

Registered Number:04927314

England and Wales

Orchid Telecom Limited

Unaudited Report and Financial Statements

For the year ended 31 January 2020

Statement of Financial Position
As at 31 January 2020

	Notes	2020 £	2019 £
Fixed assets			
Property, plant and equipment	2	954	1,148
		954	1,148
Current assets			
Inventories	3	124,833	97,859
Trade and other receivables	4	157,841	106,454
Cash and cash equivalents		480	1
		283,154	204,314
Trade and other payables: amounts falling due within one year	5	(239,163)	(184,955)
Net current assets		43,991	19,359
Total assets less current liabilities		44,945	20,507
Trade and other payables: amounts falling due after more than one year	6	(9,315)	(22,661)
Net assets/liabilities		35,630	(2,154)
Capital and reserves			
Called up share capital		1,000	1,000
Retained earnings		34,630	(3,154)
Shareholders' funds		35,630	(2,154)

For the year ended 31 January 2020 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 of its financial statements for the year ended 31 January 2020 in accordance with Section 476 of the Companies Act 2006

The directors acknowledge their responsibilities for: a) ensuring that the company keeps proper accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

These financial statements were approved and authorised for issue by the Board on 17 April 2020 and were signed by:

J A Mortell Director

Orchid Telecom Limited

Notes to the Financial Statements For the year ended 31 January 2020

Statutory Information

Orchid Telecom Limited is a private limited company, limited by shares, domiciled in England and Wales, registration number 04927314.

Registered address:
Millhouse Offices
Old Uppingham Road
Billesdon
Leicestershire
LE7 9FN

The presentation currency is £ sterling.

1. Accounting policies

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical costs convention as modified by the revaluation of certain assets.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax or other similar sales taxes.

Research and development

Research and development expenditure is charged to the profit and loss account in the period in which it is incurred.

Property, plant and equipment

Tangible fixed assets, other than freehold land, are stated at cost or valuation less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Computer equipment	33% Reducing balance
Fixtures and fittings	20% Reducing balance

Inventories

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date.

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All foreign exchange differences are included to the profit and loss account.

Hire purchase and leasing commitments

Rentals payable under operating leases are charged against income on a straight line basis over the lease term. The finance element of the rental payment is charged to the profit and loss account on a straight line basis.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme for the benefit of its directors/and employees. Contributions payable are charged to the profit and loss account in the period in which they are payable.

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Notes to the Financial Statements Continued For the year ended 31 January 2020

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortized cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at market rates of interest. Financial assets classified as receivable within one year are not amortized.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortized.

Debt instruments are subsequently carried at amortized cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortized cost plus the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

Provisions

Provisions are recognised when the company has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Orchid Telecom Limited

Notes to the Financial Statements Continued
For the year ended 31 January 2020

2. Property, plant and equipment

	Fixtures and fittings	Computer equipment	Total
Cost or valuation	£	£	£
At 01 February 2019	1,140	350	1,490
Additions	100	-	100
At 31 January 2020	1,240	350	1,590
Provision for depreciation and impairment			
At 01 February 2019	227	115	342
Charge for year	183	111	294
At 31 January 2020	410	226	636
Net book value			
At 31 January 2020	830	124	954
At 31 January 2019	913	235	1,148

3. Inventories

	2020	2019
	£	£
Stocks	124,833	97,859

4. Trade and other receivables

	2020	2019
	£	£
Trade debtors	136,766	57,562
Other debtors	21,075	48,892
	157,841	106,454

5. Trade and other payables: amounts falling due within one year

	2020	2019
	£	£
Bank loans and overdraft	22,164	16,791
Trade creditors	14,867	21,064
Taxation and social security	31,614	11,344
Other creditors	170,518	135,756
	239,163	184,955

Included in other creditors repayable within one year is an amount outstanding to Growth Street Provision Limited of £67,840 (2019: £72,793). This amount is secured by way of a fixed and floating charge over all of the company's property and undertaking dated 23 October 2019.

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Notes to the Financial Statements Continued
For the year ended 31 January 2020

6. Trade and other payables: amounts falling due after more than one year

	2020	2019
	£	£
Other creditors	9,315	22,661

7. Guarantees and other financial commitments

Pension commitments

The company operates a defined contribution pension scheme in respect of employees automatically enrolled into a work place pension. The assets of the scheme are held separately from those of the company in an independently administered fund.

Lease commitments

Operating lease commitments

At 31 January 2020 the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases amounting to £25,575 (2019: £27,489).

8. Average number of persons employed

During the year the average number of employees was 3 (2019 : 3).

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.