

Registered number  
01266167

Clearstone Telecoms Ltd

Filleted Accounts

31 January 2020

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COMPANIES HOUSE

**Cleartone Telecoms Ltd**

Registered number: 01266167

**Balance Sheet**

as at 31 January 2020

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	4	40,148	51,607
<b>Current assets</b>			
Stocks		762,505	656,723
Debtors	5	556,629	155,862
Cash at bank and in hand		1,697,293	2,029,196
		<u>3,016,427</u>	<u>2,841,781</u>
<b>Creditors: amounts falling due within one year</b>	6	(1,301,376)	(1,274,837)
<b>Net current assets</b>		<u>1,715,051</u>	<u>1,566,944</u>
<b>Total assets less current liabilities</b>		<u>1,755,199</u>	<u>1,618,551</u>
<b>Creditors: amounts falling due after more than one year</b>	7	(878,361)	(826,459)
<b>Provisions for liabilities</b>		-	(2,341)
<b>Net assets</b>		<u>876,838</u>	<u>789,751</u>
<b>Capital and reserves</b>			
Called up share capital		51,000	51,000
Profit and loss account		825,838	738,751
<b>Shareholders' funds</b>		<u>876,838</u>	<u>789,751</u>

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.



E.A.R. Balding  
Director

Approved by the board on 18 December 2020

**Clearstone Telecoms Ltd**  
**Notes to the Accounts**  
**for the year ended 31 January 2020**

**1 Accounting policies**

***Basis of preparation***

The accounts have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard).

The company is exempt from the requirement to prepare group accounts because it is itself a subsidiary undertaking. The financial statements therefore present information about the company as an individual undertaking and not about its group.

***Turnover***

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

***Tangible fixed assets***

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Leasehold property improvements	over 10 years (initial period of lease)
Motor vehicles	over 4 years
Plant and machinery	over 2 to 7 years
Furniture, fittings, and equipment	over 2 to 10 years

***Stocks***

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

***Debtors***

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

**Cleartone Telecoms Ltd**  
**Notes to the Accounts**  
**for the year ended 31 January 2020**

***Creditors***

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

***Taxation***

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

***Provisions***

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

***Foreign currency translation***

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction. At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

***Pensions***

Contributions to defined contribution plans are expensed in the period to which they relate.

***Research and development***

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

***Approval Fees***

Approval fees required for distribution licences are written off over four years.

**Clearstone Telecoms Ltd**  
**Notes to the Accounts**  
**for the year ended 31 January 2020**

**2 Audit information**

The audit report is unqualified.

Senior statutory auditor: DC Cox  
 Firm: Harwood, Lane & Co  
 Date of audit report: 18 December 2020

**3 Employees**

	<b>2020 Number</b>	<b>2019 Number</b>
Average number of persons employed by the company	<u>29</u>	<u>31</u>

**4 Tangible fixed assets**

	<b>Leasehold property improve £</b>	<b>Plant and machinery etc £</b>	<b>Furniture, fittings and equipment £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 February 2019	47,704	325,978	17,750	391,432
Additions	<u>-</u>	<u>2,736</u>	<u>9,947</u>	<u>12,683</u>
At 31 January 2020	<u>47,704</u>	<u>328,714</u>	<u>27,697</u>	<u>404,115</u>
<b>Depreciation</b>				
At 1 February 2019	47,704	275,264	16,857	339,825
Charge for the year	<u>-</u>	<u>21,067</u>	<u>3,075</u>	<u>24,142</u>
At 31 January 2020	<u>47,704</u>	<u>296,331</u>	<u>19,932</u>	<u>363,967</u>
<b>Net book value</b>				
At 31 January 2020	<u>-</u>	<u>32,383</u>	<u>7,765</u>	<u>40,148</u>
At 31 January 2019	<u>-</u>	<u>50,714</u>	<u>893</u>	<u>51,607</u>

**Clearstone Telecoms Ltd**  
**Notes to the Accounts**  
**for the year ended 31 January 2020**

<b>5 Debtors</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade debtors	524,178	128,425
Deferred tax asset	936	-
Other debtors	31,515	27,437
	<u>556,629</u>	<u>155,862</u>

<b>6 Creditors: amounts falling due within one year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade creditors	336,176	159,117
Taxation and social security costs	269,095	287,716
Other creditors	696,105	828,004
	<u>1,301,376</u>	<u>1,274,837</u>

<b>7 Creditors: amounts falling due after one year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Amounts owed to group undertakings and undertakings in which the company has a participating interest	<u>878,361</u>	<u>826,459</u>

**8 Pension commitments**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. At the balance sheet date, unpaid contributions of £0 (2019 - £0) were due to the fund. They are included in other creditors.

**Cleartone Telecoms Ltd**  
**Notes to the Accounts**  
**for the year ended 31 January 2020**

<b>9 Other financial commitments</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Total future minimum payments under non-cancellable operating leases	<u>96,000</u>	<u>132,000</u>

**10 Related party transactions**

During the year the company was charged for management services by Cleartone Group Limited, on normal commercial terms, to the sum of £554,405 (2019 - £625,427). The company also incurred license fees from Cleartone Group Limited and Cleartone Software Limited, on normal commercial terms, to the sums of £31,910 (2019 - £412,669) and £862,318 (2019 - £989,172) respectively. At the balance sheet date, the amount outstanding was £878,360 (2019 - £826,459) to Cleartone Software Limited.

**11 Controlling party**

Cleartone Group Limited, which holds 100% of the shares of Cleartone Telecoms Limited, is the company's immediate and ultimate parent undertaking and Mr RC Hill, who holds 52% of the shares of Cleartone Group Limited is the company's ultimate controlling party. Mr RC Hill also controls 100% of the shares of Boxblade Limited, a company which itself holds 18% of the shares of Cleartone Group Limited. Cleartone Group Limited is a company registered in England and Wales.

**12 Other information**

Cleartone Telecoms Ltd is a private company limited by shares and incorporated in England. Its registered office is:

Unit 15 Pontyfelin Industrial Estate  
 New Inn  
 Pontypool  
 Gwent  
 NP4 0DQ