

Company Registration No. 06538108 (England and Wales)

COMMUNICATE BETTER HOLDINGS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
PAGES FOR FILING WITH REGISTRAR

COMMUNICATE BETTER HOLDINGS LIMITED

COMPANY INFORMATION

Directors	M Dermody W Cartwright S Cartwright M P Standring
Secretary	S Cartwright
Company number	06538108
Registered office	Brighton House Trident Business Park Birchwood Warrington WA3 6BX
Accountants	Cowgill Holloway LLP Regency House 45-53 Chorley New Road Bolton BL1 4QR

COMMUNICATE BETTER HOLDINGS LIMITED

CONTENTS

	Page
Balance sheet	1 - 2
Notes to the financial statements	3 - 7

COMMUNICATE BETTER HOLDINGS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investments	3		4,101,635		4,101,635
Current assets					
Debtors	5	14,622		34,308	
Cash at bank and in hand		91,582		199,770	
		<u>106,204</u>		<u>234,078</u>	
Creditors: amounts falling due within one year	6	<u>(1,662,843)</u>		<u>(1,733,127)</u>	
Net current liabilities			<u>(1,556,639)</u>		<u>(1,499,049)</u>
Total assets less current liabilities			2,544,996		2,602,586
Creditors: amounts falling due after more than one year	7		<u>(554,102)</u>		<u>(777,206)</u>
Net assets			<u>1,990,894</u>		<u>1,825,380</u>
Capital and reserves					
Called up share capital	9		260		260
Profit and loss reserves			<u>1,990,634</u>		<u>1,825,120</u>
Total equity			<u>1,990,894</u>		<u>1,825,380</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their 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 year 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.

COMMUNICATE BETTER HOLDINGS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2021

The financial statements were approved by the board of directors and authorised for issue on 9 September 2021 and are signed on its behalf by:

W Cartwright

Director

Company Registration No. 06538108

COMMUNICATE BETTER HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

Communicate Better Holdings Limited is a private company limited by shares incorporated in England and Wales. The registered office is Brighton House, Trident Business Park, Birchwood, Warrington, WA3 6BX.

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

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

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Fixed asset investments

Interests in subsidiaries 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.

1.3 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.

1.4 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 balance sheet 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 debtors 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.

COMMUNICATE BETTER HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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 creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.5 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.

1.6 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 profit and loss account 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 taxation is recognised in respect of all timing differences which have originated but not reversed at the balance sheet date. Timing differences are differences between taxable profits and the results as stated in the financial statements which arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised for tax purposes.

Deferred tax is measured at the average tax rates which are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws which have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

1.7 Share-based payments

The company has issued share options to certain employees. These must be measured at fair value and recognised as an expense in the profit and loss with a corresponding increase in equity. The fair value of the options was estimated at the date of grant using the option-pricing model. The fair value fair value will be charged as an expense in the profit and loss account over the vesting period. The charge is adjusted each year to reflect the expected and actual level of vesting.

COMMUNICATE BETTER HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	-	-
	=====	=====

3 Fixed asset investments

	2021 £	2020 £
Other investments other than loans	4,101,635	4,101,635
	=====	=====

COMMUNICATE BETTER HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

4 Subsidiaries

Details of the company's subsidiaries at 31 March 2021 are as follows:

Name of undertaking	Registered office key	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Communicate Better Limited	1	Supply of telephone systems and services	Ordinary	100.00	0
T.T.S Communications Limited	1	Dormant	Ordinary	100.00	0
VCUK Ltd	1	Dormant	Ordinary	100.00	0
VCUK Services Ltd	1	IT and communication consultancy	Ordinary	100.00	0
Telemaxx Limited	1	Dormant	Ordinary	100.00	0
Chilli Telecom Limited	1	Dormant	Ordinary	100.00	0
BE IP Limited	1	Dormant	Ordinary	100.00	0

Registered Office addresses:

1 Brighton House, Trident Business Park, Birchwood, WA3 6BX

5 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Amounts owed by group undertakings	-	28,058
Other debtors	14,622	6,250
	<u>14,622</u>	<u>34,308</u>

6 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans	312,500	312,500
Amounts owed to group undertakings	1,071,222	896,016
Corporation tax	37,201	33,913
Other creditors	241,920	490,698
	<u>1,662,843</u>	<u>1,733,127</u>

Bank loans are secured.

COMMUNICATE BETTER HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

7 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank loans and overdrafts	245,646	468,750
Other creditors	308,456	308,456
	<u>554,102</u>	<u>777,206</u>

Bank loans are secured.

8 Share-based payment transactions

	Number of share options		Weighted average exercise price	
	2021 Number	2020 Number	2021 £	2020 £
Outstanding at 1 April 2020	275	-	9,061.25	-
Granted	-	275	-	9,061.25
Outstanding at 31 March 2021	<u>275</u>	<u>275</u>	<u>9,061.25</u>	<u>9,061.25</u>
Exercisable at 31 March 2021	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

On 26 February 2020, 275 B Ordinary shares of 1p each were granted under an EMI share option to 8 employees of the trading company Communicate Better Limited.

As at the year end, none of the EMI share options had been exercised. The holder of the EMI share options can exercise the share option before an exit event. The EMI share options lapse if the employee leaves employment or on the 10th anniversary of the grant.

The market value of the shares at the date of grant has been agreed by HM Revenue and Customs at £32.95 per share. The valuation was based on earning.

9 Called up share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital Issued and fully paid				
A Ordinary shares of 1p each	<u>26,000</u>	<u>26,000</u>	<u>260</u>	<u>260</u>

10 Directors' transactions

Dividends totalling £515,580 (2020 - £383,420) were paid in the year in respect of shares held by the company's directors.

A company director has provided a personal guarantee to AIB Group (UK) PLC in respect of a bank loan. This personal guarantee shall not exceed £175,000 (2020: £175,000).

