

# AI Networks Limited

Unaudited Financial Statements

For Filing with Registrar

For the year ended 30 September 2020

Company Registration No. 07276603 (England and Wales)

# AI Networks Limited

## Company Information

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<b>Directors</b>	T Creswick N Robbins-Cherry (Appointed 27 November 2020)
<b>Secretary</b>	Octopus Company Secretarial Services Limited
<b>Company number</b>	07276603
<b>Registered office</b>	Devonshire House 60 Goswell Road London EC1M 7AD
<b>Accountants</b>	Moore Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
<b>Business address</b>	5 Appold Street London EC2A 2AG

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# AI Networks Limited

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# AI Networks Limited

## Balance Sheet

As at 30 September 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Intangible assets			-		7,167
Tangible assets	4		93,609		174,604
Investments	5		1		1
			<u>93,610</u>		<u>181,772</u>
<b>Current assets</b>					
Debtors	6	528,974		264,713	
Cash at bank and in hand		97,692		74,863	
		<u>626,666</u>		<u>339,576</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(479,470)</u>		<u>(515,514)</u>	
<b>Net current assets/(liabilities)</b>			<u>147,196</u>		<u>(175,938)</u>
<b>Total assets less current liabilities</b>			<u>240,806</u>		<u>5,834</u>
<b>Provisions for liabilities</b>			<u>(17,786)</u>		<u>(31,010)</u>
<b>Net assets/(liabilities)</b>			<u><u>223,020</u></u>		<u><u>(25,176)</u></u>
<b>Capital and reserves</b>					
Called up share capital	8		100		100
Profit and loss reserves			222,920		(25,276)
<b>Total equity</b>			<u><u>223,020</u></u>		<u><u>(25,176)</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 September 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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.

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

# AI Networks Limited

## Balance Sheet (Continued)

As at 30 September 2020

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The financial statements were approved by the board of directors and authorised for issue on 25 May 2021 and are signed on its behalf by:

T Creswick  
**Director**

**Company Registration No. 07276603**

# AI Networks Limited

## Notes to the Financial Statements

For the year ended 30 September 2020

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### 1 Accounting policies

#### Company information

AI Networks Limited is a private company limited by shares incorporated in England and Wales. The registered office is Devonshire House, 60 Goswell Road, London, EC1M 7AD.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with section 1A of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

#### 1.3 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Domain name	20% straight line
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#### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	10% straight line
Fixtures and fittings	10% straight line
Computer equipment	20% - 33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

# AI Networks Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 September 2020

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### 1 Accounting policies

(Continued)

#### 1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

#### 1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

#### 1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 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.

# AI Networks Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 September 2020

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### 1 Accounting policies

(Continued)

#### **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 amortised 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 a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Classification of financial liabilities**

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 company after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 amortised.

Debt instruments are subsequently carried at amortised 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 business 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 amortised cost using the effective interest method.

### 1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

### 1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# AI Networks Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 September 2020

### 1 Accounting policies

(Continued)

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.11 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.12 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

#### **1.13 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 0 (2019 - 2).

# AI Networks Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 September 2020

### 3 Intangible fixed assets

	Domain name £
<b>Cost</b>	
At 1 October 2019 and 30 September 2020	100,000
<b>Amortisation and impairment</b>	
At 1 October 2019	92,833
Amortisation charged for the year	7,167
At 30 September 2020	100,000
<b>Carrying amount</b>	
At 30 September 2020	-
At 30 September 2019	7,167

### 4 Tangible fixed assets

	Plant and machinery etc £
<b>Cost</b>	
At 1 October 2019	241,189
Disposals	(40,000)
At 30 September 2020	201,189
<b>Depreciation and impairment</b>	
At 1 October 2019	66,585
Depreciation charged in the year	40,995
At 30 September 2020	107,580
<b>Carrying amount</b>	
At 30 September 2020	93,609
At 30 September 2019	174,604

### 5 Fixed asset investments

	2020 £	2019 £
Investments	1	1

# AI Networks Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 September 2020

### 5 Fixed asset investments (Continued)

#### Movements in fixed asset investments

Shares in group  
undertakings and  
participating  
interests

£

#### Cost or valuation

At 1 October 2019 & 30 September 2020

1

#### Carrying amount

At 30 September 2020

1

At 30 September 2019

1

### 6 Debtors

2020

2019

#### Amounts falling due within one year:

£

£

Trade debtors

138,766

135,576

Amounts due from group undertakings

305,099

2,630

Other debtors

85,109

126,507

528,974

264,713

### 7 Creditors: amounts falling due within one year

2020

2019

£

£

Trade creditors

32,237

80,399

Amounts due to group undertakings

67,557

142,379

Corporation tax

109,319

35,662

Other taxation and social security

48,426

10,659

Other creditors

221,931

246,415

479,470

515,514

# AI Networks Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 September 2020

### 8 Called up share capital

	2020 £	2019 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
100 Ordinary of £1 each	100	100
	<u>100</u>	<u>100</u>
	<u>100</u>	<u>100</u>

### 9 Related party transactions

During the year the company paid for IT communication and solution services totaling £125,321 (2019: £1,773,567) to Serverchoice Limited, a company of which M Boost is also a director. AI Networks also invoiced Serverchoice Limited a total of £207,276 (2019: £1,082,077) for connectivity services provided. At the year end there was £11,088 (2019: £134) due to Serverchoice Limited.

During the year the company paid for cyber security services totaling £nil (2019: £11,290) to Bulletproof Cyber Limited, a company of which M Boost is also a director. AI Networks also invoiced Bulletproof Cyber Limited a total of £1,821 (2019: £12,278) for connectivity services provided. At the year end there was £nil (2019: £1,388) outstanding from Bulletproof Cyber Limited.

During the year the company paid for cloud platform services totaling £nil (2019: £83,133) to Civo Limited, a company of which M Boost is also a director. AI Networks also invoiced Civo Limited a total of £394 (2019: £nil) for connectivity services provided. At the year end there was £270 due from Civo Limited (2019: £11,380 due to Civo Limited).

During the year the company paid for telecommunication services totaling £7,993 (2019: £30,317) to LLU Communications Limited, a company of which M Boost is also a director. At the year end there was £1,475 due to LLU Communications Limited (2019: £2,041 outstanding from LLU Communications Limited).

### 10 Parent company

The company's immediate parent undertaking is Vorboss Limited.

The ultimate parent undertaking is Fern Trading Limited, a company incorporated in the UK. Fern Trading Limited is the smallest and largest group of undertakings to consolidate these financial statements. Copies of the Fern Trading Limited's consolidated financial statements can be obtained from the Company Secretary, 6th Floor, 33 Holborn, London, EC1N 2HT.

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.