Company Registration No. 08191334 (England and Wales)

RAPIER COMMUNICATIONS LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2017

PAGES FOR FILING WITH REGISTRAR

LB GROUP
Suite E2, 2nd Floor
The Octagon
Middleborough
Colchester
Essex
CO1 1TG

RAPIER COMMUNICATIONS LIMITED

CONTENTS

RAPIER COMMUNICATIONS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Non-current assets					
Intangible assets	3		175,000		200,000
Property, plant and equipment	4		6,319		11,382
Investments	5		351,750		351,750
			533,069		563,132
Current assets					
Inventories		101,876		27,296	
Trade and other receivables	6	418,761		1,003,291	
Cash and cash equivalents		100,208		24,008	
		620,845		1,054,595	
Current liabilities	7	(808,936)		(1,262,285)	
Net current liabilities			(188,091)		(207,690)
Total assets less current liabilities			344,978		355,442
Non-current liabilities	8		(250,000)		-
Net assets			94,978		355,442
Equity					
Called up share capital			1		2
Share premium account			-		199,998
Retained earnings			94,977		155,442
Total equity			94,978		355,442

The director of the company has elected not to include a copy of the income statement within the financial statements.

For the financial period ended 31 December 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 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 period 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.

RAPIER COMMUNICATIONS LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2017

The financial statements were approved by the board of directors and authorised for issue on 21 December 2018 and are signed on its behalf by:

Mr J Stead
Director

Company Registration No. 08191334

1 Accounting policies

Company information

Rapier Communications Limited is a private company limited by shares incorporated in England and Wales. The registered office is 7 Rathbone Street, London, UK, W1T 1LY.

1.1 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 financial statements are prepared in sterling, which is the functional currency of the company. Monetary a mounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the period ended 31 December 2017 are the first financial statements of Rapier Communications Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 October 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 10.

1.2 Reporting period

The company extended its financial year end from 30 September to 31 December in order to match the reporting date of its subsidiary company. In doing so, the comparative amounts presented in the financial statements (including the related notes) are not entirely comparable.

1.3 Revenue

Revenue 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.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1 Accounting policies **(Continued)**

1.5 Property, plant and equipment

Property, plant and equipment 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:

Land and buildings Leasehold	Straight line over life of lease (15 years)
Fixtures, fittings & equipment	Straight line over 1-4 years

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.

1.6 Non-current 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.

1.7 Impairment of non-current 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.

1.8 Cash and cash equivalents

Cash and cash equivalents 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.

1.9 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 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.

1 Accounting policies **(Continued)**

Basic financial assets

Basic financial assets, which include trade and other receivables 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.

1.10 Equity instruments

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

1.11 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 income statement 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.

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 income statement, 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.

1.12 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 non-current 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.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1 Accounting policies **(Continued)**

1.14 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 income statement for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the period was 19 (2016 - 21).

3 Intangible fixed assets

	Goodwill
	£
Cost	
At 1 October 2016 and 31 December 2017	200,000
Amortisation and impairment	
At 1 October 2016	-
Amortisation charged for the period	25,000
At 31 December 2017	25,000
Carrying amount	
At 31 December 2017	175,000
At 30 September 2016	200,000

RAPIER COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

4 Property, plant and equipment

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 October 2016	7,704	113,456	121,160
Additions	-	1,646	1,646
Disposals	-	(20,000)	(20,000)
At 31 December 2017	7,704	95,102	102,806
Depreciation and impairment			
At 1 October 2016	514	109,264	109,778
Depreciation charged in the period	3,852	2,857	6,709
Eliminated in respect of disposals	-	(20,000)	(20,000)
At 31 December 2017	4,366	92,121	96,487
Carrying amount			
At 31 December 2017	3,338	2,981	6,319
At 30 September 2016	7,190	4,192	11,382

5 Fixed asset investments

	2017	2016
	£	£
Investments	351,750	351,750

Movements in non-current investments

	Shares in group undertakings
	£
Cost or valuation	
At 1 October 2016 & 31 December 2017	351,750
Carrying amount	
At 31 December 2017	351,750
At 30 September 2016	351,750

6 Trade and other receivables

Amounts falling due within one year:	2017 £	2016 £
Trade receivables	223,171	955,879
Corporation tax recoverable	-	22,358
Other receivables	195,590	25,054
	418,761	1,003,291

7 Current liabilities

	Notes	2017 £	2016 £
Bank loans and overdrafts		-	14
Trade payables		62,275	1,181,457
Corporation tax		6,063	-
Other taxation and social security		35,224	263,831
Deferred income		128,011	(431,723)
Other payables		349,446	-
Accruals and deferred income		227,917	248,706
		808,936	1,262,285

A fixed & floating charge dated 29 December 2017 is held by Coutts & Company over all property or undertaking of the company.

8 Non-current liabilities

	2017 £	2016 £
Other payables	250,000	-

9 Directors' transactions

There have been no guarantees given or received by the directors during the period.

10 Reconciliations on adoption of FRS 102

Reconciliation of equity

	1 October 2015 £	30 September 2016 £
Equity as reported under previous UK GAAP and under FRS 102	-	355,442

10 Reconciliations on adoption of FRS 102 **(Continued)**

Reconciliation of profit for the financial period

	2016
	£
Profit as reported under previous UK GAAP and under FRS 102	129,580

Notes to reconciliations on adoption of FRS 102

No transitional adjustment arose as a result of transition to FRS 102.