

**ETS Communications Limited**  
Report and accounts for the  
5 month period ended 31 March 2019

TUESDAY



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06/08/2019  
COMPANIES HOUSE

# Directors' report

For the period ended 31 March 2019

The directors present their report and the financial statements for the period ended 31 March 2019. The accounting period for the company has been shortened to 31 March 2019 in order to coincide with the accounting reference date of the ultimate parent entity, AdEPT Technology Group plc.

## Principal activities

The company is dormant and does not trade. All trade and assets were hived out of the company to Comms Group Limited on 1 November 2018. As a result the company has not traded during the current period. There is no intention for the company to commence trading in the future and so will remain dormant.

## Statement of directors' responsibilities

The directors are responsible for preparing the directors' 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 applicable United Kingdom accounting standards, including Financial Reporting Standard 102 ('FRS 102') Section 1A Small Entities, and with the Companies Act 2006.

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 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.

They are further responsible for ensuring that the report of the directors and other information included in the annual report and financial statements is prepared in accordance with applicable law in the United Kingdom.

## The Board

Ian Fishwick – appointed 7 November 2018  
John Swaite – appointed 7 November 2018  
A Hall-Jackson – resigned 7 November 2018  
J Hall – resigned 7 November 2018  
T Jackson – resigned 7 November 2018

## Provision of information to auditor

So far as each of the directors is aware at the time the report was approved:

- there was no relevant audit information of which the Company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor was aware of that information.

## Going concern

Accounting standards require the directors to consider the appropriateness of the going concern basis when preparing the financial statements. The company has the continuing support of its ultimate parent company, AdEPT Technology Group plc, and therefore the going concern basis continues to be adopted in preparing the financial statements.

## Future developments


The company will remain dormant.

**Auditor**

The auditor, Crowe U.K. LLP, will be proposed for appointment in accordance with Section 485 of the Companies Act 2006.

In preparing this report the directors have taken advantage of the small companies exemptions provided by Section 415A of the Companies Act 2006.

By order of the Board

A handwritten signature in black ink, appearing to read 'J Swaite', written in a cursive style.

**J Swaite**

**Director**

**31 July 2019**

# Independent auditor report

To the shareholders of ETS Holdings Limited

We have audited the financial statements of ETS Communications Limited for the period ended 31 March 2019 which comprise the income statement, statement of financial position and related Notes 1 to 15.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom accounting standards, including Financial Reporting Standard 102 ('FRS 102') Section 1A Small Entities and the Companies Act 2006.

This report is made solely to the Company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

## Respective responsibilities of directors and auditor

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for auditors.

## Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report and Financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as at 31 March 2019 and of its profit for the period then ended;
- the financial statements have been properly prepared in accordance with United Kingdom accounting standards; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

## Other matter

The financial statements of ETS Communications Limited for the period 31 October 2018 which are presented as comparatives to these financial statements were not audited.

## Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

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 by the Company, or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



**Darren Rigden**

**Senior Statutory Auditor**

**For and on behalf of Crowe U.K. LLP**

**Statutory auditor**

**Riverside House**

**40-46 High Street**

**Maidstone**

**Kent**

**ME14 1JH**

**July 2019**

1/8/19

# Statement of comprehensive income

For the period ended 31 March 2019

	Note	5 months ended 31 March 2019 £'000	Unaudited 7 Months ended 31 October 2018 £'000
<b>Revenue</b>	2	-	1,601
Cost of sales		-	(838)
<b>Gross profit</b>		-	763
Administrative expenses		(57)	(684)
Other operating income		2,712	-
<b>Operating profit</b>		2,655	79
Finance costs	4	-	(8)
<b>Profit before income tax</b>		2,655	71
Income tax expense	6	-	(19)
<b>Profit for the period</b>		2,655	52

There was no other comprehensive income for the period ended 31 March 2019 (Period ended 31 October 2018: £Nil).

The notes on pages 9 to 13 form part of these financial statements.

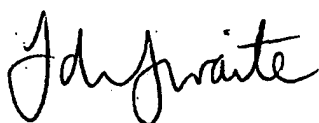
# Statement of financial position

As at 31 March 2019

	Note	31 March 2019 £'000	Unaudited 31 October 2018 £'000
<b>Assets</b>			
Property, plant and equipment	7	-	93
		-	93
<b>Current assets</b>			
Inventories	9	-	104
Trade and other receivables	10	19	1,000
Deferred tax asset	8	-	18
Cash and cash equivalents		-	1
		-	1,123
<b>Total assets</b>		-	1,216
<b>Current liabilities</b>			
Trade and other payables	11	-	530
Income tax		-	90
		-	620
<b>Non-current liabilities</b>			
Long-term borrowings	13	-	561
<b>Total liabilities</b>		-	1,181
<b>Net assets</b>		-	35
<b>Equity attributable to equity holders</b>			
Share capital		1	1
Share Premium		9	9
Capital Redemption		9	9
Retained earnings		-	16
<b>Total equity</b>		19	35

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the Board on 31 July 2019 and signed on its behalf.



**John Swaite**  
**Director**

The notes on pages 9 to 13 form part of these financial statements.

Registered number 05315865

# Statement of changes in equity

For the period ended 31 March 2019

	Attributable to equity holders				
	Share capital £'000	Share Premium £'000	Capital redemption £'000	Retained earnings £'000	Total equity £'000
<b>Equity at 1 April 2018</b>	<b>1</b>	<b>9</b>	<b>9</b>	<b>85</b>	<b>104</b>
Profit for the period	-	-	-	52	52
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	52	52
Dividends	-	-	-	(121)	(121)
<b>Equity at 1 November 2018</b>	<b>1</b>	<b>9</b>	<b>9</b>	<b>16</b>	<b>35</b>
Profit for the period	-	-	-	2,655	2,655
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	2,655	2,655
Dividends	-	-	-	(2,671)	(2,671)
Issue of share capital	-	-	-	-	-
<b>Equity at 31 March 2019</b>	<b>1</b>	<b>9</b>	<b>9</b>	<b>-</b>	<b>19</b>

The notes on pages 9 to 13 form part of these financial statements.



# Notes to the financial statements

For the period ended 31 March 2019

## 1. Nature of operations and general information

ETS Communications Limited is an investment holding company which is incorporated under the Companies Act, domiciled in the UK (registered in England and Wales under company number 02065343) and the registered office is located at One Fleet Place, London EC4M 7WS. All trade and assets were hived out of the company to Comms Group Limited, a wholly owned subsidiary of AdEPT Technology Group plc, on 1 November 2018.

## 2. Accounting policies

### **Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 ('FRS 102') Section 1A Small Entities and the Companies Act 2006.

The company has taken advantage of the exemption provided by Section 400 of the Companies Act 2006 not to prepare group accounts. Accordingly the financial statements present information about it as an individual and not about the group.

The accounting policies that have been applied in the opening balance sheet have also been applied throughout all periods presented in these financial statements.

Accounting standards require the directors to consider the appropriateness of the going concern basis when preparing the financial statements. The company has the continuing support of its ultimate parent company, AdEPT Technology Group plc, and therefore the going concern basis continues to be adopted in preparing the financial statements.

The financial statements are presented in sterling which is the Company's functional and presentation currency. The figures shown in the financial statements are rounded to the nearest thousand pounds.

The accounting period for the company has been shortened to 31 March 2019 in order to coincide with the accounting reference date of the ultimate parent entity, AdEPT Technology Group plc.

### **Revenue**

Revenue represent amounts receivable for goods and services net of VAT and trade discounts. Revenue is recognised upon the supply of goods and services.

The whole of the revenue is attributable to the provision of voice and data telecommunication services to both residential and business customers. All revenue arose within the United Kingdom.

### **Other income**

Other income relates to the write off of intercompany balances on hive up of the trade and assets of the company to Comms Group Limited and the net proceeds received by the company for the customer base.

### **Property, plant and equipment and depreciation**

Property, plant and equipment are stated at cost, less depreciation and any provision for impairment. Depreciation is provided on all property, plant and equipment at rates calculated to write off the cost, less estimated residual value of each asset, over its expected useful life on the following bases:

Motor vehicles	– 25% straight line
Office equipment	– 33% straight line
Fixtures & Fittings	- 15% straight line

### **Intangible assets**

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstance indicate that the carrying value may not be recoverable.

Goodwill	- 5% straight line
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### **Inventories**

Inventories are valued at the lower of cost and net realisable value after making allowance for any obsolete or slow moving items. Net realisable value is reviewed regularly to ensure accurate carrying values. Cost is determined on a first-in-first-out basis and includes transportation and handling costs.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

### **Income tax**

Income tax is the tax currently payable based on taxable profit for the period.

Deferred income tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred income tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit.

Deferred income tax liabilities are provided in full, with no discounting. Deferred income tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Current and deferred income tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Changes in deferred income tax assets or liabilities are recognised as a component of income tax expense in the income statement, except where they relate to items that are charged or credited directly to equity in which case the related deferred income tax is also charged or credited directly to equity.

### Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors.

Short term debtors are measured at transaction price, less any impairment.

Short term trade creditors are measured at transaction price.

### 3. Auditor remuneration

	5 Months ended 31 March 2019 £'000	Unaudited 7 Months ended 31 October 2018 £'000
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	-	-
Fees payable to the Company's auditor and their associates in respect of:		
– other services relating to taxation & accounts production	-	7

### 4. Finance costs

	5 Months ended 31 March 2019 £'000	Unaudited 7 Months ended 31 October 2018 £'000
Interest paid	-	8

### 5. Employee costs

The average monthly number of employees, including the directors, during the period was nil (October 2018: 24).

### 6. Income tax expense

	5 Months ended 31 March 2019 £'000	Unaudited 7 Months ended 31 October 2018 £'000
<b>Current tax</b>		
UK corporation tax on profit for the period	-	25
Adjustments in respect of prior periods	-	-
<b>Total current tax</b>	-	25
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	(6)
Adjustments in respect of prior periods	-	-
<b>Total deferred tax (see Note 8)</b>	-	(6)
<b>Total income tax expense</b>	-	19

## 6. Income tax expense (continued)

### Factors affecting tax charge for period

The relationship between expected tax expense based on the effective tax rate of ETS Communications Limited at 19% (October 2018: 19%) and the tax expense actually recognised in the income statement can be reconciled as follows:

	5 Months ended 31 March 2019 £'000	Unaudited 7 Months ended 31 October 2019 £'000
Profit before income tax	2,655	71
Tax rate	19	19
<b>Expected tax charge</b>	<b>504</b>	<b>13</b>
Expenses not deductible for tax purposes	-	12
Income not taxable	(504)	-
Deferred tax movement	-	(6)
<b>Actual tax expense net</b>	<b>-</b>	<b>19</b>

There were no material factors that may affect future tax charges.

## 7. Property, plant and equipment

	Fixtures & fittings £'000	Office equipment £'000	Motor vehicles £'000	Total £'000
<b>Cost</b>				
At 1 November 2018	-	-	-	-
Additions	-	-	-	-
Disposals	-	-	-	-
<b>At 31 March 20179</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Depreciation</b>				
At 1 November 2018	-	-	-	-
Charge for the 5 months	-	-	-	-
Disposals	-	-	-	-
<b>At 31 March 2019</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net book value</b>				
<b>At 31 March 2019</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
At 31 October 2018	-	-	-	-

## 8. Deferred taxation

	31 March 2019 £'000	31 October 2018 £'000
At 1 November 2018	-	12
Income statement credit/(charge)	-	6
<b>At 31 March 2019</b>	<b>-</b>	<b>18</b>

The deferred tax asset is made up as follows:

	31 March 2019 £'000	31 October 2018 £'000
Capital allowances	-	-
Short-term timing differences	-	18
	-	18

## 9. Inventories

	31 March 2019 £'000	31 October 2018 £'000
Consumables	-	104

There is no material difference between the replacement cost of inventories and the amount stated above.

## 10. Trade and other receivables

	31 March 2019 £'000	31 October 2018 £'000
Trade receivables	-	153
Amounts due from group undertakings	19	842
Prepayments and accrued income	-	5
	19	1,000

Management regularly reviews the outstanding receivables and does not consider that any impairment or provision is required. The other asset classes within trade and other receivables do not contain impaired assets.

## 11. Trade and other payables

	31 March 2019 £'000	31 October 2018 £'000
Trade payables	-	116
Other taxes and social security costs	-	116
Other payables	-	9
Accruals and deferred income	-	193
Bank loans and overdrafts	-	49
Obligations under finance leases	-	47
	-	530

Includes within creditors are hire purchase contracts which are secured on the assets to which they relate.

## 12. Related party transactions

The company has taken advantage of the small company provisions of FRS 102 which exempts qualifying entities from disclosing related party 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 a member of that group.

### 13. Long term borrowings

	31 March 2019 £'000	31 October 2018 £'000
Obligations under finance leases	-	43
Other borrowings	-	518
	-	561

Included within creditors are hire purchase contracts which are secured on the assets to which they relate. Other borrowings are also secured.

### 14. Controlling party

The immediate parent company is ETS Holdings Limited, a company registered in England and Wales.

The ultimate parent company and controlling party is AdEPT Technology Group plc by virtue of its 100% shareholding, a company registered in United Kingdom, a company registered in England and Wales.

The smallest group in which the results of the company are consolidated is that headed by AdEPT Technology Group plc. The consolidated accounts of this company are available from 77 Mount Ephraim, Tunbridge Wells, Kent TN4 8BS.

## Company information

### Directors

Ian Fishwick  
John Swaite

### Secretary

Dentons Secretaries Limited

### Company number

02065343

### Registered office

One Fleet Place  
London EC4M 7WS

### Auditor

#### ***Crowe U.K. LLP***

Chartered accountants and registered auditor  
Riverside House  
40-46 High Street  
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