going concern basis. The company is dependent on the financial support of its holding company. The Board of Directors of Photon Kinetics Inc has agreed that it is the policy of Photon Kinetics Inc, and its present intention, to provide financial support to the company to enable it to continue to trade for the foreseeable future and at least 12 months from the date of the audit report.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue is recognised when expenses have been incurred and claimed.

PHOTON KINETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.4 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements 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.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.6 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.7 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

PHOTON KINETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Total	2	2

3 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Amounts owed by group undertakings	86,178	67,927
Other debtors	221	89
Prepayments and accrued income	12,571	13,028
	<u>98,970</u>	<u>81,044</u>

4 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	2,616	675
Other taxation and social security	4,186	4,840
Accruals and deferred income	13,848	13,010
	<u>20,650</u>	<u>18,525</u>

5 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Senior Statutory Auditor:	Robert MacDonald
Statutory Auditor:	Moore (South) LLP
Date of audit report:	6 September 2024

6 Related party transactions

The company has taken advantage of the exemption available in FRS 102 "Related party disclosure" (paragraph 33.1A) whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

PHOTON KINETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2023*

7 Parent company

The company's ultimate parent undertaking is TVV Capital, a company incorporated in the United States of America.

The only group in which the results of the company are consolidated is that headed by Photon Kinetics Inc.

