

COMPANY REGISTRATION NUMBER 07980955

INTERNET MOBILE COMMUNICATIONS LIMITED
UNAUDITED FINANCIAL STATEMENTS
30 JUNE 2016

EDMUND CARR LLP
Chartered Accountants
146 New London Road
Chelmsford
Essex
CM2 0AW

INTERNET MOBILE COMMUNICATIONS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2016

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INTERNET MOBILE COMMUNICATIONS LIMITED

DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2016

The directors present their report and the unaudited financial statements of the company for the year ended 30 June 2016.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year, trading as Bank of Telecom®, was the promotion of Bank of Telecom® as the international voice market for telecommunication providers in association with American Express Corporation providing a US\$750,000 trade facility and Western Union Business Solutions providing a US\$2,400,000 trading facility for foreign exchange forward contract purchases. Bank of Telecom® is a unique automated voice telecommunications platform for voice calls, billing and payments for service providers in the international telecommunications industry.

DIRECTORS

The directors who served the company during the year were as follows:

Mr A M Fox
Mr M J Stewart

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Registered office:
145 New London Road
Chelmsford
Essex
England
CM2 0QT

Signed on behalf of the directors



M J Stewart

Director

Approved by the directors on 16TH SEPTEMBER
2016

INTERNET MOBILE COMMUNICATIONS LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 JUNE 2016

| | Note | 2016 £ | 2015 £ |
|--|----------|-----------|-----------|
| TURNOVER | | 5,465,942 | 3,005,520 |
| Cost of sales | | 5,026,551 | 2,619,444 |
| GROSS PROFIT | | 439,391 | 386,076 |
| Administrative expenses | | 316,009 | 250,812 |
| Other operating income | | (106,787) | – |
| OPERATING PROFIT | 2 | 230,169 | 135,264 |
| Amounts written off investments | 3 | (100) | – |
| Interest payable and similar charges | | 12,305 | 7,608 |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 217,764 | 127,656 |
| Tax on profit on ordinary activities | 4 | 19,970 | 20,699 |
| PROFIT FOR THE FINANCIAL YEAR | | 197,794 | 106,957 |
| Balance brought forward | | 149,654 | 42,697 |
| Balance carried forward | | 347,448 | 149,654 |

The notes on pages 5 to 10 form part of these financial statements.

INTERNET MOBILE COMMUNICATIONS LIMITED

BALANCE SHEET

30 JUNE 2016

| | Note | 2016 | | 2015 | |
|--|------|---------|----------------|-----------|------------------|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Intangible assets | 5 | | 16,800 | | 21,000 |
| Tangible assets | 6 | | 1,985 | | 3,435 |
| Investments | 7 | | – | | 100 |
| | | | <u>18,785</u> | | <u>24,535</u> |
| CURRENT ASSETS | | | | | |
| Stocks | | | – | | 34,950 |
| Debtors | 8 | 900,085 | | 1,181,714 | |
| Cash at bank | | 42,538 | | 197,459 | |
| | | | <u>942,623</u> | | <u>1,414,123</u> |
| CREDITORS: Amounts falling due within one year | 9 | 173,860 | | 846,138 | |
| NET CURRENT ASSETS | | | <u>768,763</u> | | <u>567,985</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>787,548</u> | | <u>592,520</u> |
| CREDITORS: Amounts falling due after more than one year | 10 | | 150,000 | | 152,766 |
| | | | <u>637,548</u> | | <u>439,754</u> |
| CAPITAL AND RESERVES | | | | | |
| Called up equity share capital | 13 | | 300 | | 300 |
| Share premium account | 14 | | 289,800 | | 289,800 |
| Profit and loss account | | | 347,448 | | 149,654 |
| SHAREHOLDERS' FUNDS | | | <u>637,548</u> | | <u>439,754</u> |

For the year ended 30 June 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The Balance sheet continues on the following page.
The notes on pages 5 to 10 form part of these financial statements.

INTERNET MOBILE COMMUNICATIONS LIMITED

BALANCE SHEET *(continued)*

30 JUNE 2016

These accounts were approved by the directors and authorised for issue on 16 SEPT 2016, and are signed on their behalf by:



.....
Mr A M Fox



.....
Mr M J Stewart

Company Registration Number: 07980955

The notes on pages 5 to 10 form part of these financial statements.

INTERNET MOBILE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2016

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Changes in accounting policies

In preparing the financial statements for the current year, the company has adopted the Financial Reporting Standard for Smaller Entities (effective January 2015).

The adoption of the Financial Reporting Standard for Smaller Entities (effective January 2015) has had no effect on the results for the current period.

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Research and development

Research and development expenditure is written off in the year in which it is incurred.

Trademarks and patents

Trademarks and patents are recorded at cost and amortisation over five years.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Trademarks & Patents - 5 years

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment - 25% straight line

INTERNET MOBILE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2016

1. ACCOUNTING POLICIES *(continued)*

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

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.

2. OPERATING PROFIT

Operating profit is stated after charging:

| | 2016 | 2015 |
|--|-------------------|-------------------|
| | £ | £ |
| Directors' remuneration | 24,387 | 11,192 |
| Amortisation of intangible assets | 4,200 | – |
| Depreciation of owned fixed assets | 1,450 | 1,313 |
| Net loss on foreign currency translation | – | 2,363 |
| | <u> </u> | <u> </u> |

3. AMOUNTS WRITTEN OFF INVESTMENTS

| | 2016 | 2015 |
|--------------------------------|-------------------|-------------------|
| | £ | £ |
| Amount written off investments | 100 | – |
| | <u> </u> | <u> </u> |

INTERNET MOBILE COMMUNICATIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2016

4. TAXATION ON ORDINARY ACTIVITIES

Analysis of charge in the year

| | 2016 | 2015 |
|---|---------------|---------------|
| | £ | £ |
| Current tax: | | |
| UK Corporation tax based on the results for the year at 20% (2015 - 20%) | 28,969 | 20,699 |
| Over/under provision in prior year | (8,999) | - |
| Total current tax | <u>19,970</u> | <u>20,699</u> |

5. INTANGIBLE ASSETS

| | Trademarks and patents |
|---------------------------------|-------------------------------|
| | £ |
| COST | |
| At 1 July 2015 and 30 June 2016 | <u>21,000</u> |
| AMORTISATION | |
| Charge for the year | 4,200 |
| At 30 June 2016 | <u>4,200</u> |
| NET BOOK VALUE | |
| At 30 June 2016 | 16,800 |
| At 30 June 2015 | <u>21,000</u> |

6. TANGIBLE ASSETS

| | Equipment |
|---------------------------------|------------------|
| | £ |
| COST | |
| At 1 July 2015 and 30 June 2016 | <u>5,791</u> |
| DEPRECIATION | |
| At 1 July 2015 | 2,356 |
| Charge for the year | 1,450 |
| At 30 June 2016 | <u>3,806</u> |
| NET BOOK VALUE | |
| At 30 June 2016 | <u>1,985</u> |
| At 30 June 2015 | <u>3,435</u> |

INTERNET MOBILE COMMUNICATIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2016

7. INVESTMENTS

Investments in Group undertakings

| | £ |
|---------------------------------|----------|
| COST | |
| At 1 July 2015 and 30 June 2016 | 100 |
| AMOUNTS WRITTEN OFF | |
| Written off in year | 100 |
| At 30 June 2016 | 100 |
| NET BOOK VALUE | |
| At 30 June 2016 | - |
| At 30 June 2015 | 100 |

Speakeasy Mobile Limited will shortly be struck off at the Registrar of Companies. The investment value has been written down as at 30 June 2016 accordingly.

Under the provision of section 398 of the Companies Act 2006 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

8. DEBTORS

| | 2016 | 2015 |
|--------------------------------|----------------|------------------|
| | £ | £ |
| Trade debtors | 876,649 | 1,116,632 |
| VAT recoverable | - | 37,191 |
| Other debtors | 23,436 | 23,436 |
| Prepayments and accrued income | - | 4,455 |
| | <u>900,085</u> | <u>1,181,714</u> |

INTERNET MOBILE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2016

9. CREDITORS: Amounts falling due within one year

| | 2016 | | 2015 |
|---|--------|----------------|----------------|
| | £ | £ | £ |
| Trade creditors | | 109,919 | 802,069 |
| Other creditors including taxation and social security: | | | |
| Corporation tax | 19,980 | | 20,699 |
| PAYE and social security | 1,773 | | 517 |
| VAT | 421 | | - |
| Other creditors | 15,116 | | 16,301 |
| Directors current accounts | 731 | | 420 |
| Accruals and deferred income | 25,920 | | 6,132 |
| | | <u>63,941</u> | <u>44,069</u> |
| | | <u>173,860</u> | <u>846,138</u> |

10. CREDITORS: Amounts falling due after more than one year

| | 2016 | 2015 |
|-----------------|----------------|----------------|
| | £ | £ |
| Other creditors | <u>150,000</u> | <u>152,766</u> |

Included within other creditors is a unsecured loan of £150,000 which is repayable on 28 February 2018.

11. COMMITMENTS UNDER OPERATING LEASES

At 30 June 2016 the company had aggregate annual commitments under non-cancellable operating leases as set out below.

| | 2016 | 2015 |
|--------------------------------|--------------|--------------|
| | £ | £ |
| Operating leases which expire: | | |
| Within 1 year | 4,901 | 3,600 |
| Within 2 to 5 years | - | 3,645 |
| | <u>4,901</u> | <u>7,245</u> |

INTERNET MOBILE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2016

12. RELATED PARTY TRANSACTIONS

The company was under the control of Mr M J Stewart throughout the current period. Mr M J Stewart is a director and controlling shareholder. During the year Mr M J Stewart supplied telecoms consultancy services totalling £53,963 (2015: £69,423) to the company.

At the year end the company owed £731 by Mr M J Stewart (2015: £420). This loan is interest free and included within debtors.

During the year the company was charged £0 (2015: £2,800) by Mrs S Stewart, the wife of Mr M J Stewart, for HR consultancy services.

During the year the company was supplied consultancy services of £11,250 (2015: £5,000) by Trifin Partners Limited. Mr A Fox is a director and has a beneficial interest in Trifin Partners Limited. At the year end the company owed £6,250 (2015: £0) to Trifin Partners Limited in respect of these transactions.

13. SHARE CAPITAL

Allotted, called up and fully paid:

| | 2016 | | 2015 | |
|--|---------------|------------|------------|------------|
| | No. | £ | No. | £ |
| Ordinary shares (2015 - 300) of £0.01 (2015 - £1) each | <u>30,000</u> | <u>300</u> | <u>300</u> | <u>300</u> |

During the year 300 issued Ordinary shares of £1.00 each were subdivided into 30,000 Ordinary shares of £0.01 each.

14. SHARE PREMIUM ACCOUNT

| | 2016 | 2015 |
|--------------------------------------|----------------|----------------|
| | £ | £ |
| Balance brought forward | 289,800 | 149,960 |
| Premium on shares issued in the year | – | 159,840 |
| Share issue expenses | – | (20,000) |
| Balance carried forward | <u>289,800</u> | <u>289,800</u> |

INTERNET MOBILE COMMUNICATIONS LIMITED
MANAGEMENT INFORMATION
YEAR ENDED 30 JUNE 2016

The following pages do not form part of the statutory financial statements.

INTERNET MOBILE COMMUNICATIONS LIMITED

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED ACCOUNTS OF INTERNET MOBILE COMMUNICATIONS LIMITED

YEAR ENDED 30 JUNE 2016

In accordance with our terms of engagement, and in order to assist you to fulfil your duties under the Companies Act 2006, we have compiled the financial statements of the company which comprise the Profit and Loss Account, Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet as at 30 June 2016 your duty to ensure that the company has kept adequate accounting records and to prepare financial statements that give a true and fair view under the Companies Act 2006. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

146 New London Road
Chelmsford
Essex
CM2 0AW

EDMUND CARR LLP
Chartered Accountants

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INTERNET MOBILE COMMUNICATIONS LIMITED

DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 JUNE 2016

| | 2016 | | 2015 | |
|--|------------------|------------------|------------------|------------------|
| | £ | £ | £ | £ |
| TURNOVER | | 5,465,942 | | 3,005,520 |
| COST OF SALES | | | | |
| Opening stock | 34,950 | | 49,950 | |
| Cost of calls, telephone numbers and minutes | 4,991,601 | | 2,604,444 | |
| | <u>5,026,551</u> | | <u>2,654,394</u> | |
| Closing stock | — | | (34,950) | |
| | | <u>5,026,551</u> | | <u>2,619,444</u> |
| GROSS PROFIT | | 439,391 | | 386,076 |
| OVERHEADS | | | | |
| Directors salaries | 17,900 | | 8,841 | |
| Directors national insurance contributions | 227 | | 127 | |
| Wages and salaries | 25,029 | | 8,899 | |
| Employers national insurance contributions | 1,194 | | (155) | |
| Rent and rates | 11,741 | | 6,116 | |
| Insurance | 675 | | 255 | |
| Repairs and renewals | 175 | | 1,364 | |
| Travel and subsistence | 6,132 | | 3,965 | |
| Vehicle leasing charges | 3,679 | | 4,028 | |
| Telephone | 3,014 | | 2,120 | |
| Network services and software development | 14,307 | | 36,766 | |
| Research and development | 99,598 | | 33,585 | |
| Computers and software | 10,641 | | 2,490 | |
| Printing, stationery and postage | 30 | | 2,408 | |
| Sundry expenses | 745 | | 687 | |
| Marketing and patents | 16,258 | | 26,693 | |
| Entertaining | 5,490 | | 10,870 | |
| Legal and professional fees | 11,425 | | 4,121 | |
| Consultancy fees | 68,111 | | 77,378 | |
| Accountancy fees | 9,533 | | 6,860 | |
| Amortisation | 4,200 | | — | |
| Depreciation | 1,450 | | 1,313 | |
| Bank charges | 4,455 | | 9,718 | |
| Foreign currency gains/losses | — | | 2,363 | |
| | | <u>316,009</u> | | <u>250,812</u> |
| Carried forward | | <u>123,382</u> | | <u>135,264</u> |

INTERNET MOBILE COMMUNICATIONS LIMITED**DETAILED PROFIT AND LOSS ACCOUNT****YEAR ENDED 30 JUNE 2016**

| | 2016 | | 2015 | |
|--------------------------------------|------|----------------|------|----------------|
| | £ | £ | £ | £ |
| Brought forward | | 123,382 | | 135,264 |
| | | <u>123,382</u> | | <u>135,264</u> |
| OTHER OPERATING INCOME | | | | |
| Other operating income | | 106,787 | | — |
| OPERATING PROFIT | | <u>230,169</u> | | <u>135,264</u> |
| Amounts written off investments | | (100) | | — |
| Interest payable | | (12,305) | | (7,608) |
| PROFIT ON ORDINARY ACTIVITIES | | <u>217,764</u> | | <u>127,656</u> |
| INTEREST PAYABLE | | | | |
| Bank interest payable | | 2,047 | | 1,892 |
| Interest on other loans | | 10,258 | | 5,716 |
| | | <u>12,305</u> | | <u>7,608</u> |