

Unaudited Financial Statements for the Year Ended 31 December 2022

for

Source Telecom (Scotland) Limited

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for the Year Ended 31 December 2022

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Balance Sheet  
31 December 2022

|                                              | Notes | 31.12.22<br>£    | 31.12.21<br>£    |
|----------------------------------------------|-------|------------------|------------------|
| <b>FIXED ASSETS</b>                          |       |                  |                  |
| Tangible assets                              | 4     | 8,634            | 9,518            |
| <b>CURRENT ASSETS</b>                        |       |                  |                  |
| Debtors                                      | 5     | 149,965          | 186,015          |
| Cash at bank                                 |       | <u>93,127</u>    | <u>116,001</u>   |
|                                              |       | 243,092          | 302,016          |
| <b>CREDITORS</b>                             |       |                  |                  |
| Amounts falling due within one year          | 6     | <u>(141,199)</u> | <u>(153,934)</u> |
| <b>NET CURRENT ASSETS</b>                    |       | <u>101,893</u>   | <u>148,082</u>   |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | 110,527          | 157,600          |
| <b>CREDITORS</b>                             |       |                  |                  |
| Amounts falling due after more than one year | 7     | (24,167)         | (34,167)         |
| <b>PROVISIONS FOR LIABILITIES</b>            |       | <u>(2,031)</u>   | <u>(2,379)</u>   |
| <b>NET ASSETS</b>                            |       | <u>84,329</u>    | <u>121,054</u>   |
| <b>CAPITAL AND RESERVES</b>                  |       |                  |                  |
| Called up share capital                      |       | 100              | 100              |
| Retained earnings                            |       | <u>84,229</u>    | <u>120,954</u>   |
|                                              |       | <u>84,329</u>    | <u>121,054</u>   |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges her responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) 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.

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the director and authorised for issue on 25 April 2023 and were signed by:

Ms S Arkley - Director

Notes to the Financial Statements  
for the Year Ended 31 December 2022

1. **STATUTORY INFORMATION**

Source Telecom (Scotland) Limited is a private company, limited by shares and registered in Scotland. Registration number SC277621. The registered office is The Business Suite, Kingsfield Golf Centre, Linlithgow, EH49 7LS.

2. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

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

**Turnover**

Turnover represents net invoiced sales of goods and services in respect of telecommunication and broadband supplies, excluding value added tax. Sales are recognised at the point at which the goods are delivered or the service is complete.

**Tangible fixed assets and depreciation**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc                      - 25% on reducing balance

Tangible fixed assets are stated at cost less depreciation. Cost represent purchase price together with any incidental costs of acquisition.

The directors have considered the residual value of all tangible fixed assets to be immaterial and therefore all tangible fixed assets are depreciated to nil value.

**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 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.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

2. **ACCOUNTING POLICIES - continued**

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Provisions**

Provisions are recognised when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Provisions are discounted where the time value of money is material.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 7 (2021 - 7) .

4. **TANGIBLE FIXED ASSETS**

|                       | Plant and<br>machinery<br>etc<br>£ |
|-----------------------|------------------------------------|
| <b>COST</b>           |                                    |
| At 1 January 2022     | 49,903                             |
| Additions             | 1,496                              |
| At 31 December 2022   | <u>51,399</u>                      |
| <b>DEPRECIATION</b>   |                                    |
| At 1 January 2022     | 40,385                             |
| Charge for year       | 2,380                              |
| At 31 December 2022   | <u>42,765</u>                      |
| <b>NET BOOK VALUE</b> |                                    |
| At 31 December 2022   | <u>8,634</u>                       |
| At 31 December 2021   | <u>9,518</u>                       |

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

|                                 | 31.12.22<br>£  | 31.12.21<br>£  |
|---------------------------------|----------------|----------------|
| Trade debtors                   | 19,854         | 15,640         |
| Amounts owed by related parties | 90,330         | 71,835         |
| Other debtors                   | 39,781         | 98,540         |
|                                 | <u>149,965</u> | <u>186,015</u> |

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

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

|                              | 31.12.22       | 31.12.21       |
|------------------------------|----------------|----------------|
|                              | £              | £              |
| Bank loans and overdrafts    | 10,000         | 10,000         |
| Trade creditors              | 71,148         | 68,999         |
| Taxation and social security | 59,954         | 74,845         |
| Other creditors              | 97             | 90             |
|                              | <u>141,199</u> | <u>153,934</u> |

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

|            | 31.12.22      | 31.12.21      |
|------------|---------------|---------------|
|            | £             | £             |
| Bank loans | <u>24,167</u> | <u>34,167</u> |

8. **DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to a director subsisted during the years ended 31 December 2022 and 31 December 2021:

|                                      | 31.12.22      | 31.12.21      |
|--------------------------------------|---------------|---------------|
|                                      | £             | £             |
| <b>Ms S Arkley</b>                   |               |               |
| Balance outstanding at start of year | 62,478        | 62,478        |
| Amounts advanced                     | 334           | -             |
| Amounts repaid                       | (43,000)      | -             |
| Amounts written off                  | -             | -             |
| Amounts waived                       | -             | -             |
| Balance outstanding at end of year   | <u>19,812</u> | <u>62,478</u> |

9. **RELATED PARTY DISCLOSURES**

**Entities under common control**

At the year end the company was owed £92,130.00 (2021: £71,834.68) by related parties.

Management charges to related parties were £18,000 (2021: £18,000).

Rent charged from related parties was £18,000 (2021: £18,000).

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.