

Company Registration No. 09391083 (England and Wales)

**FOAMHAND LIMITED
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30 JUNE 2021**



FOAMHAND LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

COMPANY INFORMATION

Directors

A Down
J J Fleming
A L Mixer
P D Lattin
K B Kent

Secretary

Gravitas Company Secretarial Services Limited

Company number

09391083

Registered office

5th Floor, One New Change, London
EC4M 9AF

Accountants

Mercer & Hole, Chartered Accountants, 72 London Road, St
Albans, Hertfordshire, AL1 1NS

FOAMHAND LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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FOAMHAND LIMITED

Report and financial statements 2021

Strategic report

The directors present their strategic report and the audited financial statements for the year ended 30 June 2021.

Performance for the year

The Directors consider that the results for the year are as expected and reflect the detrimental effect of the COVID-19 pandemic on the company's operations. The company remains dependent on the financial support of other group companies and the Directors are confident that this support will continue for the foreseeable future.

Strategic objectives

The Company's objective is to achieve growth by putting innovation at the heart of our service and to make the job of those who deliver events, manage queues and direct people movement more efficient and easier.

The key elements to the company's growth strategy are:

Innovation

The company has developed a service model database which enable resource interaction with all services required to deliver a major event in real time. The company also has a stakeholder demand tool which enables assessment of all arrivals and departures.

Spectator demand forecasts

The company has a spectator demand tool which generates fifteen minute spectator arrival and departure profiles for every day of an event.

Future outlook

The operations of the company are returning to normal although the global pandemic continues to have impact especially on smaller events where suppliers or event owners have not survived the financial impact of the crisis. Our embryonic operational integration with inter-company services and equipment is developing with green shoots enabling both operational growth and service diversification.

Principal risks and uncertainties

Coronavirus

The impact of COVID-19 outbreak varies greatly around the world with local lockdowns and unforeseen event cancellations occurring without notice. Although there remains an element of unknown, we calculate both the probability and impact of such risks to reduce throughout the year ahead and beyond.

Financial risk management

From the perspective of the company, the financial risks and uncertainties are integrated with those of the OSI Systems Inc. group to which it belongs and are not managed separately. Accordingly, the principal financial risks and uncertainties of OSI Systems Inc., are discussed on pages 16-29 Part I, Item 1A "Risk Factors" of the 2021 Form 10k published on 23 August 2021 which does not form part of this report.

Whilst some of the risks do not affect the company directly, the company is dependent on the group as its source of financing, and therefore these risks could have an effect on the company.

The company's operations expose it to a variety of financial risks that include the effects of changes in credit risk and liquidity risk.

FOAMHAND LIMITED

Report and financial statements 2021

Strategic report (continued)

Credit risk

Financial instruments that are potentially subject to concentrations of credit risk consist primarily of cash and cash equivalents. The company restricts investments in cash equivalents to financial institutions with high credit standing.

Liquidity risk

The company's liquidity is dependent upon the group's ability to provide the necessary funds. The company maintains sufficient funds for its operations, and has support available from other group companies should this become necessary.

Foreign currency risk

The company's exposure to exchange rate fluctuations is managed as part of OSI Systems Inc. group's overall policy on foreign currency.

Brexit

The United Kingdom left the European Union (EU) on 31 January 2020. On 30 December 2020 the EU-UK Trade and Cooperation Agreement (TCA) was signed and this provides for free trade in goods and limited mutual market access in services. The UK Parliament ratified the TCA on 30 December 2020 and the European Parliament ratified it on 28 April 2021.

Based on the information currently available, the directors' assessed that the consequences of this to the company are not expected to be significant as the company's revenues are generated all around the globe.

Approved by the Board of Directors on 29/3/2022 and signed on behalf of the Board

DocuSigned by:

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K.B. Kent
Director

FOAMHAND LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2021

The directors present their annual report and financial statements for the year ended 30 June 2021.

Principal activities

The principal activity of the company is business and other management consultancy activities.

Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

A Down
J J Fleming
A L Mixer
P D Lattin
K B Kent - appointed 1 July 2021

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

Going concern

During the year 2021 COVID-19 has been dominating the world social and economic climate presenting all businesses with a unique set of circumstances increasing the unpredictability of future trading conditions and threatening the global economy.

The directors have prepared forecasts to 30 June 2023 based on experience to date and expectations the impact COVID-19 will have on the sector in which the company operates. The company provides consultancy services to large international events and the directors anticipate the company returning to profit in FY2022 and FY2023. The company remains wholly reliant on continued group support. At the balance sheet date, the company had a working capital deficit of \$826,577 by virtue of its current liabilities exceeding its current assets. Fellow group undertaking, Rapiscan Systems Ltd, who were owed \$1,019,202 by the company at the balance sheet date have confirmed that although the balance remains payable on demand they will only require repayment at such time as the company has sufficient resources to do so and it would not impact the company's ability to meet its other financial liabilities as they fall due. The directors have also received assurances of continued support from the company's ultimate parent undertaking, OSI Systems Inc.

The directors are therefore confident that the going concern basis is appropriate for the preparation of these financial statements.

Disclosure of information to auditor

The Directors at the time when this Directors' report is approved have confirmed that;

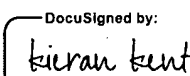
- a) The Directors individually have taken all the necessary steps to make themselves aware, as Directors, of all relevant information and to establish that the company's auditor is aware of that information.
- b) As far as the Directors are aware, there is no relevant audit information of which the company's auditor is unaware.

Auditor

The auditor, Mercer & Hole, is deemed reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board of Directors and signed on behalf of the Board of Directors on

29/3/2022

DocuSigned by:

K.B. Kent
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Director

FOAMHAND LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Independent auditor's report to the member of Foamhand Limited

Opinion

We have audited the financial statements of Foamhand Limited (the 'company') for the year ended 30 June 2021 which comprise and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 30 June 2021 and of the company's 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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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 Strategic Report and the Directors' Report.

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 and explanations by law are not made; or
- we have not received all the information and explanations we require for our audit.
- 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 and take advantage of the small companies exemption from the requirement to prepare a strategic report.

FOAMHAND LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Independent auditor's report to the member of Foamhand Limited

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

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.

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. These included, but were not limited to, the Companies Act 2006 and tax legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements and the financial report (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate entries including journals to overstate revenue or understate expenditure and management bias in accounting estimates.

Audit procedures performed by the engagement team included:

- discussions with management, including considerations of known or suspected instances of non-compliance with laws and regulations and fraud;
- gaining an understanding of management's controls designed to prevent and detect irregularities; and
- identifying and testing journal entries.

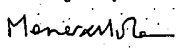
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.

DocuSigned by:



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Ross Lane (Senior Statutory Auditor)

for and on behalf of Mercer & Hole

Chartered Accountants & Statutory Auditor

72 London Road

St Albans

Hertfordshire

AL1 1NS

Date: 29/3/2022

FOAMHAND LIMITED

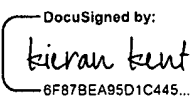
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2021

	Notes	Year ended 30 June 2021	Year ended 30 June 2020
		\$	\$
Revenue	3	43,512	259,193
Administrative expenses		(346,229)	(577,362)
Interest	4	-	(2,509)
Loss before taxation		(302,717)	(320,678)
Tax on loss	6	57,543	58,219
Loss for the financial period		(245,174)	(262,459)

FOAMHAND LIMITED**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021**

			30 June 2021		30 June 2020
	Notes	\$	\$	\$	\$
Non-current assets					
Fixed assets	7		2,939		3,976
Investments	8		127		127
			<u>3,066</u>		<u>4,103</u>
Current assets					
Trade and other receivables	9	189,295		188,266	
Cash and cash equivalents		15,300		1,294	
		<u>204,595</u>		<u>189,560</u>	
Current liabilities	10	(1,031,172)		(772,000)	
Net current liabilities			<u>(826,577)</u>		<u>(582,440)</u>
Total assets less current liabilities			<u>(823,511)</u>		<u>(578,337)</u>
Equity					
Called up share capital	11		152		152
Share premium account			1,294		1,294
Retained losses			(824,957)		(579,783)
Total equity shareholder's deficit			<u>(823,511)</u>		<u>(578,337)</u>

The financial statements were approved by the board of directors and authorised for issue on 29/3/2022 and are signed on its behalf by:

DocuSigned by:

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K.B. Kent
 Director

Company Registration No. 09391083

FOAMHAND LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021**

	Share capital	Share premium account	Retained earnings	Total
Notes	\$	\$	\$	\$
Balance at 1 July 2020	152	1,294	(579,783)	(578,337)
Loss and total comprehensive income for the period	-	-	(245,174)	(245,174)
Balance at 30 June 2021	152	1,294	(824,957)	(823,511)
	\$	\$	\$	\$
Balance at 1 July 2019	152	1,294	(317,324)	(315,878)
Loss and total comprehensive income for the period	-	-	(262,459)	(262,459)
Balance at 30 June 2020	152	1,294	(579,783)	(578,337)

FOAMHAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

Company information

Foamhand Limited is a private company limited by shares incorporated in England and Wales. The registered office is One, New Change, London, EC4M 9AF.

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.

The financial statements are prepared in US Dollars, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest \$. This was changed in the year from sterling to better reflect the currency of the underlying transactions.

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

The company is a qualifying entity for the purposes of disclosure exemptions under FRS 102. Foamhand Limited's financial statements are consolidated into the financial statements of OSI Systems Inc., the ultimate parent undertaking, incorporated in the USA and copies are publicly available at the address set out in note 12.

The company has applied the following disclosure exemptions under FRS 102 on the basis that equivalent disclosures are included in the consolidated financial statements of OSI Systems Inc.:

paragraph 1.12 (a) (iv) reconciliation of the number of issued shares at the beginning and end of the year

paragraph 1.12 (b) requirement to prepare a statement of cash flows and related notes and disclosures

paragraph 1.12 (c) exemption relating to the basis of measurement and disclosure for financial assets and liabilities

paragraph 1.12 (d) (i) exemption relating to certain disclosure requirements of section 26, share based payments

paragraph 1.12 (e) exemption from disclosure of key management personnel compensation in total.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

1.2 Going concern

During the year 2021 COVID-19 has been dominating the world social and economic climate presenting all businesses with a unique set of circumstances increasing the unpredictability of future trading conditions and threatening the global economy.

The directors have prepared forecasts to 30 June 2023 based on experience to date and expectations the impact COVID-19 will have on the sector in which the company operates. The company provides consultancy services to large international events and the directors anticipate the company returning to profit in FY2022 and FY2023. The company remains wholly reliant on continued group support. At the balance sheet date, the company had a working capital deficit of \$826,577 by virtue of its current liabilities exceeding its current assets. Fellow group undertaking, Rapiscan Systems Ltd, who were owed \$1,019,202 by the company at the balance sheet date have confirmed that although the balance remains payable on demand they will only require repayment at such time as the company has sufficient resources to do so and it would not impact the company's ability to meet its other financial liabilities as they fall due. The directors have also received assurances of continued support from the company's ultimate parent undertaking, OSI Systems Inc.

The directors are therefore confident that the going concern basis is appropriate for the preparation of these financial statements.

1.3 Revenue

Revenue is recognised at the fair value of the consideration received or receivable for 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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Fee income represents revenue earned under a wide variety of contracts to provide professional services. Revenue is recognised as earned when, and to the extent that, the firm obtains the right to consideration in exchange for its performance under these contracts.

FOAMHAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies (Continued)

1.4 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	25% on cost
Fixtures, fittings & equipment	25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Non-current investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.6 Impairment of non-current assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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 or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 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. Bank overdrafts are shown within borrowings in current liabilities.

1.8 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 statement of financial position 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.

FOAMHAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies (Continued)

Basic financial assets

Basic financial assets, which include trade and other receivables 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 trade and other payables 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 receipts 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 payables 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

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.

FOAMHAND LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies (Continued)

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.13 Foreign exchange

Transactions in currencies other than US Dollars are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

2 Information regarding directors and employees

The average monthly number of persons (including directors) employed by the company during the year was 2 (2020 - 3).

	2021	2020
	\$	\$
Salaries	292,512	286,851
Social security costs	34,801	34,791
Pension	11,650	11,508
Other staff costs	12,453	4,633
	<u>351,416</u>	<u>337,783</u>
Director's remuneration and highest paid director	<u>164,343</u>	<u>151,740</u>

Only one director received remuneration from Foamhand Ltd. The other directors are remunerated by other OSI Systems inc. companies.

3 Revenue	2021	2020
Analysis of revenue by geographical destination comprises:	\$	\$
South America	-	154,059
Europe	43,512	105,134
	<u>43,512</u>	<u>259,193</u>

4 Interest	2021	2020
	\$	\$
Interest paid	-	2,509

5 Operating loss is stated after charging	2021	2020
	\$	\$
Auditors' remuneration: Audit fees	9,696	12,376
Depreciation	1,037	173
Net exchange gains	-	12,001

6 Tax on loss on ordinary activities

(a) Analysis of credit in period	2021	2020
	\$	\$
Current tax:		
Amounts recoverable on losses to be group surrendered	(57,319)	(60,982)
Adjustments in respect of previous periods	-	2,654
Deferred tax (credit)/debit relating to decelerated/accelerated capital allowances	(224)	109
Tax credit on loss on ordinary activities (see (b) below)	<u>(57,543)</u>	<u>(58,219)</u>

FOAMHAND LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

(b) Factors affecting tax charge for the current year

The tax assessment for the period is lower than (2020: lower than) the standard rate of corporation tax in the UK of 19% (2020: 19%).

The differences are explained below:

	2021	2020
	\$	\$
Loss on ordinary activities before taxation	(302,717)	(320,678)
Loss on ordinary activities before tax at the standard rate of corporation tax in UK of 19% (2020: 19%)	(57,516)	(60,929)
Effects of:		
Expenses not deductible for tax purposes	142	56
Origination and reversal of timing differences	(259)	-
Deferred tax movement due to change in the tax rate from 19% to 25%	35	-
Adjustments in respect of previous periods	55	2,654
Tax credit for period (see (a) above)	(57,543)	(58,219)

(c) Deferred tax

	2021	2020
	\$	\$
The deferred tax in the statement of financial position is as follows:		
Included in Amounts falling due within one year (note 9) (2020: note 10)	115	(109)
Deferred tax liability brought forward	(109)	-
Deferred tax debit / (credit) relating to decelerated/accelerated capital allowances	224	(109)
Deferred tax asset / (liability) carried forward	115	(109)

(c) Factors affecting future tax charges

An increase in the UK corporation tax rate from 19% to 25% (effective from 1 April 2023) was substantively enacted on 10 June 2021. The increase in the rate will apply to companies with profits over £250k. Also announced in the Budget on 3 March 2021 was the introduction of small profits rate of 19% to apply to profits under £50k with a tapered rate to apply on profits above this threshold but under £250k. Deferred tax has been provided at 25% as that is the rate that was substantially enacted at the balance sheet date.

The company has tax losses of \$11,504 available to use against future trading profits. No deferred tax asset has been recognised for these losses as there is insufficient evidence that the company will return to profit in the near future.

7 Fixed assets	Fixtures fittings and equipment
Cost	
At 1 July 2020	4,149
Additions	-
At 30 June 2021	4,149
Depreciation and Impairment	
At 1 July 2020	173
Charge for year	1,037
At 30 June 2021	1,210
Carrying amount at 30 June 2021	2,939
At 30 June 2020	3,976

8 Fixed asset investments	2021	2020
	\$	\$
Investments	127	127

The investments are in all the ordinary share capital of the following two companies :- Foamhand Limited (NZ\$ 100), registered in New Zealand Company Number 05694109, whose registered office is Elliott NZ Ltd, Level 2, 142 Broad way, Newmarket, Auckland, 1023, New Zealand. Foamhand Pty Ltd, a company registered in Australia AUS \$100.

9 Trade and other receivables	2021	2020
Amounts falling due within one year:	\$	\$
Trade receivables	3,353	2,708
Corporation tax	-	8,042
Deferred tax (note 6)	115	-
Amounts owed by group undertakings	185,827	177,516
	189,295	188,266

10 Current liabilities	2021	2020
	\$	\$
Trade payables	-	12,282
Deferred tax (note 6)	-	109
Accruals and deferred income	11,970	14,752
Amounts due to fellow subsidiaries	1,019,202	744,857
	1,031,172	772,000

FOAMHAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

11 Called up share capital

Ordinary share capital Issued and fully paid and Dividends	2021	2020
	\$	\$
Ordinary share capital issued and fully paid		
90 Ordinary GBP1 shares of £1 each, converted to USD	114	114
30 Ordinary A shares of £1 each, converted to USD	38	38
	<u>152</u>	<u>152</u>
The shares rank pari passu in all respects.		
Dividends	<u>-</u>	<u>-</u>

12 Ultimate controlling party

On 17 August 2018 OSI (Holdings) Company Limited became the immediate parent of Foamhand Limited. OSI (Holdings) Company Limited is a company incorporated in England and Wales. The registered office address is One New Change, London, EC4M 9AF.

OSI (Holdings) Company Limited is a subsidiary undertaking of OSI Systems Inc., a company registered in the USA. The directors consider OSI Systems Inc. to be the controlling ultimate parent company and a copy of this company's accounts can be seen at <https://investors.osi-systems.com/> or obtained from 12525 Chadron Avenue, Hawthorne, CA 90250, USA.

13 Related party transactions

The company has taken advantage of the exemption available in FRS 102 33.1A whereby disclosures need not be given of transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.