

Company Registration No. 03212199

Tap2Bill Limited

Annual Report and Financial Statements

For the year ended 31 March 2019

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Tap2Bill Limited

Annual report and financial statements for the year ended 31 March 2019

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Officers and professional advisers

Directors

Michael Jefferies
Timothy Newmarch

Registered Office

c/o IMImobile
5 St. John's Lane
London
EC1M 4BH
United Kingdom

Bankers

Silicon Valley Bank
Alphabeta
14-18 Finsbury Square
London
EC2A 1BR
United Kingdom

Tap2Bill Limited

Annual report and financial statements for the year ended 31 March 2019

Directors' report

The directors present their annual report and financial statements for the year ended 31 March 2019.

This report has been prepared taking advantage of the small companies exemption in accordance with s414B 'Strategic report: small companies exemption' of the Companies Act 2006.

Results

The principal activity of the Company is the provision of mobile billing solutions by acting as the primary intermediary billing platform connecting customers to multiple mobile network operators through a single interface.

The Company's results for the year are set out in the statement of comprehensive income on page 4 showing a profit for the financial year after tax of £2,111,700 (2018: £97,248). At 31 March 2019, the Company had net assets of £2,236,290 (2018: £124,590).

The Directors are not recommending a final dividend for the year (2018: nil). No interim dividend was paid during the year (2018: nil).

The directors have considered the use of the going concern basis in the preparation of the financial statements in light of current market conditions and concluded that it is appropriate.

Future developments

The Company is part of a wider group which continues to lead the industry in its product, platform and service offerings enabling its clients to communicate and transact with their customers more effectively on mobile devices. The Group's solutions allow customers to use mobile as a channel to create new revenue streams, as a CRM and customer engagement channel, and as a channel to improve business operations.

The market for winning new business is attractive and the Company is well positioned to take advantage of the opportunities available to it.

Principal risks and uncertainties

Competitive pressures are a risk to the Company, which could result in losing sales to customers. The business manages this risk by providing innovative, 'best in class' services to its customers. The Company is not reliant on any single customer for the success of the business.

Financial risk management objectives and policies

Policies

The Company's financial instruments comprise cash and cash equivalents and items such as trade receivables and trade payables that arise directly from its operations. The main purpose of these financial instruments is to provide finance for the Company's operations.

The Company's operations expose it to a variety of financial risks including liquidity risk, credit risk, interest rate risk and foreign currency exchange rate risk. It is the objective of the Company to minimise these risks where possible by maintaining and operating a robust control environment. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

The Company currently does not use derivative financial instruments to manage its exposure to these risks.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade receivables. It is the Company's policy to minimise its credit risk exposure by reviewing the recoverability of trade receivables at the balance sheet date and considers any change in the credit quality of the debtor on an individual basis from the date the debtor was created to the date the balance is settled.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date can be found within note 8.

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Liquidity risk

As regards liquidity, the Company's policy has throughout the year been to ensure continuity of funding. The Company manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows.

All payables (note 9) are due to be paid within twelve months of the balance sheet date.

Interest rate risk

Historically the Company has financed its operations through a mix of equity and debt to help minimise its exposure. The Company minimises its risk to interest fluctuations by negotiating a fixed rate of interest on all external debt. At the balance sheet date the Company held cash and cash equivalents of £702,898 (2018: £758,592) and had no external debt.

Currency risk

The Company's conducts the majority of its sales in UK Pounds Sterling so management do not consider currency risk to be material when assessing assets, liabilities and financial position.

Financial assets

The Company has no financial assets, other than short-term receivables and cash and cash equivalents.

Directors

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

Michael (Mike) Jefferies

Timothy Newmarch

Directors' responsibilities statement

The directors are responsible for preparing the annual 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) 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.
- the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Board of Directors and signed on behalf of the Board



Mike Jefferies
CFO

19 December 2019

Tap2Bill Limited

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Statement of comprehensive income

For the year ended 31 March 2019

	Notes	2019 £	2018 £
Revenue	3	4,606,898	3,134,240
Cost of sales		<u>(1,674,244)</u>	<u>(1,494,384)</u>
Gross profit		2,932,654	1,639,856
Administrative expenses		<u>(325,210)</u>	<u>(1,514,693)</u>
Operating profit before tax	4	2,607,444	125,163
Tax	7	<u>(495,744)</u>	<u>(27,915)</u>
Profit after tax for the year and total comprehensive income		<u><u>2,111,700</u></u>	<u><u>97,248</u></u>

The profits stated above are all derived from continuing operations.

The accompanying notes form part of these financial statements.

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Statement of financial position

As at 31 March 2019

	Notes	2019 £	2018 £
Current assets			
Cash and cash equivalents		702,898	758,592
Trade and other receivables	8	<u>23,533,980</u>	<u>5,166,269</u>
Total current assets		24,236,878	5,924,861
Current liabilities			
Trade and other payables	9	<u>(22,000,588)</u>	<u>(5,800,271)</u>
Net current assets		<u>2,236,290</u>	<u>124,590</u>
Net assets		<u>2,236,290</u>	<u>124,590</u>
Equity			
Called-up share capital	10	1	1
Retained earnings	10	<u>2,236,289</u>	<u>124,589</u>
Total equity		<u>2,236,290</u>	<u>124,590</u>

For the year ending 31 March 2019 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The financial statements of Tap2Bill Limited, registered number 03212199, have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and were approved by the Board of Directors and authorised for issue on 19 December 2019.

Signed on behalf of the Board of Directors



Mike Jefferies
CFO

Tap2Bill Limited

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Statement of changes in equity

For the year ended 31 March 2019

	<i>Called-up share capital £</i>	<i>Retained earnings / (deficit) £</i>	<i>Total equity £</i>
Balance at 1 April 2017	1	27,341	27,342
Total comprehensive expense for the year	-	97,248	97,248
Balance at 31 March 2018	1	124,589	124,590
Total comprehensive income for the year	-	2,111,700	2,111,700
Balance at 31 March 2019	1	2,236,289	2,236,290

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Notes to the financial statements

1. Accounting policies

The Company is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England & Wales. These financial statements are presented in UK Pounds Sterling because that is the currency of the primary economic environment in which the Company operates. The registered address is shown on page 1 and the principal activity of the business is included in the Directors' report on page 2.

Basis of accounting/statement of compliance

The Company meets the definition of a qualifying entity under FRS 100 (Financial reporting Standard 100) issued by the Financial Reporting Council. The financial statements have therefore been prepared in accordance with FRS 101 'Reduced Disclosure framework' as issued by the Financial Reporting Council.

The Company has prepared financial statements which comply with FRS 101 applicable for periods beginning on or after 1 April 2014 and the significant accounting policies meeting those requirements are described in the relevant notes.

As permitted by FRS 101, exemption from disclosing standards not yet effective has been taken.

The Company has also taken advantage of the exemption from the requirements in IAS 24 'Related party disclosures' to disclose related party transactions entered into between two or more members of the Group where those party to the transaction are wholly owned by a member of the Group and the requirements of IAS 7 'Statement of cash flows' and IFRS 7 'Financial instruments: disclosure'.

The financial statements have been prepared under the historical cost convention and under the going concern assumption.

New and amended standards adopted by the Company

The Company has applied IFRS 9 *Financial Instruments* and IFRS 15 *Revenue from Contracts with Customers* for the first time for the period commencing 1 April 2018.

Impact of initial application of IFRS 9 *Financial Instruments*

In the current year, the Company has applied IFRS 9 *Financial Instruments* (as revised in July 2014) and the related consequential amendments to other IFRS Standards that are effective for an annual period that begins on or after 1 January 2018. IFRS 9 *Financial Instruments*, which replaces IAS 39 *Financial Instruments: Recognition and Measurement*, impacts the classification and measurement of the Company's financial instruments and requires certain additional disclosures. The transition provisions of IFRS 9 allow an entity not to restate comparatives.

Additionally, the Company adopted consequential amendments to IFRS 7 *Financial Instruments: Disclosures* that were applied to the disclosures for the current and prior years.

IFRS 9 introduced new requirements for:

- 1) The classification and measurement of financial assets and financial liabilities,
- 2) Impairment of financial assets, and
- 3) General hedge accounting.

Details of these new requirements as well as their impact on the Company's financial statements are described below.

The Company has applied IFRS 9 in accordance with the transition provisions set out in IFRS 9.

(a) Classification and measurement of financial assets

The date of initial application (i.e. the date on which the Company has assessed its existing financial assets and financial liabilities in terms of the requirements of IFRS 9) is 1 April 2018. Accordingly, the Company has applied the requirements of IFRS 9 to instruments that continue to be recognised as at 1 April 2018 and has not applied the requirements to instruments that have already been derecognised as at 1 April 2018. None of the changes to the accounting policies have materially impacted the amounts reported and therefore the Company has not restated the 2018 figures upon adoption of the new policies.

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(b) Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires the Company to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

In particular, IFRS 9 requires the Company to measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses (ECL) if the credit risk on that financial instrument has increased significantly since initial recognition, or if the financial instrument is a purchased or originated credit-impaired financial asset. However, if the credit risk on a financial instrument has not increased significantly since initial recognition, the Company is required to measure the loss allowance for that financial instrument at an amount equal to 12-months ECL.

Specifically, IFRS 9 requires the Company to recognise a loss allowance for expected credit losses on trade receivables. See note 8 for details on the impact of IFRS 9 on trade receivables.

(c) Classification and measurement of financial liabilities

A significant change introduced by IFRS 9 in the classification and measurement of financial liabilities relates to the accounting for changes in the fair value of a financial liability designated as at fair value through profit or loss ("FVTPL") attributable to changes in the credit risk of the issuer.

Specifically, IFRS 9 requires that the changes in the fair value of the financial liability that is attributable to changes in the credit risk of that liability be presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss, but are instead transferred to retained earnings when the financial liability is derecognised. Previously, under IAS 39, the entire amount of the change in the fair value of the financial liability designated as at FVTPL was presented in profit or loss.

There were no financial assets or financial liabilities which the Company had previously designated as at FVTPL under IAS 39 that were subject to reclassification or which the Company has elected to reclassify upon the application of IFRS 9. There were no financial assets or financial liabilities which the Company has elected to designate as at FVTPL at the date of initial application of IFRS 9.

The Directors reviewed and assessed the Company's existing financial assets and liabilities as at 1 April 2018 based on the facts and circumstances that existed at that date and concluded that the initial application of IFRS 9 has no material impact on the carrying amounts of the Company's financial assets or liabilities.

It was also concluded that the only impact on the classification was of the financial assets and liabilities classified as loans and receivables under IAS 39 that were measured at amortised cost and continue to be measured at amortised cost under IFRS 9 as they are held within a business model to collect contractual cash flows and these cash flows consist solely of payments of principal and interest on the principal amount outstanding.

The main effects resulting from this reclassification are detailed as follows:

		Measurement category:	
	Notes	31 March 2018 (IAS 39)	1 April 2018 (IFRS 9)
Financial assets			
Cash and cash equivalents		Loans and receivables	Amortised cost
Trade and other receivables	8		
Trade receivables		Loans and receivables	Amortised cost
Accrued income		Loans and receivables	Amortised cost
Financial liabilities			
Trade and other payables	9	Loans and receivables	Amortised cost

Impact of application of IFRS 15 Revenue from Contracts with Customers

In the current year, the Company has applied IFRS 15 *Revenue from Contracts with Customers* (as amended in April 2016) which is effective for an annual period that begins on or after 1 January 2018. IFRS 15 introduced a 5-step approach to revenue recognition. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios.

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The Company's accounting policies for its revenue streams are disclosed in detail below. The Company has applied IFRS 15 in accordance with the modified retrospective transitional approach. Apart from providing more extensive disclosures for the Company's revenue transactions, the application of IFRS 15 has not had a significant impact on the financial position and/or financial performance of the Company.

New standards and interpretations not yet adopted

IFRS 16 *Leases* was issued in January 2016 but is not mandatory for the year ending 31 March 2019 and has not been early adopted by the Company. This new standard will result in almost all leases being recognised on the balance sheet by lessees, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. Assessment of the impact is ongoing.

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

The financial statements have been prepared under the historical cost convention and under the going concern assumption.

The principal accounting policies applied in preparation of the Company Financial Statements are set out below.

Foreign currencies

The Company financial statements are presented in UK Pounds Sterling ("the presentational currency" and "the functional currency").

Foreign currency transactions are translated into the presentational currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Going concern

The Company has net current assets of £2,236,290 (2018: £124,590) and made a profit in the year of £2,111,700 (2018: £97,248).

The directors have considered the use of the going concern basis in the preparation of the financial statements in light of current market conditions and concluded that it is appropriate.

Revenue recognition

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers or provides control of a product or service to a customer.

Where the Company enters into arrangements to deliver multiple elements (such as a perpetual license together with a period of servicing and maintenance), such elements are separated for recognition based on stand-alone value where sold and delivered as separate performance obligations. If such elements are not distinct they are treated as a single performance obligation and recognised over the period of delivery when the criteria for recognition have been met and customer acceptance received. Amounts incurred but not yet billed are classified as amounts billable not yet invoiced. Where the Company acts as principal in the sale of goods and content, revenue is recognised on a gross basis.

Revenues are typically billed up to 60 days after month end and classified as amounts billable not yet invoiced until this point.

Platform and usage-based revenue

Revenues from the monthly hosting and access granted to the Company's cloud-based CPaaS software form a single performance obligation and is recognised over the period of the contract as the customer receives the service.

Revenue share from content related sales and usage-based revenue from messages sent across multiple channels is triggered by the actions of the Company's customers (or their end users) using the relevant platform they are connected to. Revenue is recognised at a point in time as the sale is generated.

Carrier billing revenues recognised within turnover relate only to the commission earned on hosting each service and are recognised at the point of delivery to the customer. Amounts billed and collected on behalf of third

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parties (also known as pass through revenues) are not recognised within revenue as the Company doesn't control or handle the content or the price charged to the end user.

Professional service revenue

Professional service revenues relate to configuration, setup and change requests largely generated on a time and materials basis, and are recognised at the point of acceptance by the customer, or upon completion of designated milestones.

Costs recharged by other companies in the IMImobile PLC group

The Company is recharged costs borne on its behalf by other group companies. These costs are recharged at an arm's length price.

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 balance sheet date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts 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 recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet 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 based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Financial instruments

Financial assets and financial liabilities are recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be insignificant.

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Impairment of financial assets

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future of cash flows of the investment have been impacted.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 30 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the income statement.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand, deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Trade payables

Trade payables are not interest-bearing and are stated at their nominal value.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical accounting judgements

Management do not consider there to be any critical accounting judgements.

Key sources of estimation uncertainty

Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The determination of whether the revenue recognition criteria as specified under IAS 18 are met requires judgement. Where revenues are verified by third parties, revenues are accrued based on platform data. Differences are adjusted for upon receipt of third party receipts. Accrued income of £2,906,445 (2018: £2,977,456) is estimated based on platform data.

The accounting policies in relation to these items are disclosed in note 1.

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3. Revenue

All revenue was derived from the Company's principal activities, generated by the delivery of mobile billing solutions connecting customers to multiple network operators in the United Kingdom.

Gross profit recognised in the year ended 31 March 2019 does not include revenues, or costs, where the Company has acted as an agent. Pass through revenues totalling £30,205,365 (2018: £25,899,025) were received by the Company but not recognised within revenue.

4. Operating profit

	2019 £	2018 £
Operating profit is stated after crediting:		
Gain on foreign exchange transactions	77	49

5. Directors' remuneration

The directors are considered to be the same as the key management personnel in the Company.

The directors of the Company are remunerated through the fellow group undertaking, IMImobile Europe Limited. It is not practicable to allocate directors remuneration between services to the group and this company. The financial statements of IMImobile Europe Limited may be obtained by request from IMImobile, 5 St. John's Lane, London, EC1M 4BH.

6. Employee benefits

There were no employees or staff costs borne by the Company in the current and prior year. The Company was recharged £1,500,000 (2018: £806,170) by IMImobile Europe Limited for work performed in relation to the revenue recognised in the Company.

7. Tax

	2019 £	2018 £
UK corporation tax		
Current tax expense	495,414	29,271
Adjustments in respect of prior periods	330	(1,356)
Total tax expense	495,744	27,915

Corporation tax is calculated at 19% (2018: 19%) of the estimated taxable profit for the year.

The tax expense for the year can be reconciled to the profit in the income statement as follows:

	2019 £	2018 £
Profit before tax	2,607,444	125,163
Tax at the UK corporation tax rate of 19% (2018: 19%)	495,414	23,781
Expenses not deductible for tax purposes	-	5,490
Tax effect of Group relief claimed	-	-
Tax adjustments in respect of previous periods	330	(1,356)
Total tax expense	495,744	27,915

The UK corporation tax rate of 19% has been in effect from 1 April 2017. An additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the Company's future current tax charge accordingly. UK deferred tax assets and liabilities have been recognised at the rate applying in the period they are expected to unwind. Where this cannot be forecast they are recognised at 17% (2018: 17%).

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8. Trade and other receivables

	2019 £	2018 £
Trade receivables		
- revenue to be collected on behalf of the Company	22,845	-
- pass through revenues to be collected on behalf of billing customers	407,907	-
Amounts owed by group undertakings:		
- parent/ultimate parent undertakings	19,917,197	2,187,227
- other group undertakings	-	1,506
Amounts billable not yet invoiced		
- revenue to be collected on behalf of the Company	-	85,749
- pass through revenues to be collected on behalf of billing customers	2,906,445	2,891,707
Prepayments	920	80
VAT receivable	278,666	-
	<u>23,533,980</u>	<u>5,166,269</u>

Amounts owed by group undertakings are interest free and repayable on demand.

9. Trade and other payables

	2019 £	2018 £
Trade payables		
- costs to be paid on behalf of the Company	-	5,074
- pass through revenues to be paid to billing customers	2,547,311	2,994,580
Amounts owed to group undertakings:		
- parent/ultimate parent undertakings	16,365,697	-
- other group undertakings	16,378	5,389
Accruals and deferred income		
- costs to be paid on behalf of the Company	131,078	122,940
- pass through revenues to be paid to billing customers	2,402,680	2,592,862
Tax payable	535,522	78,765
Other creditors	1,922	661
	<u>22,000,588</u>	<u>5,800,271</u>

Amounts owed to group undertakings are interest free and repayable on demand.

10. Called-up share capital and reserves

	2019 £	2018 £
Allotted, called-up and fully paid Equity shares:		
100 Ordinary shares of 1p each	<u>1</u>	<u>1</u>

Retained earnings

Retained earnings represents the cumulative earnings of the Company attributable to equity shareholders.

11. Ultimate parent undertaking

IMImobile Europe Limited, a company incorporated in the United Kingdom, is the company's immediate parent undertaking, the ultimate parent undertaking and controlling party is IMImobile PLC, a company incorporated in the United Kingdom, which is the parent undertaking of the smallest and largest Group to consolidate these financial statements. The consolidated financial statements of the group may be obtained by request from IMImobile PLC, 5 St. John's Lane, London, EC1M 4BH, the registered address of the ultimate parent undertaking.