

**HYBEAM LIMITED**

**Company number: 07933152**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30 JUNE 2015**

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**HYBEAM LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

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**HYBEAM LIMITED**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

Chris Woodward  
Emmanuel Akinyosoye (resigned 27 February 2015)  
Ashley Mparadzi

**REGISTERED OFFICE**

20 Black Friars Lane  
London  
EC4V 6EB

**INDEPENDENT AUDITOR**

KPMG LLP  
Chartered Accountants and Statutory Auditor  
15 Canada Square  
London  
E14 5GL

## **HYBEAM LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2015**

The directors have pleasure in submitting their annual report together with the audited financial statements of the company for the year ended 30 June 2015. Hybeam Limited has taken the small companies exemption in relation to the preparation of a Strategic Report.

#### **Principal Activities**

The company operates a broadband internet satellite business. The company uses technology which combines high powered DVB-RCS two way satellite receivers with Wi-Fi networking to provide fixed and roaming broadband and multimedia services.

#### **Principal Risks and Uncertainties**

The directors of Avanti Communications Group plc (the ultimate parent undertaking of the Company) (the 'group') manage the group's risks at a group level, rather than at an individual legal entity level. For this reason, the Company's directors believe that a discussion of the group's risks would not be appropriate for an understanding of the development, performance or position of the Company's business. The principal risks and uncertainties of Avanti Communications Group plc, which include those of the company, are discussed in the group's annual report, which does not form part of this report.

#### **Key Performance Indicators ("KPIs")**

The directors of Avanti Communications Group plc manage the group's operations on a group level. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company.

#### **Results and Dividends**

The results for the year ended 30 June 2015 are shown on page 5. No equity dividend was paid in the year ended 30 June 2015 (2014: £nil). No final dividend is proposed at the year end.

#### **Going concern**

Avanti Communications Group plc has confirmed its intention to support the company to enable it to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of these Financial Statements and thus it is appropriate to adopt the going concern basis in preparing these financial statements.

#### **Future developments**

The company is part of an overall group which has a strategy of utilising its orbital licences by funding and launching more satellites over the next few years.

#### **Financial instruments**

For a review of the financial risk management and objectives of the group including the exposure to price risk, credit risk, liquidity risk and cash flow risk, refer to note 21 of the group's annual report.

#### **Directors' and Officers' liability insurance**

The company maintains appropriate insurance to cover Directors' and Officers' liability. At the date of this report and for the year to 30 June 2015 the Company provided an indemnity in respect of all of the Company's Directors.

#### **Directors**

The directors who served during the year and up to the date of signing the financial statements were as follows:

Chris Woodward  
Emmanuel Akinyosoye (resigned 27 February 2015)  
Ashley Mparadzi

#### **Independent Auditor**

So far as each of the directors is aware, there is no relevant information that has not been disclosed to the Company's auditor and each of the directors believes that all steps have been taken that ought to have been taken to make them aware of any relevant audit information and to establish that the Company's auditors has been made aware of that information.

## **HYBEAM LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2015 (continued)**

#### **Statement of directors' responsibilities**

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

Under company law the directors must not approve the financial statements unless they are 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 year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are 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 them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Signed on behalf of the Board of Directors



**Ashley Mparadzi**

**Director**

20 Black Friars Lane

London EC4V 6EB

Date: 31 March 2016

## **HYBEAM LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HYBEAM LIMITED**

We have audited the financial statements of Hybeam Limited for the year ended 30 June 2015 set out on pages 5 to 12. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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 auditor's 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.

#### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### **Matters on which we are required to report by exception**

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



Tudor Aw (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
15 Canada Square  
London  
E14 5GL

31 March 2016

**HYBEAM LIMITED****STATEMENT OF PROFIT AND LOSS**  
**For the year ended 30 June 2015**

	Note	Year ended 30 June 2015 £	Year ended 30 June 2014 £
Turnover	2	136,986	131,090
Cost of sales		<u>-</u>	<u>(8,260)</u>
<b>Gross profit</b>		136,986	122,830
Operating expenses		<u>(66,359)</u>	<u>(85,711)</u>
<b>Operating Profit</b>		70,627	37,119
Interest payable and similar charges	5	<u>(1,740)</u>	<u>(1,359)</u>
<b>Profit before income tax</b>		68,887	35,760
Income tax charge	6	<u>(15,427)</u>	<u>(10,916)</u>
<b>Profit for the year</b>		<u><u>53,460</u></u>	<u><u>24,844</u></u>

All of the company's operations are classified as continuing. There were no gains or losses in either year presented other than those included in the above statement of profit and loss, accordingly no statement of comprehensive income is presented.

The notes on pages 8 to 12 form an integral part of these financial statements.

**HYBEAM LIMITED**

**STATEMENT OF FINANCIAL POSITION as at 30 June 2015**

	Note	2015 £	2014 £
<b>ASSETS</b>			
<b>Current Assets</b>			
Debtors	8	10,912	20,138
Cash at bank and in hand	9	316,162	151,382
Deferred tax asset	7	7,090	22,517
		<u>334,164</u>	<u>194,037</u>
<b>LIABILITIES</b>			
<b>Creditors: amounts falling due within one year</b>			
Creditors and borrowings	10	<u>(362,800)</u>	<u>(276,133)</u>
<b>Net Liabilities</b>		<u>(28,636)</u>	<u>(82,096)</u>
<b>Capital and reserves</b>			
Called up share capital	11	100	100
Profit and Loss account		<u>(28,736)</u>	<u>(82,196)</u>
<b>Shareholders' deficit</b>		<u>(28,636)</u>	<u>(82,096)</u>

The notes on pages 8 to 12 form an integral part of these financial statements.

The financial statements of company number 07933152 were approved by the Board and signed on its behalf



Ashley Mparadzi  
Director

Date: 31 March 2016.



**HYBEAM LIMITED**

**STATEMENT OF CHANGES IN EQUITY**  
**For the year ended 30 June 2015**

		<b>Profit and Loss</b>	
	<b>Ordinary Shares</b>	<b>account</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>2014</b>			
At 1 July 2013	-	(107,040)	(107,040)
Shares issued	100	-	100
Profit for the year	-	24,844	24,844
At 30 June 2014	100	(82,196)	(82,096)
<b>2015</b>			
At 1 July 2014	100	(82,196)	(82,096)
Profit for the year	-	53,460	53,460
At 30 June 2015	100	(28,736)	(28,636)

The notes on pages 8 to 12 form an integral part of these financial statements.

**HYBEAM LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2015**

**1 Accounting Policies**

The principal activity of the Company is the provision of satellite communication services. The services are principally provided via Ka band satellites.

The registered office of the Company is 20 Black Friars Lane, London, United Kingdom, EC4V 6EB.

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.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, Avanti Communications Group plc, includes the Company in its consolidated financial statements. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from 20 Black Friars Lane, London, EC4V 6EB.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

Cash Flow Statement and related notes;  
Disclosures in respect of transactions with group companies;  
Disclosures in respect of capital management;  
Disclosures in respect of the compensation of Key Management Personnel;  
The effects of new but not yet effective IFRSs;

As the consolidated financial statements of Avanti Communications Group plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

IFRS 2 Share Based Payments in respect of group settled share based payments;  
The disclosures required by IFRS 7 Financial Instrument Disclosures;

**Basis of preparation**

The financial statements have been prepared on the historical cost basis, with the exception of share based payments and financial derivatives, which are incorporated using fair value.

Avanti Communications Group plc has confirmed its intention to support the company to enable it to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of the financial statements and thus it is appropriate to adopt the going concern basis in preparing these financial statements.

**Critical accounting estimates and management judgement**

The presentation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

## **1 Accounting Policies (continued)**

### **Turnover**

The Company currently earns turnover primarily from the sale of satellite broadband services to customers.

Broadband satellite communications services revenues are recorded in accordance with the contracted amounts or the actual usage of the customer. Accrued income represents the excess of revenue recognised over amounts invoiced. Deferred income represents any unearned balances remaining from amounts received from customers pursuant to prepaid contracts.

### **Tax**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity respectively.

### **Current tax**

The charge for taxation is based on taxable profits for the year. Taxable profits differ from profit as reported in the statement of profit and loss because it excludes items of income and expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

*Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities based on tax rates that have been enacted or substantially enacted by the reporting date.*

The current tax charge/credit also includes amounts payable to or receivable from other group companies in respect of current year group relief received or surrendered.

### **Deferred tax**

Deferred tax is recognised on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary difference can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting 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 assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the reporting date. The measurement of the deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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 taxation authority.

### **Equity instruments**

Equity instruments issued by the Company are recorded at the proceeds received, net of directly attributable issue costs.

### **Trade debtors and other financial assets**

Trade and loan receivables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method where the time value of money is material. Appropriate allowances for estimating irrecoverable amounts are recognised in the statement of profit and loss where there is evidence that the asset is impaired. This impairment would be recognised within operating expenses.

### **Cash at bank and on hand**

Cash and cash equivalents in the statement of financial position are comprised of cash on hand and demand deposits, and other short term highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of change in value.

### **Provisions**

Provisions are recognised when the Company has a legal or constructive obligation to transfer economic benefits arising from past events and the amount of the obligation can be estimated reliably. Provisions are not recognised unless the outflow of economic benefits to settle the obligation is more likely than not to occur.

### **Creditors**

Creditors are initially measured at fair value, and are subsequently measured at amortised cost.

**HYBEAM LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2015**

**2 Turnover**

Turnover represents services provided in the United Kingdom, net of value added tax, of £136,986 (2014: £131,090).

**3 Auditor's remuneration**

The auditor's remuneration for audit services for the current year of £1,000 (2014: £1,000) is borne by the ultimate parent entity Avanti Communications Group plc.

**4 Employees**

The average monthly number of employees, including directors, during the year ended 30 June 2015 was 3 (2014: 3).

The aggregate remuneration of all employees comprised:

	2015 £	2014 £
Wages and salaries	58,380	70,982
Employer's social security costs	6,273	7,223
	<u>64,653</u>	<u>78,205</u>

The directors received no emoluments during the year to 30 June 2015 (2014: nil).

**5 Interest payable and similar**

	2015 £	2014 £
Bank charges	<u>1,740</u>	<u>1,359</u>

**6 Tax charge**

The tax on the company's profit before tax is lower than the theoretical amount that would arise using the weighted average tax rate applicable to loss of the company as follows:

	2015 £	2014 £
Total current tax	<u>-</u>	<u>-</u>
Deferred Tax:		
Origination and reversal of temporary differences	14,294	10,916
Adjustment in respect of prior years	1,856	-
Effect of change in tax rate	(723)	-
	<u>15,427</u>	<u>10,916</u>
(a) Analysis:		
Profit before income tax	68,887	35,760
Tax charge at the UK corporation tax rate of 20.75% (2014: 22.5% )	14,294	8,046
Adjustment in respect of prior year	1,856	-
Effect of change in tax rate	(723)	2,870
Tax charge	<u>15,427</u>	<u>10,916</u>

**HYBEAM LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2015**

<b>7 Deferred tax asset</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Deferred tax asset	<u>7,090</u>	<u>22,517</u>
	Charged to	
	income	
	statement	
Opening balance		Closing balance
<b>30 June 2015</b>		
<b>Tax assets</b>		
Unused tax losses	<u>22,517</u>	<u>7,090</u>
Total tax assets	<u>22,517</u>	<u>7,090</u>
<b>Net deferred tax asset</b>	<u>22,517</u>	<u>7,090</u>
	Charged to	
	income	
	statement	
Opening balance		Closing balance
<b>30 June 2014</b>		
<b>Tax assets</b>		
Unused tax losses	<u>33,433</u>	<u>22,517</u>
Total tax assets	<u>33,433</u>	<u>22,517</u>
<b>Net deferred tax asset</b>	<u>33,433</u>	<u>22,517</u>

At 30 June 2015, the total deferred tax asset totalled £7,090. This is entirely made up of unused tax losses.

The Company has tax losses carried forward which will reduce tax payments in future years provided it has generated sufficient taxable profits.

<b>8 Trade and other debtors</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Trade debtors	5,812	5,069
Other debtors	<u>5,100</u>	<u>15,069</u>
	<u>10,912</u>	<u>20,138</u>
<b>9 Cash at bank and in hand</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Cash and bank balances	<u>316,162</u>	<u>151,382</u>
<b>10 Creditors</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Amounts owed to group undertakings	<u>362,800</u>	<u>276,133</u>
	<u>362,800</u>	<u>276,133</u>

**HYBEAM LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2015**

<b>11 Ordinary Shares</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Issued and unpaid:		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

**12 Ultimate parent undertaking and controlling party**

The ultimate parent undertaking and controlling party is Avanti Communications Group plc, a company incorporated in England and Wales. Avanti Communications Group plc is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 30 June 2015. The consolidated financial statements of Avanti Communications Group plc are available from 20 Black Friars Lane, London EC4V 6EB.