

POP TELECOM LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	4	50,454	-
Tangible assets	5	67,645	86,897
		<u>118,099</u>	<u>86,897</u>
Current assets			
Stocks	6	158,607	-
Debtors: amounts falling due within one year	7	1,074,896	750,568
Cash at bank and in hand	8	247,872	387,551
		<u>1,481,375</u>	<u>1,138,119</u>
Creditors: amounts falling due within one year	9	(795,808)	(442,494)
		<u>685,567</u>	<u>695,625</u>
Net current assets			
		<u>803,666</u>	<u>782,522</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	10	(88,930)	(114,858)
Provisions for liabilities			
Deferred tax	13	(10,500)	-
		<u>(10,500)</u>	<u>-</u>
Net assets			
		<u><u>704,236</u></u>	<u><u>667,664</u></u>
Capital and reserves			
Called up share capital		8	8
Profit and loss account		704,228	667,656
		<u><u>704,236</u></u>	<u><u>667,664</u></u>

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

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 the 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 Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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 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 30 March 2023.

Mr D Curran
Director

The notes on pages 3 to 12 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. General information

Pop Telecom Limited is a limited liability company incorporated in England and Wales. The Company registration number is 07600992. The registered address of the company is given on the Company information page in these financial statements.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

The Directors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. The Directors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Company has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Company's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is British pound and the financial statements are rounded to the nearest pound.

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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.4 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:

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.5 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 Comprehensive Income in the same period as the related expenditure.

2.6 Interest income

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

2.7 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.9 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.10 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.10 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Motor vehicles	-
Office equipment	- 20% - reducing balance

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.

2.11 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.12 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.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.14 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)**2.16 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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 Comprehensive Income.

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.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

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.

3. Employees

The average monthly number of employees, including the Directors, during the year was as follows:

	2022	2021
	No.	No.
	<u>2</u>	<u>2</u>
Directors		

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

4. Intangible assets

	Computer software £
Cost	
Additions	50,454
At 31 March 2022	50,454
Net book value	
At 31 March 2022	50,454
At 31 March 2021	-

5. Tangible fixed assets

	Motor vehicles £	Office equipment £	Total £
Cost or valuation			
At 1 April 2021	86,018	32,064	118,082
Additions	-	8,411	8,411
At 31 March 2022	86,018	40,475	126,493
Depreciation			
At 1 April 2021	21,504	9,681	31,185
Charge for the year on owned assets	21,504	6,159	27,663
At 31 March 2022	43,008	15,840	58,848
Net book value			
At 31 March 2022	43,010	24,635	67,645
At 31 March 2021	64,514	22,383	86,897

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

6. Stocks

	2022 £	2021 £
Finished goods and goods for resale	158,607	-
	<u>158,607</u>	<u>-</u>

7. Debtors

	2022 £	2021 £
Trade debtors	1,816	9,693
Amounts owed by group undertakings	454,276	272,985
Other debtors	618,804	467,890
	<u>1,074,896</u>	<u>750,568</u>

8. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	<u>247,872</u>	<u>387,551</u>

9. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank loans	10,000	10,000
Trade creditors	495,853	126,713
Amounts owed to group undertakings	-	5,432
Corporation tax	57,818	47,603
Other taxation and social security	208,060	230,441
Obligations under finance lease and hire purchase contracts	21,577	19,524
Other creditors	2,500	2,781
	<u>795,808</u>	<u>442,494</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

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

	2022	2021
	£	£
Bank loans	36,678	40,000
Net obligations under finance leases and hire purchase contracts	52,252	74,858
	<u>88,930</u>	<u>114,858</u>

11. Loans

Analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year		
Bank loans	10,000	10,000
Amounts falling due 1-2 years		
Bank loans	10,000	10,000
Amounts falling due 2-5 years		
Bank loans	26,678	30,000
	<u>46,678</u>	<u>50,000</u>

12. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2022	2021
	£	£
Within one year	21,577	19,524
Between 1-5 years	52,252	74,858
	<u>73,829</u>	<u>94,382</u>

13. Deferred taxation

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

13. Deferred taxation (continued)

	2022 £
At beginning of year	-
Charged to profit or loss	10,500
	<hr/>
At end of year	10,500
	<hr/>

The deferred tax balance is made up as follows:

	2022 £
Accelerated capital allowances	10,500
	<hr/>
	10,500
	<hr/>
Comprising:	
Liability	10,500
	<hr/>
	10,500
	<hr/>

14. Related party transactions

The Company has taken advantage of the exemption in Section 33.1A in FRS 102 from the requirement to disclose transactions entered into with its parent company as a wholly owned subsidiary, or with any other wholly owned members of the group.

15. Controlling party

Throughout the current and preceding year the ultimate parent undertaking of the company was Pop Holdings (UK) Limited. The company was under the control of Mr D Curran and Mrs D Curran by virtue of their shareholding in Pop Holding (UK) Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.