

REGISTERED NUMBER: 07412021 (England and Wales)

Financial Statements for the Period 1 January 2019 to 31 May 2020

for

HOME TELECOM LIMITED

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for the period 1 January 2019 to 31 May 2020**

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HOME TELECOM LIMITED
Company Information
for the period 1 January 2019 to 31 May 2020

DIRECTORS:

N M Barnett
C N Barnett
A S Gill
R Ellis

REGISTERED OFFICE:

Global House
60B Queen Street
Horsham
West Sussex
RH13 5AD

REGISTERED NUMBER:

07412021 (England and Wales)

AUDITORS:

Feist Hedgethorne Limited
Statutory Auditors
Chartered Accountants
Preston Park House
South Road
Brighton
East Sussex
BN1 6SB

HOME TELECOM LIMITED (REGISTERED NUMBER: 07412021)

**Balance Sheet
31 May 2020**

	Notes	2020 £	2018 £
FIXED ASSETS			
Intangible assets	4	52,299	-
Tangible assets	5	<u>29,026</u>	<u>-</u>
		<u>81,325</u>	<u>-</u>
CURRENT ASSETS			
Debtors	6	1,240,852	1,062,615
CREDITORS			
Amounts falling due within one year	7	<u>(848,885)</u>	<u>(626,693)</u>
NET CURRENT ASSETS		<u>391,967</u>	<u>435,922</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		473,292	435,922
PROVISIONS FOR LIABILITIES	9	<u>(5,515)</u>	<u>-</u>
NET ASSETS		<u>467,777</u>	<u>435,922</u>
CAPITAL AND RESERVES			
Called up share capital	10	100	100
Retained earnings		<u>467,677</u>	<u>435,822</u>
SHAREHOLDERS' FUNDS		<u>467,777</u>	<u>435,922</u>

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

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

The financial statements were approved by the Board of Directors and authorised for issue on 21 May 2021 and were signed on its behalf by:

N M Barnett - Director

The notes form part of these financial statements

**Notes to the Financial Statements
for the period 1 January 2019 to 31 May 2020**

1. STATUTORY INFORMATION

Home Telecom 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.

The presentation currency of the financial statements is the Pound Sterling (£).

The principle place of business is Global House, 60B Queen Street, Horsham, West Sussex, RH13 5AD.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Accounting convention

These financial statements have been prepared in accordance with 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 disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The comparative results covers the 18 months period from 1 July 2017 to 31 December 2018.

Monetary amounts in the financial statements are rounded to the nearest pound and the financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

Changes in accounting policies

The company has changed its accounting policy with respect to customer leads and routers which have been capitalised as Intangible Fixed Assets and Tangible Fixed Assets respectively. The company considers that it is reasonable to avoid the retrospective treatment of these leads and routers on the basis of impracticability given the change in ownership in the period. The accounting policy has therefore been applied from 1 January 2020, the date that the company's ownership changed.

Turnover

Revenue is measured at the fair value of the consideration received or receivable net of VAT and trade discounts, and is recognised as follows:

Revenue is recognised on a monthly basis for all calls and minutes, with advanced rentals for line and broadband deferred and recognised in the Profit and Loss in the relevant month. Any long term contracts are recognised over the term of the contract.

Intangible assets

The customer leads purchased by the company from third party's are being amortised over their 18 month life span. Amortisation is included as an administrative expense in the income statement.

Notes to the Financial Statements - continued
for the period 1 January 2019 to 31 May 2020

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended by management.

Depreciation is provided at the following annual rates in order to write off each asset over its useful life or, if held under a finance lease, over the lease term, whichever is the shorter. The effect of not providing for depreciation on short leasehold and improvements to property is not material to the financial statements.

Computer equipment	-	Straight line over 18 months
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Impairment policy

At each balance sheet date, the company reviews the carrying amount of its assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an 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 asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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.

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 financial statement of financial position 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.

Taxation

Taxation for the period comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the Financial Statements - continued
for the period 1 January 2019 to 31 May 2020

2. ACCOUNTING POLICIES - continued**Deferred tax**

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Leases

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Reporting period

The accounting period has been extended to 31 May 2020 to coincide with the year end of the new parent company, Telecom Acquisitions Limited. The current period is therefore 17 months, with the comparable period (and related notes) being 18 months and therefore not directly comparable.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the period was NIL (2018 - NIL).

4. INTANGIBLE FIXED ASSETS

	Customer acquisition £
COST	
Additions	<u>65,620</u>
At 31 May 2020	<u>65,620</u>
AMORTISATION	
Amortisation for period	<u>13,321</u>
At 31 May 2020	<u>13,321</u>
NET BOOK VALUE	
At 31 May 2020	<u>52,299</u>

Notes to the Financial Statements - continued
for the period 1 January 2019 to 31 May 2020

5. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
Additions	<u>35,783</u>
At 31 May 2020	<u>35,783</u>
DEPRECIATION	
Charge for period	<u>6,757</u>
At 31 May 2020	<u>6,757</u>
NET BOOK VALUE	
At 31 May 2020	<u>29,026</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2018 £
Trade debtors	506,607	483,148
Other debtors	<u>734,245</u>	<u>579,467</u>
	<u>1,240,852</u>	<u>1,062,615</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2018 £
Taxation and social security	306,657	271,311
Other creditors	<u>542,228</u>	<u>355,382</u>
	<u>848,885</u>	<u>626,693</u>

8. SECURED DEBTS

The company bankers hold a fixed and floating charge covering all the property or or undertaking of the company. This charge was created on 25 February 2020.

A debenture to Shell Energy Europe Limited which included a fixed and floating charge on the assets of the company was satisfied on 14 January.

9. PROVISIONS FOR LIABILITIES

	2020 £	2018 £
Deferred tax	<u>5,515</u>	<u>-</u>

Notes to the Financial Statements - continued
for the period 1 January 2019 to 31 May 2020

9. PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Accelerated capital allowances	<u>5,515</u>
Balance at 31 May 2020	<u>5,515</u>

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2020	2018
Number:	Class:		£	£
1,000	Ordinary 10p	10p	<u>100</u>	<u>100</u>

11. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

As the Directors' report and income statement have been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with section 444(5B) of the Companies Act 2006.

The audit report was unqualified.
The senior statutory auditor was Chris Morey.
The auditor was Feist Hedgethorpe Limited.

12. RELATED PARTY DISCLOSURES

At the 1 January 2020, there had been a change of parent company from Spark Energy Limited to Telecom Acquisitions Limited and therefore the company had and will continue to take advantage of exemption, under the terms of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", not to disclose related party transactions with wholly owned subsidiaries within the group.

Global 4 Communications Ltd

Notes to the Financial Statements - continued
for the period 1 January 2019 to 31 May 2020

12. **RELATED PARTY DISCLOSURES - continued**

Global 4 Communications Ltd

A company in which Mr N M Barnett is also a shareholder and director.

During the period under review the directors/shareholders of Global 4 Communications Limited acquired the share capital of Telecom Acquisitions Limited who then purchased the share capital of Home Telecom Limited. The following related party transactions occurred between the companies:

1) Global 4 Communications Limited acted as an agent and during the year they made sales on behalf of the company of £2,207,447.

2) Global 4 Communications Limited incurred expenses on behalf of the company as follows:

i) Cost of sales: £1,408,227.

ii) Overhead expenditure: £412,332.

3) Global 4 Communications Limited provided management services to the company totalling £91,000.

At the balance sheet date Global 4 Communications Limited owed the company £639,319.

13. **ULTIMATE CONTROLLING PARTY**

The parent company is Telecom Acquisitions Limited and the ultimate controlling party is Mr N M Barnett.

14. **EQUITY RESERVE**

Share capital - This represents the nominal value of shares that have been issued.

Retained earnings - Includes all current and prior period retained profits and losses.

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.