

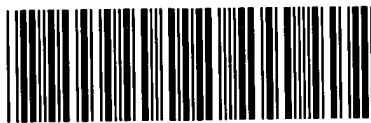
HOME TELECOM LIMITED
FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2018
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HOME TELECOM LIMITED

CONTENTS

	Page
Balance sheet	1
Statement of changes in equity	2
Notes to the financial statements	3 - 8

HOME TELECOM LIMITED

BALANCE SHEET

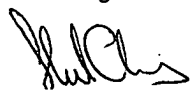
AS AT 31 DECEMBER 2018

		2018		2017 as restated	
	Notes	£	£	£	£
Current assets					
Debtors	2	1,062,615		259,366	
Creditors: amounts falling due within one year	3	(626,693)		(390,898)	
Net current assets/(liabilities)			435,922		(131,532)
Capital and reserves					
Called up share capital	4		100		100
Profit and loss reserves			435,822		(131,632)
Total equity			435,922		(131,532)

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

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

The financial statements were approved by the board of directors and authorised for issue on 13/11/2019 and are signed on its behalf by:



Hamish Osborn
Director

Company Registration No. 07412021

HOME TELECOM LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 DECEMBER 2018

	Share capital £	Profit and loss reserves £	Total £
As restated for the period ended 30 June 2017:			
Balance at 1 June 2016	100	(290,768)	(290,668)
Period ended 30 June 2017:			
Profit and total comprehensive income for the period	-	159,136	159,136
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2017	100	(131,632)	(131,532)
Period ended 31 December 2018:			
Profit and total comprehensive income for the period	-	567,454	567,454
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2018	<hr/> <hr/> 100	<hr/> <hr/> 435,822	<hr/> <hr/> 435,922

HOME TELECOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

Home Telecom Limited is a private company limited by shares incorporated in England and Wales. The registered office is 1 Rivergate, Temple Quay, Bristol, BS1 6ED and the principal place of business is Global House, 60B Queen Street, Horsham, West Sussex, RH13 5AD.

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 pound.

The comparative results covers the 13 month period from 1 June 2016 to 30 June 2017.

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

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of OVO Group Ltd. These consolidated financial statements are available from OVO Group Ltd, 1 Rivergate, Temple Quay, Bristol, UK, BS1 6ED.

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.2 Prior period error

An adjustment has been made to the prior financial period as a result of the erroneous recognition of miscellaneous income which occurred when accounting for the Home Telecom acquisition. This is detailed at note 9 to the financial statements.

HOME TELECOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.3 Going concern

These financial statements are prepared on the going concern basis. The directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future.

1.4 Reporting period

The accounting period has been extended to 31 December 2018 to coincide with the year end of the new parent company, Ovo Energy Limited. The current period is therefore 18 months, with the comparable period (and related notes) being 13 months and therefore not directly comparable.

1.5 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.6 Cash at bank and in hand

Cash at bank and in hand 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.

1.7 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.

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.

HOME TELECOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors 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.

1.8 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.

1.9 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 tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

HOME TELECOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018

2 Debtors

	2018	As restated 2017
	£	£
Amounts falling due within one year:		
Trade debtors	483,147	231,621
Other debtors	579,468	27,745
	<u>1,062,615</u>	<u>259,366</u>

3 Creditors: amounts falling due within one year

	2018	As restated 2017
	£	£
Corporation tax	114,095	51,490
Other taxation and social security	157,216	35,740
Other creditors	355,382	303,668
	<u>626,693</u>	<u>390,898</u>

The company agrees, as a member of the same group as the Chargors, Ovo Energy Ltd (OEL), to provide a Debenture to Shell Energy Europe Limited (SEEL) in respect of the liabilities of OEL to SEEL under the agreement dated 20 November 2014. This agreement between OEL and SEEL as amended, varied, novated or supplemented from time to time governs the purchase and sale of power and related products and miscellaneous services, including certain credit support arrangements.

4 Called up share capital

	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
1,000 Ordinary Shares of 10p each	100	100
	<u>100</u>	<u>100</u>

5 Equity reserve

Share capital - This represents the nominal value of shares that have been issued.

Retained earnings - Includes all current and prior period retained profits and losses.

HOME TELECOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018

6 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The auditor was Chris Morey, for and on behalf of Feist Hedgethorpe Limited.

7 Related party transactions

The company has taken advantage of the exemption available in accordance with section 33.1A of FRS 102 'Related party disclosures' not to disclose transactions entered into between two or more members of the group, as the company is a wholly owned subsidiary undertaking of the group which is party to the transactions.

8 Ultimate parent company

The company's immediate parent is Spark Energy Limited. The smallest consolidated statements that incorporate Home Telecom Limited are those of OVO Group Ltd, which are available upon request from the registered office - 1 Rivergate, Temple quay, Bristol, UK, BS1 6ED.

The ultimate parent is Imagination Industries Limited. The largest consolidated statements that incorporate Home Telecom Limited are those of Imagination Industries Limited, which are available upon request from the registered office - 140-142 Kensington Church Street, London, England, W8 4BN

The ultimate controlling party is Stephen Fitzpatrick.

9 Prior period adjustment

Reconciliation of changes in equity

	Notes	30 June 2017 £
Equity as previously reported		(16,000)
Adjustments to prior period		
Revenue adjustment	1	(144,000)
Corporation Tax adjustment based on adjustment 1	2	28,468
Equity as adjusted		<u>(131,532)</u>

HOME TELECOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018

9 Prior period adjustment (Continued)

Reconciliation of changes in profit for the previous financial period

	Notes	2017 £
Profit as previously reported		274,668
Adjustments to prior period		
Revenue adjustment	1	(144,000)
CorporationTax adjustment based on adjustment 1	2	28,468
Profit as adjusted		<u>159,136</u>

Notes to reconciliation

1. Revenue adjustment

Adjustment to revenue to correct the erroneous recognition of miscellaneous income in the prior period.

2. CorporationTax adjustment based on adjustment 1

Corporation Tax adjustment based on change in profit from prior year adjustment 1.