

Company Registration No. 10638566 (England and Wales)

CER NET.WORKS HKL MANAGEMENT LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018**

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CER NET.WORKS HKL MANAGEMENT LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2018

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 the directors have 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 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 period. 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;
- 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 are 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.

CER NET.WORKS HKL MANAGEMENT LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2018**

		2018		2017	
	Notes	£	£	£	£
Current assets					
Debtors	3	77,331		104,859	
Cash at bank and in hand		4,770		15,460	
		<u>82,101</u>		<u>120,319</u>	
Creditors: amounts falling due within one year	4	(56,157)		(110,001)	
Net current assets			<u>25,944</u>		<u>10,318</u>
Capital and reserves					
Called up share capital			100		100
Profit and loss reserves			<u>25,844</u>		<u>10,218</u>
Total equity			<u>25,944</u>		<u>10,318</u>

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

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

The financial statements were approved by the board of directors and authorised for issue on 25/06/2019 and are signed on its behalf by:



R Patel
Director

CER NET.WORKS HKL MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

CER Net.Works HKL Management Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 1 Long Lane, London, SE1 4PG.

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 amounts in these financial statements are rounded to the nearest £1.

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

Going concern

After making detailed enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Reporting period

The company was incorporated on 24 February 2017 and the comparative period ran from incorporation to 31 December 2017 (44 weeks). Therefore, comparative amounts presented in the financial statements (including the related notes) are not entirely comparable.

Turnover

Turnover represents amounts receivable for management services provided to other group undertakings less value added tax. Turnover from the supply of services is recognised on provision of the service on a cost plus margin basis.

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 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.

Basic financial assets

Basic financial assets, which include amounts due from group undertakings, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled.

CER NET.WORKS HKL MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies (Continued)

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 trade creditors, amounts owed to group undertakings and accruals are initially recognised at transaction price, and are subsequently measured at amortised cost, being transaction price less amounts settled.

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

Equity instruments

Equity instruments issued by the company are recorded at the fair value of 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.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable. Current and deferred tax is charged or credited to profit or loss.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense as incurred.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 14 (2017 - 8).

CER NET.WORKS HKL MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

3 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Amounts owed by group undertakings	77,331	104,859

4 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	12,874	17,640
Amounts due to group undertakings	6,094	60,353
Other taxation and social security	30,035	25,533
Other creditors	413	-
Accruals and deferred income	6,741	6,475
	56,157	110,001

5 Financial commitments, guarantees and contingent liabilities

The Company is a guarantor to the group facility. The balance outstanding on the group facility at the period end is £68,120,292 (2017: £33,161,300). A fixed and floating charge is in place.

6 Parent company

The parent undertaking of the smallest group which includes the Company and for which group financial statements are prepared is CER Net.Works Holding S.a.r.l. The registered office of CER Net.Works Holding S.a.r.l is 2 Avenue Charles de Gaulle, Luxembourg, 1653.

7 Audit report information

As the income statement has 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 s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was David Olsson.

The auditor was RSM UK Audit LLP.