

J B Towers Limited

Registered number: 08811106

Directors' report and financial statements

For the year ended 31 December 2019

J B TOWERS LIMITED

COMPANY INFORMATION

Directors	Mr J P Brennan Mr C A J Dick (resigned 8 February 2020) Mr L A van der Hout
Registered number	08811106
Registered office	Steinhoff Building Formal Industrial Park Northway Lane Tewkesbury Gloucestershire GL20 8GY
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor 90 Victoria Street Bristol BS1 6DP

CONTENTS

	Page
Directors' Report	1 - 2
Independent Auditor's Report	3 - 5
Statement of Comprehensive Income	6
Balance Sheet	7
Statement of Changes in Equity	8
Notes to the Financial Statements	9 - 20

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

The directors present their report and the financial statements for the year ended 31 December 2019.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who served during the year were:

Mr J P Brennan
Mr C A J Dick (resigned 8 February 2020)
Mr L A van der Hout

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

Post balance sheet events

The COVID-19 outbreak became a global pandemic in March 2020 which is after the balance sheet date. The full impact of the pandemic and its associated economic downturn and its duration is not fully known. The company has continued to operate throughout the pandemic, with many of its services relating to the support of critical infrastructure and the associated employees considered to be key workers. As a result, the core areas of the business have only been impacted to a limited extent. The directors and senior management took steps to mitigate any impact of the reduction in activity and have made some use of government measures such as the job retention scheme. The directors principal objectives throughout the period has been to protect the health and safety of their employees in the safe performance of their duties and to ensure that company has sufficient resources to operate through the pandemic period and beyond.

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 22 December 2020 and signed on its behalf.

Mr J P Brennan
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF J B TOWERS LIMITED

Opinion

We have audited the financial statements of J B Towers Limited (the 'company') for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter - Impact of the outbreak of COVID-19 on the financial statements

In forming our opinion on the company financial statements, which is not modified, we draw your attention to the directors' view on the impact of COVID-19 as disclosed on page 2, and the consideration in the going concern basis of preparation on page 10 and non-adjusting post balance sheet events on page 20.

Since the balance sheet date there has been a global pandemic from the outbreak of COVID-19. The potential impact of COVID-19 became significant in March 2020 and is causing widespread disruption to normal patterns of business activity across the world, including the UK.

The full impact following the recent emergence of the COVID-19 is still unknown. It is therefore not currently possible to evaluate all the potential implications to the company's operations and the wider economy.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF J B TOWERS LIMITED

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information the Directors' Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' requirement to prepare a Strategic Report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF J B TOWERS LIMITED

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Jonathan Marchant (Senior statutory auditor)

for and on behalf of

Mazars LLP

Chartered Accountants and Statutory Auditor

90 Victoria Street

Bristol
BS1 6DP

23 December 2020

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 £	2018 £
Turnover		7,919,289	5,633,058
Cost of sales		(7,238,073)	(4,234,918)
Gross profit		<u>681,216</u>	<u>1,398,140</u>
Administrative expenses		(823,487)	(538,656)
Operating (loss)/profit		<u>(142,271)</u>	<u>859,484</u>
Tax on (loss)/profit	6	130,831	(163,137)
(Loss)/profit for the financial year		<u>(11,440)</u>	<u>696,347</u>
Total comprehensive income for the year		<u>(11,440)</u>	<u>696,347</u>

The notes on pages 9 to 20 form part of these financial statements.

BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	8	27,091	32,338
		<u>27,091</u>	<u>32,338</u>
Current assets			
Debtors: amounts falling due within one year	9	1,743,003	1,080,097
Cash at bank and in hand	10	497,069	713,684
		<u>2,240,072</u>	<u>1,793,781</u>
Creditors: amounts falling due within one year	11	(1,466,445)	(650,014)
Net current assets		<u>773,627</u>	<u>1,143,767</u>
Total assets less current liabilities		<u>800,718</u>	<u>1,176,105</u>
Provisions for liabilities			
Deferred tax	12	(1,550)	(5,497)
		<u>(1,550)</u>	<u>(5,497)</u>
Net assets		<u><u>799,168</u></u>	<u><u>1,170,608</u></u>
Capital and reserves			
Called up share capital		1,000	1,000
Profit and loss account		798,168	1,169,608
		<u><u>799,168</u></u>	<u><u>1,170,608</u></u>

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 were approved and authorised for issue by the board and were signed on its behalf on 22 December 2020.

Mr J P Brennan
Director

The notes on pages 9 to 20 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2018	1,000	643,824	644,824
Comprehensive income for the year			
Profit for the year	-	696,347	696,347
Total comprehensive income for the year	-	696,347	696,347
Dividends: Equity capital	-	(170,563)	(170,563)
Total transactions with owners	-	(170,563)	(170,563)
At 1 January 2019	1,000	1,169,608	1,170,608
Comprehensive income for the year			
Loss for the year	-	(11,440)	(11,440)
Total comprehensive income for the year	-	(11,440)	(11,440)
Dividends: Equity capital	-	(360,000)	(360,000)
Total transactions with owners	-	(360,000)	(360,000)
At 31 December 2019	<u>1,000</u>	<u>798,168</u>	<u>799,168</u>

The notes on pages 9 to 20 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. General information

JB Towers Limited is a private company limited by shares, incorporated in England & Wales, registered number 08811106. The registered office is Steinhoff Building Formal Industrial Park, Northway Lane, Tewkesbury, Gloucestershire, GL20 8GY, which is the principal place of business of the company. The principal activity of the company is the supply of support services to the telecoms industry.

Statement of Compliance

The financial statements have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland"

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 judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23.

This information is included in the consolidated financial statements of Dael Ventures Limited as at 31 December 2019 and these financial statements may be obtained from the registered office.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.3 Going concern

The directors have reviewed the anticipated performance for a period of at least twelve months from the date of the approval of the financial statements. They have taken into consideration the continuing impact of the global COVID-19 pandemic in making this assessment which include potential disruption to changes in customer demand. The company has traded profitably during the pandemic and forecasts this to continue. The directors are confident that there is sufficient headroom in the cash forecasts to operate for the foreseeable future. Notwithstanding this the company is in the final stages of agreeing a business interruption loan with the bank to provide additional liquidity should this be required.

At the point of approving these financial statements this facility is not in place, but the shareholders have given assurance that additional funds will be provided to support the company if this were required, even though not expected. On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the company was unable to continue as a going concern.

2.4 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.

2.5 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 DECEMBER 2019**

2. Accounting policies (continued)

2.6 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.

2.7 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 Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.8 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 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 Balance Sheet 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 balance sheet date.

2.9 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 DECEMBER 2019**

2. Accounting policies (continued)

2.9 Tangible fixed assets (continued)

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:

S/Term Leasehold Property	-	Life of lease
Plant & machinery	-	33%
Motor vehicles	-	33%
Fixtures & fittings	-	33%
Office equipment	-	33%
Computer equipment	-	33%

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 the Statement of Comprehensive Income.

2.10 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.

2.11 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.

2.12 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.

2.13 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 DECEMBER 2019**

2. Accounting policies (continued)

2.14 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.

2.15 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The directors have reviewed the anticipated performance for a period of at least twelve months from the date of the approval of the financial statements which demonstrate that there is no material uncertainty regarding the company's ability to meet its liabilities as they fall due, and to continue as a going concern.

On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the company was unable to continue as a going concern.

4. Employees

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

	2019 No.	2018 No.
Admin	5	5
Engineering	31	21
	<hr/>	<hr/>
	36	26
	<hr/>	<hr/>

5. Directors' remuneration

	2019 £	2018 £
Directors' emoluments	77,813	75,000
Company contributions to defined contribution pension schemes	2,334	1,875
	<hr/>	<hr/>
	80,147	76,875
	<hr/>	<hr/>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

6. Taxation

	2019 £	2018 £
Corporation tax		
Current tax on profits for the year	-	162,243
Adjustments in respect of previous periods	(126,884)	-
Total current tax	<u>(126,884)</u>	<u>162,243</u>
Deferred tax		
Origination and reversal of timing differences	(3,947)	947
Adjustment in respect prior years	-	(53)
Total deferred tax	<u>(3,947)</u>	<u>894</u>
Taxation on (loss)/profit on ordinary activities	<u>(130,831)</u>	<u>163,137</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
(Loss)/profit on ordinary activities before tax	<u>(142,271)</u>	<u>859,484</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	(27,031)	163,302
Effects of:		
Expenses not deductible for tax purposes	1,355	-
Fixed assets differences	44	-
Adjustments to tax charge in respect of prior periods	(126,884)	-
Adjustment to tax charge in respect of previous periods - deferred tax	-	(53)
Adjust closing deferred tax to average rate of 19%	(182)	(647)
Adjust opening deferred tax to average rate of 19%	647	535
Group relief	21,220	-
Total tax charge for the year	<u>(130,831)</u>	<u>163,137</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

7. Dividends

	2019 £	2018 £
Ordinary dividend of £360 per share (2018 - £170.56 per share)	360,000	170,563
	<u>360,000</u>	<u>170,563</u>

8. Tangible fixed assets

	S/Term Leasehold Property £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Office equipment £	Computer equipment £	Total £
Cost or valuation							
At 1 January 2019	-	9,826	9,400	21,080	50,846	11,591	102,743
Additions	12,200	-	-	-	-	-	12,200
At 31 December 2019	<u>12,200</u>	<u>9,826</u>	<u>9,400</u>	<u>21,080</u>	<u>50,846</u>	<u>11,591</u>	<u>114,943</u>
Depreciation							
At 1 January 2019	-	5,648	6,528	2,928	48,827	6,474	70,405
Charge for the year on owned assets	233	2,246	2,872	7,026	1,619	3,451	17,447
At 31 December 2019	<u>233</u>	<u>7,894</u>	<u>9,400</u>	<u>9,954</u>	<u>50,446</u>	<u>9,925</u>	<u>87,852</u>
Net book value							
At 31 December 2019	<u>11,967</u>	<u>1,932</u>	<u>-</u>	<u>11,126</u>	<u>400</u>	<u>1,666</u>	<u>27,091</u>
At 31 December 2018	<u>-</u>	<u>4,178</u>	<u>2,872</u>	<u>18,152</u>	<u>2,019</u>	<u>5,117</u>	<u>32,338</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

8. Tangible fixed assets (continued)

The net book value of land and buildings may be further analysed as follows:

	2019	2018
	£	£
Short leasehold	11,967	-
	<u>11,967</u>	<u>-</u>

9. Debtors

	2019	2018
	£	£
Trade debtors	1,242,561	330,211
Amounts owed by group undertakings	149,831	196,367
Other debtors	535	-
Prepayments and accrued income	350,076	553,519
	<u>1,743,003</u>	<u>1,080,097</u>

10. Cash and cash equivalents

	2019	2018
	£	£
Cash at bank and in hand	497,069	713,684
	<u>497,069</u>	<u>713,684</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

11. Creditors: Amounts falling due within one year

	2019	2018
	£	£
Trade creditors	1,014,974	127,855
Amounts owed to group undertakings	171,381	26,603
Corporation tax	-	162,243
Other taxation and social security	91,589	58,994
Other creditors	16,807	153,272
Accruals and deferred income	171,694	121,047
	<u>1,466,445</u>	<u>650,014</u>

12. Deferred taxation

	2019	2018
	£	£
At beginning of year	5,497	4,603
Charged to profit or loss	(3,947)	894
At end of year	<u>1,550</u>	<u>5,497</u>

The provision for deferred taxation is made up as follows:

	2019	2018
	£	£
Accelerated capital allowances	4,407	5,497
Short term timing differences	(2,857)	-
	<u>1,550</u>	<u>5,497</u>

13. 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 £27,035 (2018 - £15,180). Contributions totalling £16,806 (2018 - £Nil) were payable to the fund at the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

14. Commitments under operating leases

At 31 December 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	-	41,198
Later than 1 year and not later than 5 years	-	36,667
	<u>-</u>	<u>77,865</u>

15. Related party transactions

J B Towers Limited is a subsidiary of Dael Ventures Limited. Other subsidiaries in the group include Dael Telecom Limited, Bespoke Power Solutions Global Limited and Jistics Limited.

Two directors of MAK Holding Limited, the ultimate parent company of Dael Ventures Limited, are also directors of Dael Telecom B.V., a company registered in The Netherlands.

During the year the transactions with related parties were as follows:

Dael Telecom Limited

Sales of £1,957,323 (2018 - £4,429,628)
Purchases of £122,529 (2018 - £123,594)
Closing debtor of £270,998 (2018 - £192,540)
Closing creditor of £5,537 (2018 - £Nil)

Dael Ventures Limited

Purchases of £116 (2018 - £96,702)
Closing debtor of £140 (2018 - £Nil)

Bespoke Power Solutions Global Limited

Sales of £Nil (2018 - £1,967)
Purchases of £Nil (2018 - £10,961)

Jistics Limited

Sales of £700 (2018 - £196,731)

Dael Telecom B.V., a company with common shareholders

Sales of £96,655 (2018 - £38,328)
Purchases of £9,293 (2018 - £26,225)
Closing debtor of £13,694 (2018 - £Nil)

AXD Special Projects Limited, a company with common directors

Sales of £1,335,449 (2018 - £Nil)
Purchases of £4,362,456 (2018 - £Nil)
Closing creditor of £604,661 (2018 - £Nil)
Closing debtor £207,985 (2018 - £Nil)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

15. Related party transactions (continued)

BKG Construction Limited, a company with a common director
Sales of £Nil (2018 - £840)
Closing debtor of £Nil (2018 - £1,008)

Horsebridge Tele.com, a company with a common director
Sales of £3,763 (2018 - £8,170)
Closing debtor of £Nil (2018 - £4,516)

CTi Power Limited, an associate entity within the Dael Ventures Group.
Purchases of £Nil (2018 - £17,458)
Closing debtor of £5,315 (2018 - £Nil)
Closing creditor of £2,763 (2018 - £Nil)

HNL Beheer B.V., a company with common directors
Purchases of £7,633 (2018 - £Nil)
Closing creditor of £3,152 (2018 - £Nil)

Technology Solutions 2 Limited, a company with a common director
Purchases of £80,054 (2018 - £Nil)
Closing creditor of £48,600

16. Post balance sheet events

The COVID-19 pandemic and related economic downturn started after the balance sheet date and is considered a non adjusting post balance sheet event. The board considered the impact on the group's employees and business activities and have taken necessary actions. The impact on going concern is disclosed in note 2.3 to the financial statements.

17. Controlling party

The ultimate controlling and parent company during the year was MAK Holding Limited, a company registered in England and Wales and whose registered office is the same as the company's.

The immediate parent company of J B Towers Limited, as well as the smallest group into which the company's financial statements are consolidated is Dael Ventures Limited, a company registered in England and Wales. The largest group into which the company's financial statements are consolidated is MAK Holding Limited. Copies of these consolidated group financial statements may be obtained from the registered address.

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.