

REGISTERED NUMBER: 06679607 (England and Wales)

**Report of the Directors and
Unaudited Financial Statements for the Year Ended 30 September 2016
for
IPINNACLE LTD**

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for the year ended 30 September 2016

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Company Information
for the year ended 30 September 2016

DIRECTORS:

A N Matthewson
D R S Matthewson
M S Tuff

REGISTERED OFFICE:

c/o Rostrons
Yare House
62-64 Thorpe Road
Norwich
Norfolk
NR1 1RY

BUSINESS ADDRESS:

258 Waterloo Road
London
SE1 8RG

REGISTERED NUMBER:

06679607 (England and Wales)

ACCOUNTANTS:

Rostrons
Chartered Accountants
Yare House
62-64 Thorpe Road
Norwich
Norfolk
NR1 1RY

Report of the Directors
for the year ended 30 September 2016

The directors present their report with the financial statements of the company for the year ended 30 September 2016.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2015 to the date of this report.

A N Matthewson
D R S Matthewson

Other changes in directors holding office are as follows:

M S Tuff - appointed 4 December 2015

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

A N Matthewson - Director

23 February 2017

Chartered Accountants' Report to the Board of Directors on the Unaudited Financial Statements of iPinnacle Ltd

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of iPinnacle Ltd for the year ended 30 September 2016 which comprise the Income Statement, Statement of Financial Position and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of iPinnacle Ltd, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of iPinnacle Ltd and state those matters that we have agreed to state to the Board of Directors of iPinnacle Ltd, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than iPinnacle Ltd Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that iPinnacle Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of iPinnacle Ltd. You consider that iPinnacle Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of iPinnacle Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Rostrons
Chartered Accountants
Yare House
62-64 Thorpe Road
Norwich
Norfolk
NR1 1RY

23 February 2017

Income Statement
for the year ended 30 September 2016

	Notes	30/9/16 £	£	30/9/15 £	£
REVENUE			3,083,706		2,016,531
Cost of sales			<u>1,479,629</u>		<u>1,218,320</u>
GROSS PROFIT			1,604,077		798,211
Administrative expenses			<u>1,466,402</u>		<u>631,249</u>
OPERATING PROFIT	3		137,675		166,962
Income from shares in group undertakings		750,000		500,000	
Interest receivable and similar income		<u>-</u>		<u>6</u>	
			<u>750,000</u>		<u>500,006</u>
			887,675		666,968
Interest payable and similar expenses			<u>8,913</u>		<u>9,868</u>
PROFIT BEFORE TAXATION			878,762		657,100
Tax on profit			<u>43,430</u>		<u>31,932</u>
PROFIT FOR THE FINANCIAL YEAR			<u>835,332</u>		<u>625,168</u>

The notes form part of these financial statements

Statement of Financial Position
30 September 2016

	Notes	30/9/16 £	£	30/9/15 £	£
FIXED ASSETS					
Intangible assets	4		666,613		-
Investments	5		<u>1,716,435</u>		<u>1,716,435</u>
			2,383,048		1,716,435
CURRENT ASSETS					
Inventories		582		2,249	
Debtors	6	<u>1,276,531</u>		<u>373,283</u>	
Cash at bank		<u>114,823</u>		<u>10,275</u>	
		1,391,936		385,807	
CREDITORS					
Amounts falling due within one year	7	<u>1,670,643</u>		<u>754,320</u>	
NET CURRENT LIABILITIES			(278,707)		(368,513)
TOTAL ASSETS LESS CURRENT LIABILITIES			2,104,341		1,347,922
CREDITORS					
Amounts falling due after more than one year	8		<u>199,525</u>		<u>-</u>
NET ASSETS			1,904,816		1,347,922
CAPITAL AND RESERVES					
Called up share capital			200		200
Retained earnings			<u>1,904,616</u>		<u>1,347,722</u>
SHAREHOLDERS' FUNDS			1,904,816		1,347,922

The notes form part of these financial statements

Statement of Financial Position - continued
30 September 2016

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 September 2016.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 September 2016 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 23 February 2017 and were signed on its behalf by:

A N Matthewson - Director

Notes to the Financial Statements
for the year ended 30 September 2016

1. STATUTORY INFORMATION

iPinnacle Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Preparation of consolidated financial statements

The financial statements contain information about iPinnacle Ltd as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements.

Fixed asset investments in subsidiary undertakings are stated at cost less any provision for diminution in value.

Turnover

Turnover represents net invoiced sales of goods and services, excluding value added tax and trade discounts.

Goodwill

Purchased goodwill is stated at cost less amortisation. Amortisation is provided to write off the cost evenly over its estimated useful life of 10 years.

Stocks

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

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

3. OPERATING PROFIT

The operating profit is stated after charging:

	30/9/16	30/9/15
	£	£
Goodwill amortisation	<u>88,387</u>	<u>-</u>

Notes to the Financial Statements - continued
for the year ended 30 September 2016

4. **INTANGIBLE FIXED ASSETS**

COST

Additions

At 30 September 2016

AMORTISATION

Charge for year

At 30 September 2016

NET BOOK VALUE

At 30 September 2016

Goodwill
£

755,000

755,000

88,387

88,387

666,613

5. **FIXED ASSET INVESTMENTS**

COST

At 1 October 2015

and 30 September 2016

NET BOOK VALUE

At 30 September 2016

At 30 September 2015

Shares in
group
undertakings
£

1,716,435

1,716,435

1,716,435

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

Trade debtors

Amounts owed from group undertakings

Other debtors

30/9/16

£

379,785

790,716

106,030

1,276,531

30/9/15

£

190,844

57,643

124,796

373,283

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

Bank loans and overdrafts

Trade creditors

Amounts owed to group undertakings

Taxation and social security

Other creditors

30/9/16

£

110,077

139,384

548,834

90,833

781,515

1,670,643

30/9/15

£

386,484

112,642

126,511

77,526

51,157

754,320

Notes to the Financial Statements - continued
for the year ended 30 September 2016

8. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	30/9/16	30/9/15
	£	£
Bank loans	<u>199,525</u>	<u>-</u>

9. **SECURED DEBTS**

The following secured debts are included within creditors:

	30/9/16	30/9/15
	£	£
Bank loans	<u>309,602</u>	<u>386,484</u>

Secured by a fixed and floating charge over the assets of the company.

10. **RELATED PARTY DISCLOSURES**

The Word Telecom Limited

A 100% subsidiary of the company

During the year the company received dividends of £750,000 (30/09/15 - £500,000) from The Word Telecom Limited

During the year the company benefited from a loan which was unsecured, interest-free and had no fixed repayment terms.

	30/9/16	30/9/15
	£	£
Amount due from related party at the balance sheet date	<u>790,716</u>	<u>57,643</u>

11. **POST BALANCE SHEET EVENTS**

On 1 October 2016 the company purchased 100% of the shares in Pinnacle Communications Limited, in a share for share exchange.

The assets and liabilities and trade of Pinnacle Communications Limited has subsequently been combined with iPinnacle Ltd.

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.