

Internet Mobile Communications Limited
Unaudited Financial Statements
30 June 2018

EDMUND CARR LLP

Chartered Accountants
146 New London Road
Chelmsford
Essex
CM2 0AW

Internet Mobile Communications Limited

Financial Statements

Year ended 30 June 2018

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Internet Mobile Communications Limited

Officers and Professional Advisers

The board of directors

Chun Yan Shao
Wen Lei Sun
S Leary
A M Fox
M J Stewart

Company secretary

M J Stewart

Registered office

145 New London Road
Chelmsford
Essex
England
CM2 0QT

Accountants

Edmund Carr LLP
Chartered Accountants
146 New London Road
Chelmsford
Essex
CM2 0AW

Internet Mobile Communications Limited

Directors' Report

Year ended 30 June 2018

The directors present their report and the unaudited financial statements of the company for the year ended 30 June 2018.

Principal activities

The principal activity of the company during the year was trading as Bank of Telecom®, was the promotion of Bank of Telecom® as the international 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 telecommunications platform for voice calls, value added services, billing and payments for service providers in the international telecommunications industry.

Directors

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

S Leary	
A M Fox	
M J Stewart	
Chun Yan Shao	(Appointed 10 January 2018)
Wen Lei Sun	(Appointed 28 November 2017)

Small company provisions

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

This report was approved by the board of directors on 20 September 2018 and signed on behalf of the board by:



M J Stewart
Director

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

Internet Mobile Communications Limited

Statement of Comprehensive Income

Year ended 30 June 2018

	Note	2018 £	2017 £
Turnover		22,279,246	11,328,519
Cost of sales		20,491,686	10,408,058
Gross profit		<u>1,787,560</u>	<u>920,461</u>
Administrative expenses		666,348	367,954
Operating profit		<u>1,121,212</u>	<u>552,507</u>
Other interest receivable and similar income		2,245	38
Interest payable and similar expenses		184,194	41,435
Profit before taxation	5	<u>939,263</u>	<u>511,110</u>
Tax on profit		159,990	89,057
Profit for the financial year and total comprehensive income		<u><u>779,273</u></u>	<u><u>422,053</u></u>

All the activities of the company are from continuing operations.

The company has no other recognised items of income and expenses other than the results for the year as set out above.

The notes on pages 7 to 11 form part of these financial statements.

Internet Mobile Communications Limited

Statement of Financial Position

30 June 2018

		2018	2017
	Note	£	£
Fixed assets			
Intangible assets	6	8,400	12,600
Tangible assets	7	10,835	12,404
		19,235	25,004
Current assets			
Debtors	8	4,740,349	2,180,752
Cash at bank and in hand		886,652	474,976
		5,627,001	2,655,728
Creditors: amounts falling due within one year	9	1,059,670	991,130
Net current assets		4,567,331	1,664,598
Total assets less current liabilities		4,586,566	1,689,602
Creditors: amounts falling due after more than one year	10	2,447,990	221,351
Net assets		2,138,576	1,468,251
Capital and reserves			
Called up share capital	11	345	345
Share premium account		708,905	708,905
Profit and loss account		1,429,326	759,001
Shareholders funds		2,138,576	1,468,251

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

For the year ending 30 June 2018 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 financial statements 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 financial statements.

The statement of financial position
continues on the following page.

The notes on pages 7 to 11 form part of these financial statements.

Internet Mobile Communications Limited

Statement of Financial Position *(continued)*

30 June 2018

These financial statements were approved by the board of directors and authorised for issue on 20 September 2018, and are signed on behalf of the board by:



A M Fox
Director



M J Stewart
Director

Company registration number: 07980955

The notes on pages 7 to 11 form part of these financial statements.

Internet Mobile Communications Limited

Statement of Changes in Equity

Year ended 30 June 2018

	Called up share capital £	Share premium account £	Profit and loss account £	Total £
At 1 July 2016	300	289,800	347,448	637,548
Profit for the year	—	—	422,053	422,053
Total comprehensive income for the year	—	—	422,053	422,053
Issue of shares	45	449,955	—	450,000
Dividends paid and payable	—	—	(10,500)	(10,500)
Transaction costs	—	(30,850)	—	(30,850)
Total investments by and distributions to owners	45	419,105	(10,500)	408,650
At 30 June 2017	345	708,905	758,728	1,467,978
Profit for the year	—	—	779,273	779,273
Total comprehensive income for the year	—	—	779,273	779,273
Dividends paid and payable	—	—	(108,675)	(108,675)
Total investments by and distributions to owners	—	—	(108,675)	(108,675)
At 30 June 2018	<u>345</u>	<u>708,905</u>	<u>1,429,326</u>	<u>2,138,576</u>

The notes on pages 7 to 11 form part of these financial statements.

Internet Mobile Communications Limited

Notes to the Financial Statements

Year ended 30 June 2018

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 145 New London Road, Chelmsford, Essex, CM2 0QT, England.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Intangible assets

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

Internet Mobile Communications Limited

Notes to the Financial Statements *(continued)*

Year ended 30 June 2018

3. Accounting policies *(continued)*

Amortisation

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

Trademarks & patents - 5 years

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

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

Equipment - 25% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

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.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Internet Mobile Communications Limited

Notes to the Financial Statements *(continued)*

Year ended 30 June 2018

3. Accounting policies *(continued)*

Defined contribution plans *(continued)*

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 5 (2017: 5).

5. Profit before taxation

Profit before taxation is stated after charging:

	2018	2017
	£	£
Amortisation of intangible assets	4,200	4,200
Depreciation of tangible assets	<u>4,291</u>	<u>1,806</u>

6. Intangible assets

	Patents, trademarks and licences £
Cost	
At 1 July 2017 and 30 June 2018	<u>21,000</u>
Amortisation	
At 1 July 2017	8,400
Charge for the year	<u>4,200</u>
At 30 June 2018	<u>12,600</u>
Carrying amount	
At 30 June 2018	<u>8,400</u>
At 30 June 2017	<u>12,600</u>

Internet Mobile Communications Limited

Notes to the Financial Statements *(continued)*

Year ended 30 June 2018

7. Tangible assets

	Equipment £	Total £
Cost		
At 1 July 2017	18,016	18,016
Additions	2,722	2,722
At 30 June 2018	<u>20,738</u>	<u>20,738</u>
Depreciation		
At 1 July 2017	5,612	5,612
Charge for the year	4,291	4,291
At 30 June 2018	<u>9,903</u>	<u>9,903</u>
Carrying amount		
At 30 June 2018	<u>10,835</u>	<u>10,835</u>
At 30 June 2017	<u>12,404</u>	<u>12,404</u>

8. Debtors

	2018 £	2017 £
Trade debtors	4,493,807	2,128,654
Directors loan account	—	1,497
Other debtors	246,542	50,601
	<u>4,740,349</u>	<u>2,180,752</u>

9. Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	322,488	396,598
Accruals and deferred income	206,914	69,328
Corporation tax	159,990	89,057
Social security and other taxes	9,730	3,546
Director loan accounts	4,442	—
Other creditors	356,106	432,601
	<u>1,059,670</u>	<u>991,130</u>

10. Creditors: amounts falling due after more than one year

	2018 £	2017 £
Other creditors	<u>2,447,990</u>	<u>221,351</u>

During the year Chun Yan Shao and Wen Lei Sun invested £200,000 each by way of directors loans. Interest of 3% is charged per annum. The loans are repayable in March 2022.

Internet Mobile Communications Limited

Notes to the Financial Statements *(continued)*

Year ended 30 June 2018

11. Called up share capital

Issued, called up and fully paid

	2018		2017	
	No.	£	No.	£
Ordinary shares of £0.00001 (2017 - £0.01) each	34,500,000	345	34,500	345

During the year the £0.01 Ordinary shares were subdivided into £0.00001p Ordinary Shares for no further consideration.

12. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2018	2017
	£	£
Not later than 1 year	9,513	8,423

13. Directors' advances, credits and guarantees

At the year end M Stewart owed the company £Nil (2017 - £1,497) which is shown amongst debtors. The maximum amount outstanding during the year was £1,497. No interest has been charged on this loan.

14. Related party transactions

During the year a director supplied telecoms consultancy services totalling £37,649 (2017: £32,249) to the company.

At the year end the company owed directors £404,442 (2017 - £60,000). £400,000 of this relates to loans that are included within other creditors in note 10 and interest of 3% per annum is payable on these loans.

During the year the company was supplied consultancy services of £21,000 (2017: £6,000) by a related party.

Internet Mobile Communications Limited

Management Information

Year ended 30 June 2018

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

Internet Mobile Communications Limited

Chartered Accountants Report to the Board of Directors on the Preparation of the Unaudited Statutory Financial Statements of Internet Mobile Communications Limited

Year ended 30 June 2018

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Internet Mobile Communications Limited for the year ended 30 June 2018, which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at www.icaew.com/en/membership/regulations-standards-and-guidance.

This report is made solely to the Board of Directors of Internet Mobile Communications Limited, as a body, in accordance with the terms of our engagement letter dated 27 February 2013. Our work has been undertaken solely to prepare for your approval the financial statements of Internet Mobile Communications Limited and state those matters that we have agreed to state to you, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF as detailed at www.icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Internet Mobile Communications Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Internet Mobile Communications Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Internet Mobile Communications Limited. You consider that Internet Mobile Communications Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Internet Mobile Communications Limited. 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 statutory financial statements.

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

20 September 2018

Internet Mobile Communications Limited

Detailed Income Statement

Year ended 30 June 2018

	2018 £	2017 £
Turnover	22,279,246	11,328,519
Cost of sales		
Cost of calls, telephone numbers and minutes	20,491,686	10,408,058
Gross profit	1,787,560	920,461
Overheads		
Administrative expenses		
Rent and rates	18,285	12,749
Insurance	32,415	10,958
Repairs and renewals	2,687	356
Wages and salaries	95,093	45,500
Employers national insurance contributions	5,948	1,237
Staff pension contributions	687	—
Travel and subsistence	34,066	21,545
Vehicle leasing charges	4,722	5,244
Telephone	15,711	4,006
Network services and software development	22,568	25,584
Research and development	81,362	49,223
Computers and software	12,348	8,379
Printing postage and stationery	2,964	1,869
Sundry expenses	106	1,658
Marketing and patents	35,344	10,260
Entertaining	7,587	6,004
Bank charges	4,008	3,671
Foreign currency gains/losses	(41,639)	19,789
Executive and employee profit share	84,575	45,826
Legal and professional fees	11,151	13,401
Commission payable	44,000	—
Consultancy fees	80,661	43,381
Accountancy fees	24,475	13,308
Directors salaries	78,278	18,000
Directors pension contributions	455	—
Amortisation of intangible assets	4,200	4,200
Depreciation of tangible assets	4,291	1,806
	666,348	367,954
Operating profit	1,121,212	552,507
Other interest receivable and similar income	2,245	38
Interest payable and similar expenses	(184,194)	(41,435)
Profit before taxation	939,263	511,110

Internet Mobile Communications Limited

Notes to the Detailed Income Statement

Year ended 30 June 2018

	2018 £	2017 £
Other interest receivable and similar income		
Interest on cash and cash equivalents	<u>2,245</u>	<u>38</u>
Interest payable and similar expenses		
Interest on banks loans and overdrafts	—	1,084
Other interest payable and similar charges	<u>184,194</u>	<u>40,351</u>
	<u>184,194</u>	<u>41,435</u>