

COMPANY REGISTRATION NUMBER: 02469394

Swiftnet Limited

Filleted Unaudited Financial Statements

31 December 2019

Swiftnet Limited

Statement of Financial Position

31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	5	–	93,411
Tangible assets	6	–	1,012
Investments	7	834,050	834,050
		-----	-----
		834,050	928,473
Current assets			
Debtors	8	3,942,734	3,900,253
Cash at bank and in hand		740,574	944,406
		-----	-----
		4,683,308	4,844,659
Creditors: amounts falling due within one year	9	3,611,842	3,764,935
		-----	-----
Net current assets		1,071,466	1,079,724
		-----	-----
Total assets less current liabilities		1,905,516	2,008,197
		-----	-----
Net assets		1,905,516	2,008,197
		-----	-----
Capital and reserves			
Called up share capital		25,987	25,987
Share premium account		202,743	202,743
Profit and loss account		1,676,786	1,779,467
		-----	-----
Shareholders funds		1,905,516	2,008,197
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These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 ;
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

Swiftnet Limited

Statement of Financial Position *(continued)*

31 December 2019

These financial statements were approved by the board of directors and authorised for issue on 8 December 2020 , and are signed on behalf of the board by:

Mr A Keinan

Director

Company registration number: 02469394

Swiftnet Limited

Notes to the Financial Statements

Year ended 31 December 2019

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 1st Floor, Olympia House, 1 Armitage Road, London, NW11 8RQ.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances .

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised 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 that are expected to apply to the reversal of the timing difference.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses. Intangible assets acquired as part of a business combination are only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Software development - The development cost is depreciated over the two years.

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Computer equipment	-	25% straight line
Plant & machinery	-	10% straight line

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Financial instruments

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 entity after deducting all of its financial liabilities. Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability. Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity .

4. Employee numbers

The average number of persons employed by the company during the year amounted to 6 (2018: 9).

5. Intangible assets

	Development costs £
Cost	
At 1 January 2019 and 31 December 2019	626,559
Amortisation	
At 1 January 2019	533,148
Charge for the year	93,411
At 31 December 2019	626,559
Carrying amount	
At 31 December 2019	—
At 31 December 2018	93,411

6. Tangible assets

	Equipment £	Plant & machinery £	Total £
Cost			
At 1 January 2019 and 31 December 2019	7,656	36,423	44,079
Depreciation			
At 1 January 2019	6,644	36,423	43,067
Charge for the year	1,012	—	1,012
At 31 December 2019	7,656	36,423	44,079
Carrying amount			
At 31 December 2019	—	—	—
At 31 December 2018	1,012	—	1,012

7. Investments

	Other investments other than loans £
Cost	
At 1 January 2019 and 31 December 2019	834,050
Impairment	
At 1 January 2019 and 31 December 2019	—
Carrying amount	
At 31 December 2019	834,050
At 31 December 2018	834,050

Investments consists of:-

Auracall Ltd (100% owned UK subsidiary) £834,050

8. Debtors

	2019	2018
	£	£
Trade debtors	294,300	285,405
Amounts owed by group undertakings and undertakings in which the company has a participating interest	2,435,845	2,317,062
Other debtors	1,212,589	1,297,786
	<u>3,942,734</u>	<u>3,900,253</u>

Other debtors include a loan to the director A Keinan of £909,308 (2018 - £909,308). This loan is unsecured and interest free.

9. Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	202,892	246,808
Amounts owed to group undertakings and undertakings in which the company has a participating interest	2,780,453	2,915,271
Corporation tax	2,002	34,334
Social security and other taxes	8,695	8,851
Other creditors	8,346	—
Other creditors	609,454	559,671
	<u>3,611,842</u>	<u>3,764,935</u>

10. Operating leases

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

	2019	2018
	£	£
Not later than 1 year	36,360	46,872
Later than 1 year and not later than 5 years	145,440	145,440
	<u>181,800</u>	<u>192,312</u>

11. Related party transactions

Included in creditors amounts owed to group and related undertakings:

	2019
	£
Auracall Limited	953,837
Equitalk.co.uk Limited	891,045
Story Telecom Limited	935,570
	<u>2,780,452</u>

Included in debtors amounts owed by parent company group related undertakings:

	2019	2018
	£	£
Amit K Limited	2,435,845	2,317,062
	<u>2,435,845</u>	<u>2,317,062</u>

Transactions between related parties are charged at normal commercial rates and trade terms. The amounts due to and from related undertakings are unsecured, interest free and have no fixed repayment date. Advantage has been taken if the exemption within FRS8 (paragraph 3) not to disclose transactions with the company's parent undertaking. Included in other debtors is a loan to the director, A Keinan, of £909,308 (2018 - £909,308). This loan is unsecured and interest free.

12. Controlling party

The ultimate parent company is Amit K Ltd, a company incorporated in the United Kingdom. Amit K Ltd is controlled by Mr A Keinan .

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.