

Report of the Director and
Financial Statements
for the Year Ended 31 December 2021
for
Chillitalk Limited

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for the Year Ended 31 December 2021

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Chillitalk Limited
Company Information
for the Year Ended 31 December 2021

DIRECTOR:	Mr. B Allirajah
REGISTERED OFFICE:	Level 18, 40 Bank Street London E14 5NR
REGISTERED NUMBER:	05506630 (England and Wales)
AUDITORS:	Feltons,Chartered Accountants & Statutory Auditor 1, The Green Richmond TW9 1PL
BANKERS:	Barclays Bank Plc Loughton 9 Leicester Leicestershire LE87 2BB

Report of the Director
for the Year Ended 31 December 2021

The director presents his report with the financial statements of the company for the year ended 31 December 2021.

PRINCIPAL ACTIVITY

The principal activity of the company continued to be that of management and related telecommunication services.

DIRECTOR

Mr. B Allirajah held office during the whole of the period from 1 January 2021 to the date of this report.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Directors at the time when the Director's Report is approved has confirmed that:

- So far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

GOING CONCERN

The Director considers it appropriate to prepare the financial statements on a going concern basis as its parent company has confirmed that it will continue to provide financial support for the foreseeable future.

The events since the balance sheet caused by COVID-19 has caused interruption to the trading of the company and to our parent company. Our parent company has sufficient resources to be able to continue provide financial support.

In addition to the support that will be provided by our parent company The UK Government has also announced an "unprecedented" set of financial measures to support the UK economy through COVID-19 and we are of the opinion this still also enable us to continue as a going concern.

SMALL COMPANIES NOTE

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

AUDITORS

The auditors, Feltons, Chartered Accountants & Statutory Auditor, has been appointed as an auditor for the first year.

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

ON BEHALF OF THE BOARD:

Mr. B Allirajah - Director

23 December 2022

Director's Responsibilities Statement
for the Year Ended 31 December 2021

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Independent Auditors' Report to the Members of
Chillitalk Limited

Opinion

We have audited the financial statements of Chillitalk Limited (the 'company') for the year ended 31 December 2021 which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Going Concern note in the financial statements, which indicates that the company's current liabilities exceeded its current assets by £99,538. As stated in Going Concern note, these events or conditions, along with the other matters as set forth in Going Concern note in the financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Director is responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Director has been prepared in accordance with applicable legal requirements.

Independent Auditors' Report to the Members of
Chillitalk Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Director.

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Director.

Responsibilities of director

As explained more fully in the Director's Responsibilities Statement set out on page three, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We considered the nature of the company's industry and its control environment and the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. these included the UK companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

Independent Auditors' Report to the Members of
Chillitalk Limited

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls: -

- we tested the appropriateness of journals and other adjustments;
- we assessed whether the judgements used in making accounting estimates are indicative of a potential bias; and
- we evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following: -

- Reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Inquiring of management concerning actual and potential litigations and claims, and instances of non-compliance with laws and regulations; and
- Reading minutes of meetings of those charged with governance.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the company's members, 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 members those matters we are required to state to them in an Auditors' 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Richard S Rhodes FCA (Senior Statutory Auditor)
for and on behalf of Feltons, Chartered Accountants & Statutory Auditor
1, The Green
Richmond
TW9 1PL

23 December 2022

Profit and Loss Account
for the Year Ended 31 December 2021

	2021 £	2020 £
TURNOVER	260,813	229,379
Cost of sales	<u>(65,472)</u>	<u>(31,500)</u>
GROSS PROFIT	195,341	197,879
Administrative expenses	<u>(40,583)</u>	<u>(99,657)</u>
OPERATING PROFIT and		
PROFIT BEFORE TAXATION	154,758	98,222
Tax on profit	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR	<u>154,758</u>	<u>98,222</u>

The notes form part of these financial statements

Balance Sheet
31 December 2021

	Notes	2021 £	2020 £
CURRENT ASSETS			
Cash at bank		27,292	65,701
CREDITORS			
Amounts falling due within one year	5	<u>(126,831)</u>	<u>(319,998)</u>
NET CURRENT LIABILITIES		<u>(99,539)</u>	<u>(254,297)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(99,539)</u>	<u>(254,297)</u>
CAPITAL AND RESERVES			
Called up share capital	6	60	60
Retained earnings		<u>(99,599)</u>	<u>(254,357)</u>
SHAREHOLDERS' FUNDS		<u>(99,539)</u>	<u>(254,297)</u>

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

The financial statements were approved by the director and authorised for issue on 23 December 2022 and were signed by:

Mr. B Allirajah - Director

Statement of Changes in Equity
for the Year Ended 31 December 2021

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2020	60	(352,579)	(352,519)
Changes in equity			
Total comprehensive income	-	98,222	98,222
Balance at 31 December 2020	60	(254,357)	(254,297)
Changes in equity			
Total comprehensive income	-	154,758	154,758
Balance at 31 December 2021	60	(99,599)	(99,539)

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 December 2021

1. **GENERAL INFORMATION**

Chillitalk Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Vectone Investment Holding

Limited as at 31 December 2021 and these financial statements may be obtained from its registered office, Level 18, 40 Bank Street, London, E14 5NR.

GOING CONCERN

At the time of approving the financial statements, the Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements. At 31 December 2021 the company's had net liabilities of £99,538 (2020: £254,297).

REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

2. ACCOUNTING POLICIES - continued

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the Transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

INTANGIBLE ASSETS

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

CREDITORS

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

FINANCIAL INSTRUMENTS

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

2. ACCOUNTING POLICIES - continued

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Profit and Loss Account if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an Impairment loss is recognised in the Profit and Loss Account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 1 (2020 - 1) .

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

4. INTANGIBLE FIXED ASSETS

	Other intangible assets £
COST	
At 1 January 2021	127,662
Disposals	(127,662)
At 31 December 2021	-
AMORTISATION	
At 1 January 2021	127,662
Eliminated on disposal	(127,662)
At 31 December 2021	-
NET BOOK VALUE	
At 31 December 2021	-
At 31 December 2020	-

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	5,119	5,050
Amounts owed to group undertakings	119,793	310,440
Other creditors	1,919	4,508
	<u>126,831</u>	<u>319,998</u>

6. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2021	2020
			£	£
6,000	Ordinary	0.01	<u>60</u>	<u>60</u>

7. RELATED PARTY TRANSACTIONS

The company has taken exemption under FRS 102 from disclosing group transactions.

8. CONTROLLING PARTY

The immediate parent company is Vectone Holding Limited (company registration number 05888974), a company registered in England and Wales. The Ultimate parent company is Vectone Investment Holding Limited (company registration number 05506602), a company registered in England and Wales.

The ultimate controlling party is B Allirajah.

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.