

Company Registration No. 11009144 (England and Wales)

IX WIRELESS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
PAGES FOR FILING WITH REGISTRAR



IX WIRELESS LIMITED

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IX WIRELESS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Intangible assets	3	1,338,991		958,796	
Tangible assets	4	32,223,000		15,822,000	
		<u>33,561,991</u>		<u>16,780,796</u>	
Current assets					
Debtors	5	662,047		458,825	
Cash at bank and in hand		1,078,653		8,971	
		<u>1,740,700</u>		<u>467,796</u>	
Creditors: amounts falling due within one year	6	<u>(1,633,551)</u>		<u>(25,720)</u>	
Net current assets			107,149		442,076
Total assets less current liabilities			<u>33,669,140</u>		<u>17,222,872</u>
Provisions for liabilities			<u>(5,106,771)</u>		<u>(2,558,058)</u>
Net assets			<u><u>28,562,369</u></u>		<u><u>14,664,814</u></u>
Capital and reserves					
Called up share capital	7	4,432,932		2,400,100	
Share premium account		62,928		62,928	
Revaluation reserve		23,766,178		12,001,104	
Profit and loss reserves		300,331		200,682	
Total equity			<u><u>28,562,369</u></u>		<u><u>14,664,814</u></u>

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 3/3/21 and are signed on its behalf by:


P A Walker
Director

Company Registration No. 11009144

IX WIRELESS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Share capital £	Share premium account £	Revaluation reserve £	Profit and loss reserves £	Total £
Balance at 1 January 2019		100	-	-	4,569	4,669
Year ended 31 December 2019:						
Profit for the year		-	-	-	196,113	196,113
Other comprehensive income:						
Revaluation of tangible fixed assets		-	-	14,459,162	-	14,459,162
Tax relating to other comprehensive income		-	-	(2,458,058)	-	(2,458,058)
Total comprehensive income for the year		-	-	12,001,104	196,113	12,197,217
Issue of share capital	7	2,400,000	62,928	-	-	2,462,928
Balance at 31 December 2019		2,400,100	62,928	12,001,104	200,682	14,664,814
Year ended 31 December 2020:						
Profit for the year		-	-	-	99,649	99,649
Other comprehensive income:						
Revaluation of tangible fixed assets		-	-	14,174,787	-	14,174,787
Tax relating to other comprehensive income		-	-	(2,409,713)	-	(2,409,713)
Total comprehensive income for the year		-	-	11,765,074	99,649	11,864,723
Issue of share capital	7	2,032,832	-	-	-	2,032,832
Balance at 31 December 2020		4,432,932	62,928	23,766,178	300,331	28,562,369

IX WIRELESS LIMITED

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

1 Accounting policies

Company information

IX Wireless Limited is a private company limited by shares incorporated in England and Wales. The registered office is 4 Lockside Office Park, Lockside Road Riversway, Preston, Lancashire, PR2 2YS.

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 £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of network infrastructure at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The risks related to the Covid-19 pandemic have been assessed by the Board. The unprecedented events, which are still evolving, are likely to have a short to medium-term impact on the company's financial performance, though are not easily forecasted. To date, the company has experienced little impact on revenues and due to the actions that the board are taking this is not having a detrimental impact on its financial performance. The company has sufficient financial resources, including the support of other group companies and its major shareholder. As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook related to the Covid-19 pandemic.

The directors are taking all available steps to efficiently manage cash flow, to reduce costs and to plan appropriate commercial actions to take during this period of instability across the UK economy. This includes exploring all available support being made available from the UK Government.

After reviewing the company's forecasts and projections and obtaining additional loan funding through the Governments available loan schemes, the directors have a reasonable expectation that the company has adequate resources to continue operational existence for the foreseeable future. The directors therefore believe that it remains appropriate to prepare the financial statements on a going concern basis.

1.3 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.

1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

IX WIRELESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Development costs	Over 10 years
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1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Network infrastructure	Over 10 years
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

IX WIRELESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.8 Cash and cash equivalents

Cash and cash equivalents 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.

1.9 Financial Instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' 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.

1.10 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.

1.11 Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

IX WIRELESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	1	1

3 Intangible fixed assets

	Development costs £
Cost	
At 1 January 2020	1,009,258
Additions	481,121
At 31 December 2020	1,490,379
Amortisation and impairment	
At 1 January 2020	50,462
Amortisation charged for the year	100,926
At 31 December 2020	151,388
Carrying amount	
At 31 December 2020	1,338,991
At 31 December 2019	958,796

IX WIRELESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

4 Tangible fixed assets

	Network infrastructu re £
Cost or valuation	
At 1 January 2020	15,822,000
Additions	2,226,215
Revaluation	14,174,785
	<u>32,223,000</u>
At 31 December 2020	32,223,000
Depreciation and impairment	
At 1 January 2020 and 31 December 2020	-
	<u>-</u>
Carrying amount	
At 31 December 2020	32,223,000
	<u>32,223,000</u>
At 31 December 2019	15,822,000
	<u>15,822,000</u>

Network infrastructure costs with a cost of £3,589,053 (2019: £1,362.838) were revalued at the year end by the directors on the basis of value in use from discounted future cash flows.

5 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Corporation tax recoverable	441,216	100,000
Amounts owed by group undertakings	4,000	-
Other debtors	216,831	358,825
	<u>662,047</u>	<u>458,825</u>

6 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	980	6,397
Amounts owed to group undertakings	1,541,096	-
Other creditors	91,475	19,323
	<u>1,633,551</u>	<u>25,720</u>

IX WIRELESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

7 Called up share capital

	2020 Number	2019 Number	2020 £	2019 £
Ordinary share capital Issued and fully paid				
Ordinary Shares of £1 each	4,432,932	2,400,100	4,432,932	2,400,100

On 21 December 2020 the company issued 2,032,832 ordinary £1 shares at par.

8 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 senior statutory auditor was Stephen Grayson FCCA.
The auditor was UHY Hacker Young Manchester LLP.

9 Related party transactions

The company has taken advantage of the exemption available under FRS102 Section 33.1A whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

At the year end the company owed £132,000 (2019: £nil) to Time Group Dubai Limited, a company under common control. This related to a loan advanced to the company.

10 Parent company

The immediate controlling party is Cohiba Communications Limited, a company incorporated in England & Wales.

The ultimate controlling party is Mr Tahir Mohsan.