

**PERFORMANCE TELECOM LIMITED**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2018**

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**PERFORMANCE TELECOM LIMITED**

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**PERFORMANCE TELECOM LIMITED**  
**REGISTERED NUMBER:03886001**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	4	4,475	53,114
Investments	5	100	100
		<u>4,575</u>	<u>53,214</u>
<b>Current assets</b>			
Debtors	6	722,960	697,554
Cash at bank and in hand		480,589	317,515
		<u>1,203,549</u>	<u>1,015,069</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	7	(699,345)	(717,124)
<b>Net current assets</b>		<u>504,204</u>	<u>297,945</u>
<b>Total assets less current liabilities</b>		<u>508,779</u>	<u>351,159</u>
<b>Provisions for liabilities</b>			
Deferred tax	8	-	(5,817)
<b>Net assets</b>		<u><u>508,779</u></u>	<u><u>345,342</u></u>
<b>Capital and reserves</b>			
Called up share capital	9	100	100
Profit and loss account		508,679	345,242
		<u><u>508,779</u></u>	<u><u>345,342</u></u>

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

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**PERFORMANCE TELECOM LIMITED**  
**REGISTERED NUMBER:03886001**  
**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 30 SEPTEMBER 2018**

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The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 June 2019.

**B D Hudson**  
Director

The notes on pages 3 to 9 form part of these financial statements.

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**PERFORMANCE TELECOM LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2018**

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**1. General information**

Performance Telecom Limited is a limited liability company incorporated in England and Wales, with its registered office at Redfern House, 105 Ashley Road, St. Albans, Hertfordshire, AL1 5GD.  
The principal activity of the company is that of a telecommunications reseller and software developer.  
The functional and presentational currency of the company is £ sterling.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The following principal accounting policies have been applied:

## **2.2 Revenue**

Turnover comprises of fees receivable on reselling of telecommunication services supplied during the year, exclusive of Value Added Tax.

Revenue is recognised in the period to which it relates.

## **2.3 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is provided on the following basis:

Short-term Leasehold Property	- over the period of the lease
Fixtures and fittings	- 25% straight line
Computer equipment	- at varying rates on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

## **2.4 Investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

## **2.5 Debtors**

Short term debtors are measured at transaction price, less any impairment.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

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**2. Accounting policies (continued)**

**2.6 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty.

**2.7 Financial instruments**

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans from banks and related parties.

**2.8 Creditors**

Short term creditors are measured at the transaction price.

**2.9 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**2.10 Operating leases: the company as lessee**

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

**2.11 Pensions**

**Defined contribution pension plan**

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

**2.12 Interest income**

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

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**PERFORMANCE TELECOM LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2018**

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**2. Accounting policies (continued)**

**2.13 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**2.14 Employer-Financed Retirement Benefit Scheme**

The company has established trusts for the benefit of employees and persons connected with them. Monies held in these trusts are held by independent trustees and managed at their discretion. The trustees are empowered to provide both retirement and other employee benefits.

Where the company retains future economic benefit from, and has de facto control of the assets and liabilities of the trust, they are accounted for as assets and liabilities of the company until the earlier of the date that an allocation of trust funds to employees in respect of past services is declared and the date that assets of the trust vest in identified individuals.

Where monies held in a trust are determined by the company on the basis of employees' past services to the business and the company can obtain no future economic benefit from those monies, such monies, whether in the trust or accrued for by the company are charged to the profit and loss account in the period to which they relate.

Where monies held in a trust are determined by the company on the basis of employees' past services to the business and are payable after completion of the employment, such monies are charged to the profit and loss account in the period during which services are rendered by employees.



**PERFORMANCE TELECOM LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

**2. Accounting policies (continued)**

**2.15 Employee Benefit Trusts**

The company has purchased trusts for the benefit of employees and certain of their dependants. Monies held in these trusts are held by independent trustees and managed at their discretion.

Where the company retains future economic benefit from, and has de facto control of, the assets and liabilities of the trust they are accounted for as assets and liabilities of the company until the earlier of the date that an allocation of trusts to employees in respect of past services is declared and the date that assets of the trust vest in identified individuals.

Where monies held in a trust are determined by the company on the basis of employees' past services to the business and the company can obtain no future economic benefit from those monies, such monies, whether in the trust or accrued for by the company are charged to the profit and loss account in the period to which they relate.

**3. Employees**

The average monthly number of employees, including directors, during the year was 13 (2017 - 14).

**4. Tangible fixed assets**

	<b>Short-term leasehold property</b>	<b>Fixtures, fittings &amp; equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 October 2017	<b>36,607</b>	<b>103,445</b>	<b>140,052</b>
Additions	<b>-</b>	<b>2,679</b>	<b>2,679</b>
Disposals	<b>(36,607)</b>	<b>(39,667)</b>	<b>(76,274)</b>
At 30 September 2018	<b>-</b>	<b>66,457</b>	<b>66,457</b>
<b>Depreciation</b>			
At 1 October 2017	<b>12,813</b>	<b>74,125</b>	<b>86,938</b>
Charge for the year on owned assets	<b>4,880</b>	<b>11,800</b>	<b>16,680</b>
Disposals	<b>(17,693)</b>	<b>(23,943)</b>	<b>(41,636)</b>
At 30 September 2018	<b>-</b>	<b>61,982</b>	<b>61,982</b>
<b>Net book value</b>			
At 30 September 2018	<b>-</b>	<b>4,475</b>	<b>4,475</b>
<b>At 30 September 2017</b>	<b>23,794</b>	<b>29,320</b>	<b>53,114</b>

NOTES TO THE FINANCIAL STATEMENTS  
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5. Fixed asset investments

Investments in  
subsidiary  
company  
£

**Cost**

At 1 October 2017	100
At 30 September 2018	100

**Net book value**

At 30 September 2018	100
<b>At 30 September 2017</b>	100

**Subsidiary undertaking**

The following is a subsidiary undertaking of the company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Tariff Union Limited	England and Wales	Ordinary	100 %	Dormant company

6. Debtors

2018  
£

2017  
£

**Due after more than one year**

Rent deposit	-	11,197
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**Due within one year**

Trade debtors	222,322	282,556
Other debtors	448,252	298,783
Prepayments and accrued income	52,386	105,018
	<b>722,960</b>	<b>697,554</b>

PERFORMANCE TELECOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018

7. Creditors: Amounts falling due within one year

	2018 £	2017 £
Other loans	-	13,334
Trade creditors	121,212	86,794
Amounts owed to group undertakings	100	100
Taxation and social security	63,601	42,569
Other creditors	3,762	4,024
Accruals and deferred income	510,670	570,303
	<u>699,345</u>	<u>717,124</u>

8. Deferred taxation

	2018 £	2017 £
At beginning of year	5,817	7,935
Released to profit or loss	(5,817)	(2,118)
<b>At end of year</b>	<u>-</u>	<u>5,817</u>

The deferred taxation balance is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	<u>-</u>	<u>5,817</u>

9. Share capital

	2018 £	2017 £
<b>Allotted, called up and fully paid</b>		
100 (2017 - 100) Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

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**PERFORMANCE TELECOM LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2018**

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**10. Pension commitments**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £5,567 (2017 - £1,126). Contributions totalling £1,365 (2017 - £467) were payable to the fund at the balance sheet date and are included in creditors.

**11. Transactions with directors**

At the balance sheet date, the company was owed £263,680 (2017 - £209,392) by B D Hudson, a director of the company, and his spouse in respect of a short-term advance. Advances made during the year amounted to £260,474 (2017 - £242,816) and the maximum amount outstanding during the year was £380,452 (2017 - £209,302). Interest amounting to £5,864 (2017 - £6,082) has been charged by the company on this loan.

During the year, the company charged interest amounting to £246 (2017 - £100) to A L M Norsworthy, a director of the company.

**12. Related party transactions**

The company has taken advantage of the exemption under section 33.1A of FRS 102 Related Party Disclosures not to disclose transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is a party to the transaction is wholly owned by a member of that group.

**13. Controlling party**

The director regards Performance Telecom Holdings Limited, a company incorporated in England and Wales, as the ultimate parent company. B D Hudson is the ultimate controlling party by virtue of his shareholding in Performance Telecom Holdings Limited.