

COMPANY REGISTRATION NUMBER: 02469394

Swiftnet Limited
Filleted Unaudited Financial Statements
31 December 2017

SATURDAY



A35 *A7FHUNXC* #253
29/09/2018
COMPANIES HOUSE

Swiftnet Limited
Financial Statements
Year ended 31 December 2017

Contents	Pages
Officers and professional advisers	1
Statement of financial position	2 to 3
Notes to the financial statements	4 to 9

Swiftnet Limited

Officers and Professional Advisers

Director	Mr A Keinan
Company secretary	Mr M Cooper
Registered office	1st Floor, Olympia House 1 Armitage Road London England NW11 8RQ
Accountants	Gerald Kreditor & Co. Chartered accountant Hallswelle House 1 Hallswelle Road London NW11 0DH

Swiftnet Limited
Statement of Financial Position
31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	5	186,823	188,913
Tangible assets	6	4,527	18,150
Investments	7	834,050	834,050
		<u>1,025,400</u>	<u>1,041,113</u>
Current assets			
Debtors	8	3,632,921	3,764,581
Cash at bank and in hand		1,144,080	1,184,855
		<u>4,777,001</u>	<u>4,949,436</u>
Creditors: amounts falling due within one year	9	<u>3,819,968</u>	<u>3,981,665</u>
Net current assets		<u>957,033</u>	<u>967,771</u>
Total assets less current liabilities		<u>1,982,433</u>	<u>2,008,884</u>
Provisions			
Taxation including deferred tax		(7,500)	(6,877)
Net assets		<u>1,989,933</u>	<u>2,015,761</u>
Capital and reserves			
Called up share capital		25,987	25,987
Share premium account		202,743	202,743
Profit and loss account		1,761,203	1,787,031
Shareholders funds		<u>1,989,933</u>	<u>2,015,761</u>

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 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 2017 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.

The statement of financial position
continues on the following page.
The notes on pages 4 to 9 form part of these financial statements.

Swiftnet Limited

Statement of Financial Position *(continued)*

31 December 2017

These financial statements were approved by the board of directors and authorised for issue on 26 September 2018, and are signed on behalf of the board by:



Mr A. Keinan
Director

Company registration number: 02469394

The notes on pages 4 to 9 form part of these financial statements.

Swiftnet Limited

Notes to the Financial Statements

Year ended 31 December 2017

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, Road, London, NW11 8RQ, England.

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. Its financial statements are consolidated into the financial statements of Amit K Ltd, which can be obtained from Hallswelle House, 1 Hallswelle Road, London NW11 0DH. As such, advantage has been taken of the disclosure exemptions available under paragraph 1.12 of 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.

Swiftnet Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

3. Accounting policies *(continued)*

Income tax *(continued)*

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 recorded at the fair value at the acquisition date.

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	- 25% reducing balance
----------------------	------------------------

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:

Leasehold property	- 25% reducing balance
Computer equipment	- 25% straight line
Plant & machinery	- 10% straight line

Swiftnet Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

3. Accounting policies *(continued)*

Investments

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

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

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 13 (2016: 14).

Swiftnet Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

5. Intangible assets

	Development costs £
Cost	
At 1 January 2017	642,271
Additions	60,184
Disposals	(75,896)
At 31 December 2017	626,559
Amortisation	
At 1 January 2017	453,358
Charge for the year	62,274
Disposals	(75,896)
At 31 December 2017	439,736
Carrying amount	
At 31 December 2017	186,823
At 31 December 2016	188,913

6. Tangible assets

	Equipment £	Plant & machinery £	Total £
Cost			
At 1 January 2017	106,246	166,593	272,839
Additions	2,688	–	2,688
Disposals	(101,278)	(130,170)	(231,448)
At 31 December 2017	7,656	36,423	44,079
Depreciation			
At 1 January 2017	93,342	161,347	254,689
Charge for the year	1,914	3,642	5,556
Disposals	(90,524)	(130,169)	(220,693)
At 31 December 2017	4,732	34,820	39,552
Carrying amount			
At 31 December 2017	2,924	1,603	4,527
At 31 December 2016	12,904	5,246	18,150

Swiftnet Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

7. Investments

	Other investments other than loans £
Cost	
At 1 January 2017 and 31 December 2017	<u>834,050</u>
Impairment	
At 1 January 2017 and 31 December 2017	<u>-</u>
Carrying amount	
At 31 December 2017	<u>834,050</u>
At 31 December 2016	<u>834,050</u>

Investments consists of:-

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

8. Debtors

	2017 £	2016 £
Trade debtors	306,016	321,452
Amounts owed by group undertakings and undertakings in which the company has a participating interest	2,084,785	2,091,145
Other debtors	<u>1,242,120</u>	<u>1,351,984</u>
	<u>3,632,921</u>	<u>3,764,581</u>

Other debtors include a loan to the director A Keinan of £1,034,635 (2016 - £837,224). This loan is unsecured and interest free.

9. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	299,415	563,566
Amounts owed to group undertakings and undertakings in which the company has a participating interest	3,078,519	2,953,288
Corporation tax	40,326	75,096
Social security and other taxes	14,096	15,108
Other creditors	<u>387,612</u>	<u>374,607</u>
	<u>3,819,968</u>	<u>3,981,665</u>

Swiftnet Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

10. Related party transactions

Included in creditors amounts owed to group and related undertakings:

	2017	2016
	£	£
Auracall Ltd	1,018,468	941,907
Equitalk.co.uk Limited	934,278	1,051,592
Story Telecom Ltd	1,125,722	959,789
	<u>3,078,468</u>	<u>2,953,288</u>

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

	2017	2016
	£	£
Amit K Limited	2,084,785	2,091,145

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 £1,034,635 (2016 - £837,224). This loan is unsecured and interest free.

11. Controlling party

The ultimate parent company is Amit K Ltd, a company incorporated in the United Kingdom. Amit K Ltd prepares group financial statements and copies can be obtained from Amit K Ltd at Hallswelle House, 1 Hallswelle Road, London NW11 0DH. Amit K Ltd is controlled by Mr A Keinan.