

**VEEA SYSTEMS LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

Veea Systems Ltd
Unaudited Financial Statements
For The Year Ended 31 December 2023

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Veea Systems Ltd
Balance Sheet
As At 31 December 2023

Registered number: 09293326

		2023		2022	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	5		28,851		35,564
			<u>28,851</u>		<u>35,564</u>
CURRENT ASSETS					
Debtors	6	37,176		1,121,881	
Cash at bank and in hand		186,478		15,267	
			<u>223,654</u>		<u>1,137,148</u>
Creditors: Amounts Falling Due Within One Year	7		<u>(23,481,618)</u>		<u>(18,600,560)</u>
NET CURRENT ASSETS (LIABILITIES)			<u>(23,257,964)</u>		<u>(17,463,412)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(23,229,113)</u>		<u>(17,427,848)</u>
NET LIABILITIES			<u>(23,229,113)</u>		<u>(17,427,848)</u>
CAPITAL AND RESERVES					
Called up share capital	8		5,927,797		5,927,797
Profit and Loss Account			<u>(29,156,910)</u>		<u>(23,355,645)</u>
SHAREHOLDERS' FUNDS			<u>(23,229,113)</u>		<u>(17,427,848)</u>

Veea Systems Ltd
Balance Sheet (continued)
As At 31 December 2023

For the year ending 31 December 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.

On behalf of the board

J K Smith

Director

26/03/2024

The notes on pages 3 to 5 form part of these financial statements.

Veea Systems Ltd
Notes to the Financial Statements
For The Year Ended 31 December 2023

1. General Information

Veea Systems Ltd is a private company, limited by shares, incorporated in England & Wales, registered number 09293326 . The registered office is Cambridge House, Henry Street, Bath, BA1 1JS.

2. Accounting Policies

2.1. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

Veea Systems Ltd is a private company, limited by shares, incorporated in England & Wales, registered number 09293326 . The registered office is Cambridge House, Henry Street, Bath, BA1 1JS.

2.2. Intangible Fixed Assets and Amortisation - Other Intangible

Other intangible assets are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful economic life of 5 years.

2.3. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures & Fittings	3 years
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2.4. Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in another year and 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 end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and asset reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

3. Average Number of Employees

Average number of employees, including directors, during the year was: 13 (2022: 16)

4. Intangible Assets

	Other £
Cost	
As at 1 January 2023	716,556
As at 31 December 2023	716,556
Amortisation	
As at 1 January 2023	716,556
As at 31 December 2023	716,556

Veea Systems Ltd
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2023

5. Tangible Assets

	Fixtures & Fittings £
Cost	
As at 1 January 2023	77,095
Additions	14,611
As at 31 December 2023	91,706
Depreciation	
As at 1 January 2023	41,531
Provided during the period	21,324
As at 31 December 2023	62,855
Net Book Value	
As at 31 December 2023	28,851
As at 1 January 2023	35,564

6. Debtors

	2023 £	2022 £
Due within one year		
Other debtors	37,176	71,326
Corporation tax recoverable assets	-	1,050,555
	37,176	1,121,881

7. Creditors: Amounts Falling Due Within One Year

	2023 £	2022 £
Trade creditors	74,740	516,930
Other creditors	104,882	55,992
Accruals and deferred income	203,594	250,286
Amounts owed to group undertakings	23,098,402	17,777,352
	23,481,618	18,600,560

8. Share Capital

	2023 £	2022 £
Allotted, Called up and fully paid	5,927,797	5,927,797

Share capital comprises 4,000,000 ordinary shares of \$0.125 each, equating to £336,143, and 7,841,574 Preference shares of \$1.00 each, equating to £5,591,654.

Veea Systems Ltd
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2023

9. Other Commitments

The total of future minimum lease payments under non-cancellable operating leases are as following:

	2023	2022
	£	£
Not later than one year	109,870	88,980
	<u>109,870</u>	<u>88,980</u>

10. Ultimate Controlling Party

The company's immediate parent company, ultimate parent company and controlling party is Veea Inc., a company incorporated in the United States of America.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.