
INTERNET VIDEOCOMMUNICATIONS LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020



INTERNET VIDEOCOMMUNICATIONS LIMITED
REGISTERED NUMBER: 01878610

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	Unaudited 2019 £
Fixed assets			
Tangible assets	4	113,534	155,224
		<u>113,534</u>	<u>155,224</u>
Current assets			
Stocks	5	142,168	459,246
Debtors	6	2,842,582	3,004,212
Cash at bank and in hand		1,562,467	1,005,237
		<u>4,547,217</u>	<u>4,468,695</u>
Creditors: amounts falling due within one year	7	(1,461,029)	(1,339,223)
Net current assets		<u>3,086,188</u>	<u>3,129,472</u>
Total assets less current liabilities		<u>3,199,722</u>	<u>3,284,696</u>
Creditors: amounts falling due after more than one year	8	(142,520)	(131,032)
Deferred Tax	10	(10,455)	-
Net assets		<u><u>3,046,747</u></u>	<u><u>3,153,664</u></u>
Capital and reserves			
Called up share capital		1,216,804	1,216,804
Profit and loss account		1,829,943	1,936,860
		<u><u>3,046,747</u></u>	<u><u>3,153,664</u></u>

INTERNET VIDEOCOMMUNICATIONS LIMITED
REGISTERED NUMBER: 01878610

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2020

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.

The company has opted not to file the statement of income and retained earnings 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 21 December 2021.

Steve Roberts
Steve Roberts (Dec 21, 2021 17:10 GMT)

S J Roberts
Director

The notes on pages 3 to 11 form part of these financial statements.

INTERNET VIDEOCOMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

Internet Videocommunications Limited is a private company, limited by shares, and incorporated in England and Wales. Its registered office is Alexander House, Mere Park, Dedmere Road, Marlow, Buckinghamshire SL7 1FX.

The principal activity of the company during the year was the provision of high quality audio-visual and conferencing solutions and services.

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 following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Amounts invoiced in advance are recognised in the accounts as deferred income.

INTERNET VIDEOCOMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.3 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Income and Retained Earnings in the same period as the related expenditure.

2.4 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 charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Short-term leasehold property	- Over the lease term
Plant, machinery and motor vehicles	- 17%-50%
Office equipment	- 25%
Demonstration equipment	- 50%

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.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.5 Stocks

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

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

INTERNET VIDEOCOMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.7 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.10 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.

INTERNET VIDEOCOMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.11 Operating leases: the company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.12 Leased assets: the company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.13 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 profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

2.14 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.15 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, 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 Balance Sheet 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.

2.16 Going concern

The financial statements have been prepared on the going concern basis, as the directors consider that there is reasonable certainty that the company will be able to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements.

INTERNET VIDEOCOMMUNICATIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

3. Employees

The average monthly number of employees, including directors, during the year was 29 (2019 - 29).

4. Tangible fixed assets

	Short-term leasehold property £	Plant, machinery and motor vehicles £	Office equipment £	Demonstration equipment £	Total £
Cost or valuation					
At 1 January 2020	233,916	162,349	211,208	100,110	707,583
Additions	-	1,435	3,869	-	5,304
Disposals	-	(20,553)	-	-	(20,553)
At 31 December 2020	233,916	143,231	215,077	100,110	692,334
Depreciation					
At 1 January 2020	215,977	69,378	167,717	99,287	552,359
Charge for the year on owned assets	2,503	808	25,594	823	29,728
Charge for the year on financed assets	-	17,266	-	-	17,266
Disposals	-	(20,553)	-	-	(20,553)
At 31 December 2020	218,480	66,899	193,311	100,110	578,800
Net book value					
At 31 December 2020	15,436	76,332	21,766	-	113,534
At 31 December 2019	17,939	92,971	43,491	823	155,224

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2020 £	Unaudited 2019 £
Motor vehicles	75,028	92,294

INTERNET VIDEOCOMMUNICATIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

5. Stocks

	2020	<i>Unaudited</i> 2019
	£	£
Work in progress (goods to be sold)	123,570	407,989
Finished goods and goods for resale	18,598	51,257
	<u>142,168</u>	<u>459,246</u>

6. Debtors

	2020	<i>Unaudited</i> 2019
	£	£
Due after more than one year		
Other debtors	2,127	11,479
	<u>2,127</u>	<u>11,479</u>

	2020	<i>Unaudited</i> 2019
	£	£
Due within one year		
Trade debtors	356,463	529,224
Amounts owed by group undertakings	2,184,755	2,184,755
Other debtors	14,858	16,070
Prepayments and accrued income	197,183	208,864
Corporation tax repayable	87,196	53,820
	<u>2,840,455</u>	<u>2,992,733</u>

INTERNET VIDEOCOMMUNICATIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

7. Creditors: Amounts falling due within one year

	2020	<i>Unaudited</i> 2019
	£	£
Trade creditors	295,244	417,844
Other taxation and social security	285,577	104,091
Obligations under finance lease and hire purchase contracts	9,731	13,507
Accruals and deferred income	870,477	803,781
	<u>1,461,029</u>	<u>1,339,223</u>

8. Creditors: Amounts falling due after more than one year

	2020	<i>Unaudited</i> 2019
	£	£
Net obligations under finance leases and hire purchase contracts	46,522	56,253
Accruals and deferred income	95,998	74,779
	<u>142,520</u>	<u>131,032</u>

9. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2020	<i>Unaudited</i> 2019
	£	£
Within one year	9,731	13,507
Between 1-5 years	46,522	56,253
	<u>56,253</u>	<u>69,760</u>

Finance lease creditors are secured by the assets to which they relate.

INTERNET VIDEOCOMMUNICATIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

10. Deferred taxation

	2020 £
Charged to profit or loss	(10,455)
At end of year	(10,455)

The deferred taxation balance is made up as follows:

	2020 £	2019 £
Fixed asset timing differences	(10,455)	-
	<u>(10,455)</u>	<u>-</u>

11. 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 £138,787 (2019 - £125,782).

12. Commitments under operating leases

At 31 December 2020 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020 £	<i>Unaudited</i> 2019 £
Not later than 1 year	90,873	95,363
Later than 1 year and not later than 5 years	161,737	219,266
Later than 5 years	-	3,879
	<u>252,610</u>	<u>318,508</u>

13. Post balance sheet events

On 9th June 2021, the company entered into a CBILs loan for an amount of £300k. It is intended for this to be repaid in full prior to the 12 month anniversary.

INTERNET VIDEOCOMMUNICATIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

14. Controlling party

The company is a wholly owned subsidiary company of Internet Videocommunications Holdings Limited, a company incorporated in England and Wales. Its registered office is Alexander House, Mere Park, Dedmere Road, Marlow, Buckinghamshire SL7 1FX. The company's ultimate parent company is Internet Videocommunications Holdings Limited.

The ultimate controlling party of the group is B A Rowe.

15. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2020 was unqualified.

The audit report was signed on 21 December 2021 by Kelly Jones (Senior Statutory Auditor) on behalf of Nexia Smith & Williamson.