

# Airfox Networks Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 30 June 2020

# Airfox Networks Limited

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# **Airfox Networks Limited**

## **Company Information**

<b>Directors</b>	Mr S Tune Mr GA Brewer
<b>Registered office</b>	10 Hobart Quay Eastbourne East Sussex BN23 5PB
<b>Accountants</b>	Gold Accountants Limited 24 Southfield Polegate East Sussex BN26 5LX

# **Airfox Networks Limited**

## **Directors' Report for the Year Ended 30 June 2020**

The directors present their report and the financial statements for the year ended 30 June 2020.

### **Directors of the company**

The directors who held office during the year were as follows:

Mr S Tune

Mr GA Brewer

### **Principal activity**

The principal activity of the company is Mail order retail sales

### **Small companies provision statement**

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 29 March 2021 and signed on its behalf by:

.....  
Mr S Tune  
Director

**Accountants' Report to the Board of Directors on the Preparation of the Unaudited Statutory  
Accounts of  
Airfox Networks Limited  
for the Year Ended 30 June 2020**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Airfox Networks Limited for the year ended 30 June 2020 as set out on pages 4 to 13 from the company's accounting records and from information and explanations you have given us.

This report is made solely to the Board of Directors of Airfox Networks Limited, as a body, in accordance with the terms of our engagement letter dated 10 October 2010. Our work has been undertaken solely to prepare for your approval the accounts of Airfox Networks Limited and state those matters that we have agreed to state to the Board of Directors of Airfox Networks Limited, as a body, in this report. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Airfox Networks Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Airfox Networks Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Airfox Networks Limited. You consider that Airfox Networks Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Airfox Networks Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

.....  
Gold Accountants Limited  
24 Southfield  
Polegate  
East Sussex  
BN26 5LX

29 March 2021

# Airfox Networks Limited

## Profit and Loss Account for the Year Ended 30 June 2020

	Note	Total 30 June 2020 £	Total 30 June 2019 £
Turnover		243,165	285,724
Cost of sales		<u>(15,191)</u>	<u>(20,152)</u>
Gross profit		227,974	265,572
Administrative expenses		<u>(127,411)</u>	<u>(130,703)</u>
Operating profit		<u>100,563</u>	<u>134,869</u>
Other interest receivable and similar income		<u>106</u>	<u>144</u>
		<u>106</u>	<u>144</u>
Profit before tax	<u>4</u>	100,669	135,013
Taxation		<u>(19,363)</u>	<u>(25,926)</u>
Profit for the financial year		<u><u>81,306</u></u>	<u><u>109,087</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

# Airfox Networks Limited

## Statement of Comprehensive Income for the Year Ended 30 June 2020

	Note	2020 £	2019 £
Profit for the year		<u>81,306</u>	<u>109,087</u>
Total comprehensive income for the year		<u><u>81,306</u></u>	<u><u>109,087</u></u>

# Airfox Networks Limited

(Registration number: 05476612)

## Balance Sheet as at 30 June 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	<u>5</u>	18,470	23,422
<b>Current assets</b>			
Stocks	<u>6</u>	4,000	10,000
Debtors	<u>7</u>	4,931	8,486
Cash at bank and in hand		163,055	142,550
		171,986	161,036
<b>Creditors:</b> Amounts falling due within one year	<u>8</u>	(4,889)	(13,895)
<b>Net current assets</b>		167,097	147,141
<b>Total assets less current liabilities</b>		185,567	170,563
<b>Creditors:</b> Amounts falling due after more than one year	<u>8</u>	(10,000)	-
<b>Net assets</b>		175,567	170,563
<b>Capital and reserves</b>			
Called up share capital		1,000	1,000
Profit and loss account		174,567	169,563
<b>Total equity</b>		175,567	170,563

For the financial year ending 30 June 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.



**Airfox Networks Limited**

**(Registration number: 05476612)**

**Balance Sheet as at 30 June 2020**

Approved and authorised by the Board on 29 March 2021 and signed on its behalf by:

.....

Mr GA Brewer

Director

## Airfox Networks Limited

### Statement of Changes in Equity for the Year Ended 30 June 2020

	Share capital £	Profit and loss account £	Total £
At 1 July 2019	1,000	169,563	170,563
Profit for the year	-	81,306	81,306
Total comprehensive income	-	81,306	81,306
Dividends	-	(76,302)	(76,302)
At 30 June 2020	1,000	174,567	175,567
	Share capital £	Profit and loss account £	Total £
At 1 July 2018	4	173,372	173,376
Profit for the year	-	109,087	109,087
Total comprehensive income	-	109,087	109,087
Dividends	-	(112,896)	(112,896)
New share capital subscribed	996	-	996
At 30 June 2019	1,000	169,563	170,563

The notes on pages 9 to 13 form an integral part of these financial statements.  
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# **Airfox Networks Limited**

## **Notes to the Financial Statements for the Year Ended 30 June 2020**

### **1 General information**

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

10 Hobart Quay  
Eastbourne  
East Sussex  
BN23 5PB

These financial statements were authorised for issue by the Board on 29 March 2021.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;  
it is probable that future economic benefits will flow to the entity;  
and specific criteria have been met for each of the company's activities.

#### **Tax**

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

## Airfox Networks Limited

### Notes to the Financial Statements for the Year Ended 30 June 2020

#### Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and Machinery	25% reducing balance
Furniture and Fittings	25% reducing balance
Motor Vehicles	25% reducing balance
Office Equipment	25% straight line

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

#### Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

# Airfox Networks Limited

## Notes to the Financial Statements for the Year Ended 30 June 2020

### Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

### Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

### 3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 3 (2019 - 3).

### 4 Profit before tax

Arrived at after charging/(crediting)

	2020	2019
	£	£
Depreciation expense	7,198	8,215

# Airfox Networks Limited

## Notes to the Financial Statements for the Year Ended 30 June 2020

### 5 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
<b>Cost or valuation</b>				
At 1 July 2019	21,832	11,129	89,540	122,501
Additions	2,245	-	-	2,245
At 30 June 2020	24,077	11,129	89,540	124,746
<b>Depreciation</b>				
At 1 July 2019	14,752	11,129	73,198	99,079
Charge for the year	3,112	-	4,085	7,197
At 30 June 2020	17,864	11,129	77,283	106,276
<b>Carrying amount</b>				
At 30 June 2020	6,213	-	12,257	18,470
At 30 June 2019	7,080	-	16,342	23,422

### 6 Stocks

	2020 £	2019 £
Finished goods and goods for resale	4,000	10,000

### 7 Debtors

	2020 £	2019 £
Trade debtors	(231)	1,133
Other debtors	5,162	7,353
Total current trade and other debtors	4,931	8,486

### 8 Creditors

# Airfox Networks Limited

## Notes to the Financial Statements for the Year Ended 30 June 2020

	Note	2020 £	2019 £
<b>Due within one year</b>			
Bank loans and overdrafts	9	(1,061)	349
Trade creditors		7,813	4,116
Amounts owed to group undertakings and undertakings in which the company has a participating interest		(33,130)	(16,886)
Taxation and social security		(308)	(410)
Other creditors		31,575	26,726
		<u>4,889</u>	<u>13,895</u>
<b>Due after one year</b>			
Loans and borrowings	9	<u>10,000</u>	<u>-</u>

### 9 Loans and borrowings

	2020 £	2019 £
<b>Non-current loans and borrowings</b>		
Bank borrowings	<u>10,000</u>	<u>-</u>

	2020 £	2019 £
<b>Current loans and borrowings</b>		
Bank borrowings	<u>(1,061)</u>	<u>349</u>

### 10 Dividends

#### Interim dividends paid

	2020 £	2019 £
Interim dividend of £120 (2019 - £200) per each Ordinary A shares share	30,000	50,000
Interim dividend of £120 (2019 - £200) per each Ordinary B shares share	30,000	50,000
Interim dividend of £8,151 (2019 - £6,448) per each Ordinary E shares share	16,302	12,896
	<u>76,302</u>	<u>112,896</u>

## Airfox Networks Limited

### Detailed Profit and Loss Account for the Year Ended 30 June 2020

	2020 £	2019 £
Turnover (analysed below)	243,165	285,724
Cost of sales (analysed below)	<u>(15,191)</u>	<u>(20,152)</u>
Gross profit	<u>227,974</u>	<u>265,572</u>
Gross profit (%)	93.75%	92.95%
<b>Administrative expenses</b>		
Employment costs (analysed below)	(28,918)	(28,927)
Establishment costs (analysed below)	(20,567)	(20,236)
General administrative expenses (analysed below)	(60,734)	(57,873)
Finance charges (analysed below)	(9,994)	(15,452)
Depreciation costs (analysed below)	<u>(7,198)</u>	<u>(8,215)</u>
	<u>(127,411)</u>	<u>(130,703)</u>
Operating profit	100,563	134,869
Other interest receivable and similar income (analysed below)	<u>106</u>	<u>144</u>
Profit before tax	<u><u>100,669</u></u>	<u><u>135,013</u></u>



# Airfox Networks Limited

## Detailed Profit and Loss Account for the Year Ended 30 June 2020

	2020 £	2019 £
<b>Turnover</b>		
Sales GB	224	42
Sales Europe	14,192	17,940
Sales USA Other	228,749	267,742
	<u>243,165</u>	<u>285,724</u>
<b>Cost of sales</b>		
Materials - chemicals	4,696	11,905
Miscellaneous Purchases	487	115
Packaging	3,858	17,659
Tools & Equipment	150	473
Opening Stock	10,000	-
Closing Stock	(4,000)	(10,000)
	<u>15,191</u>	<u>20,152</u>
<b>Employment costs</b>		
Gross Wages	(9,676)	(11,889)
Directors Remuneration	(19,192)	(16,950)
Employers Pensions	(50)	(88)
	<u>(28,918)</u>	<u>(28,927)</u>
<b>Establishment costs</b>		
Rent	(15,500)	(15,500)
General Rates	(2,546)	(2,238)
Premises Insurance	(608)	(671)
Gas	(1,913)	(1,827)
	<u>(20,567)</u>	<u>(20,236)</u>
<b>General administrative expenses</b>		
Carriage	(1,806)	-
Advertising	(2,208)	(2,987)
Miscellaneous Motor Expenses	(542)	(263)
Travelling	(6,021)	(13,882)
Postage and Carriage	(26,046)	(27,540)
Telephone	(346)	(662)
Computer expenses	(15,056)	(5,209)
Office Equipment (7525)	(63)	-
Audit and Accountancy Fees	(3,212)	(4,832)
Professional Fees	(3,527)	(650)

This page does not form part of the statutory financial statements.

## Airfox Networks Limited

### Detailed Profit and Loss Account for the Year Ended 30 June 2020

Repairs and Renewals	(433)	(556)
Cleaning	-	(189)
Security	(409)	(133)
General expenses	(403)	(125)
Subscriptions	(662)	(845)
	<u>(60,734)</u>	<u>(57,873)</u>
<b>Finance charges</b>		
Bank Charges	<u>(9,994)</u>	<u>(15,452)</u>
<b>Depreciation costs</b>		
Plant/Machinery Depreciation	(4,086)	(5,447)
Furniture/Fitting Depreciation	(647)	(863)
Office Equipment Depreciation (8004)	<u>(2,465)</u>	<u>(1,905)</u>
	<u>(7,198)</u>	<u>(8,215)</u>
<b>Other interest receivable and similar income</b>		
Bank Interest Received	<u>106</u>	<u>144</u>

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