

CELLHIRE LIMITED
GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH APRIL 2022

Thomas Coombs Limited
Statutory Auditor
Chartered Accountants
3365 The Pentagon
Century Way
Thorpe Park
Leeds
West Yorkshire
LS15 8ZB

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FOR THE YEAR ENDED 30TH APRIL 2022**

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CELLHIRE LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30TH APRIL 2022**

DIRECTORS: T J Williams
M Stevens
M Bennett
T R Taylor
P Whelerton

REGISTERED OFFICE: Park House
Clifton Park
YORK
YO30 5PB

REGISTERED NUMBER: 02159836 (England and Wales)

AUDITORS: Thomas Coombs Limited
Statutory Auditor
Chartered Accountants
3365 The Pentagon
Century Way
Thorpe Park
Leeds
West Yorkshire
LS15 8ZB

BANKERS: HSBC plc
13 Parliament Street
York
YO1 8RS

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30TH APRIL 2022**

The directors present their strategic report of the company and the group for the year ended 30th April 2022.

REVIEW OF BUSINESS

The directors are pleased to report strong results for the financial year and the group remains in a robust financial position going forward.

The results for the year and financial position of the company and the group are as shown in the annexed financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the group's strategy are subject to a number of risks.

The key business risks and uncertainties affecting the group are considered to relate to competition from national and independent providers.

The group has exposure to foreign exchange risk due to the international nature of its operations.

KEY PERFORMANCE INDICATORS

Given the straight forward nature of the business, it is believed that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

FUTURE OUTLOOK

The group retains a strong balance sheet position with net assets of £12.0 million and is well placed to meet the challenges and opportunities for the upcoming financial periods.

Government grants relate to COVID support payments received by non-UK trading entities during the year. Cellhire Limited (the company) did not seek UK furlough support during the financial period.

ON BEHALF OF THE BOARD:

T R Taylor - Director

25th August 2022

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30TH APRIL 2022**

The directors present their report with the financial statements of the company and the group for the year ended 30th April 2022.

CHANGE OF LEGAL STATUS

After the year ended 30th April 2022, but prior to the date of this report, the parent company changed its legal status from a public company to a private company incorporated under the name of Cellhire Limited.

DIVIDENDS

No dividends were paid in the year.

RESEARCH AND DEVELOPMENT

Research and development costs of £67,000 (2021 : £336,580) were incurred in continuing operations during the year.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st May 2021 to the date of this report.

T J Williams
M Stevens
M Bennett
T R Taylor
P Whelerton

POLITICAL AND CHARITABLE CONTRIBUTIONS

The group made no political contributions in the year. Donations to charitable causes amounted to £17,256 (2021: £900).

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the profit or loss of the company for that period.

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

- select suitable accounting policies 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30TH APRIL 2022**

AUDITORS

The auditors, Thomas Coombs Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

T R Taylor - Director

25th August 2022

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CELLHIRE LIMITED

Opinion

We have audited the financial statements of Cellhire Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30th April 2022 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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 Financial Reporting Standard 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 group's and of the parent company affairs as at 30th April 2022 and of the group's profit 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CELLHIRE LIMITED

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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 group's and the parent 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 either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CELLHIRE LIMITED

Auditors' 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 a Report of the Auditors 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.

Irregularities, including fraud, are instances of non compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatement in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the entity and industries in which it operates, we identified the principal risks of non-compliance with laws and regulations related to employment legislation and data protection. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, tax legislation and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

We assessed the susceptibility of the company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls, and ensuring these controls operated as intended. We determined the principal risks were related to posting journal entries to manipulate profits, and management bias in accounting estimates, especially accrued call and rental costs.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships.
- Identified and tested journal entries and identified any significant transactions that were unusual or outside the normal course of business.
- Investigated the rationale behind significant or unusual transactions.
- Challenged assumptions and judgements made by management in determining significant accounting estimates, in particular in relation to accrued call and rental costs.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed audit procedures which included, but were not limited to:

- Agreeing financial statements disclosures to underlying supporting documentation.
- Discussions with management of known or suspected instances of non-compliance with laws and regulations.
- Reading the minutes of meetings of those charged with governance.
- Reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance of laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement relating to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment.

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 Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CELLHIRE LIMITED**

Use of our 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 a Report of the Auditors 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.

Thomas Bond ACA (Senior Statutory Auditor)
for and on behalf of Thomas Coombs Limited
Statutory Auditor
Chartered Accountants
3365 The Pentagon
Century Way
Thorpe Park
Leeds
West Yorkshire
LS15 8ZB

25th August 2022

**CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 30TH APRIL 2022**

	Notes	2022 £	£	2021 £	£
TURNOVER	3		27,275,019		19,353,881
Cost of sales			14,541,162		10,620,863
GROSS PROFIT			12,733,857		8,733,018
Distribution costs		241,023		167,301	
Administrative expenses		6,699,788		6,022,432	
			6,940,811		6,189,733
			5,793,046		2,543,285
Other operating income			167,347		149,862
OPERATING PROFIT	6		5,960,393		2,693,147
Interest receivable and similar income	7		6,210		6,408
PROFIT BEFORE TAXATION			5,966,603		2,699,555
Tax on profit	8		1,096,607		499,384
PROFIT FOR THE FINANCIAL YEAR			4,869,996		2,200,171
Profit attributable to:					
Owners of the parent			4,869,996		2,200,171

**CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH APRIL 2022**

Notes	2022 £	2021 £
PROFIT FOR THE YEAR	4,869,996	2,200,171
OTHER COMPREHENSIVE INCOME		
Exchange movements	93,847	(37,890)
Income tax relating to other comprehensive income	-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	<u>93,847</u>	<u>(37,890)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>4,963,843</u>	<u>2,162,281</u>
Total comprehensive income attributable to: Owners of the parent	<u>4,963,843</u>	<u>2,162,281</u>

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET
30TH APRIL 2022

	Notes	2022		2021	
		£	£	£	£
FIXED ASSETS					
Intangible assets	11		859,400		<i>806,250</i>
Tangible assets	12		2,937,321		<i>2,310,613</i>
Investments	13		-		-
			<u>3,796,721</u>		<u><i>3,116,863</i></u>
CURRENT ASSETS					
Debtors	14	8,232,737		<i>6,377,897</i>	
Cash at bank and in hand		<u>6,856,250</u>		<u><i>3,503,972</i></u>	
		15,088,987		<i>9,881,869</i>	
CREDITORS					
Amounts falling due within one year	15	<u>6,396,877</u>		<u><i>5,658,937</i></u>	
NET CURRENT ASSETS			<u>8,692,110</u>		<u><i>4,222,932</i></u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>12,488,831</u>		<u><i>7,339,795</i></u>
PROVISIONS FOR LIABILITIES	17		<u>468,651</u>		<u><i>283,458</i></u>
NET ASSETS			<u>12,020,180</u>		<u><i>7,056,337</i></u>
CAPITAL AND RESERVES					
Called up share capital	18		100,000		<i>100,000</i>
Retained earnings	19		<u>11,920,180</u>		<u><i>6,956,337</i></u>
SHAREHOLDERS' FUNDS			<u>12,020,180</u>		<u><i>7,056,337</i></u>

The financial statements were approved by the Board of Directors and authorised for issue on 25th August 2022 and were signed on its behalf by:

T J Williams - Director

T R Taylor - Director

COMPANY BALANCE SHEET
30TH APRIL 2022

	Notes	2022 £	£	2021 £	£
FIXED ASSETS					
Intangible assets	11		750,562		670,203
Tangible assets	12		2,122,472		1,912,917
Investments	13		583,763		583,763
			<u>3,456,797</u>		<u>3,166,883</u>
CURRENT ASSETS					
Debtors	14	7,900,695		6,301,852	
Cash at bank and in hand		<u>5,623,167</u>		<u>2,965,335</u>	
		<u>13,523,862</u>		<u>9,267,187</u>	
CREDITORS					
Amounts falling due within one year	15	<u>6,869,690</u>		<u>5,911,974</u>	
NET CURRENT ASSETS			<u>6,654,172</u>		<u>3,355,213</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>10,110,969</u>		<u>6,522,096</u>
PROVISIONS FOR LIABILITIES					
	17		<u>490,088</u>		<u>283,458</u>
NET ASSETS			<u>9,620,881</u>		<u>6,238,638</u>
CAPITAL AND RESERVES					
Called up share capital	18		100,000		100,000
Retained earnings	19		<u>9,520,881</u>		<u>6,138,638</u>
SHAREHOLDERS' FUNDS			<u>9,620,881</u>		<u>6,238,638</u>
Company's profit for the financial year			<u>3,382,243</u>		<u>1,914,712</u>

The financial statements were approved by the Board of Directors and authorised for issue on 25th August 2022 and were signed on its behalf by:

T J Williams - Director

T R Taylor - Director

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH APRIL 2022**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1st May 2020	100,000	7,794,056	7,894,056
Changes in equity			
Dividends	-	(3,000,000)	(3,000,000)
Total comprehensive income	-	2,162,281	2,162,281
Balance at 30th April 2021	<u>100,000</u>	<u>6,956,337</u>	<u>7,056,337</u>
Changes in equity			
Total comprehensive income	-	4,963,843	4,963,843
Balance at 30th April 2022	<u>100,000</u>	<u>11,920,180</u>	<u>12,020,180</u>

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH APRIL 2022**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1st May 2020	100,000	7,223,926	7,323,926
Changes in equity			
Dividends	-	(3,000,000)	(3,000,000)
Total comprehensive income	-	1,914,712	1,914,712
Balance at 30th April 2021	<u>100,000</u>	<u>6,138,638</u>	<u>6,238,638</u>
Changes in equity			
Total comprehensive income	-	3,382,243	3,382,243
Balance at 30th April 2022	<u>100,000</u>	<u>9,520,881</u>	<u>9,620,881</u>

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30TH APRIL 2022**

		2022	2021
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	5,213,903	2,355,542
Tax paid		(553,874)	(490,256)
Government grants		167,347	149,862
Net cash from operating activities		<u>4,827,376</u>	<u>2,015,148</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(94,634)	(200,688)
Purchase of tangible fixed assets		(1,450,634)	(846,965)
Sale of tangible fixed assets		163,585	31,131
Interest received		6,210	6,408
Net cash from investing activities		<u>(1,375,473)</u>	<u>(1,010,114)</u>
Cash flows from financing activities			
Amount introduced by directors		-	99,625
Amount withdrawn by directors		(99,625)	-
Equity dividends paid		-	(3,000,000)
Net cash from financing activities		<u>(99,625)</u>	<u>(2,900,375)</u>
Increase/(decrease) in cash and cash equivalents		<u>3,352,278</u>	<u>(1,895,341)</u>
Cash and cash equivalents at beginning of year	2	<u>3,503,972</u>	<u>5,399,313</u>
Cash and cash equivalents at end of year	2	<u>6,856,250</u>	<u>3,503,972</u>

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30TH APRIL 2022

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2022	2021
	£	£
Profit before taxation	5,966,603	2,699,555
Depreciation charges	740,841	472,628
Loss on disposal of fixed assets	3,104	28,391
Exchange rate adjustments	51,727	(998)
Impairment of goodwill	-	31,138
Government grants	(167,347)	(149,862)
Finance income	(6,210)	(6,408)
	<u>6,588,718</u>	<u>3,074,444</u>
Increase in trade and other debtors	(1,883,167)	(824,511)
Increase in trade and other creditors	508,352	105,609
Cash generated from operations	<u>5,213,903</u>	<u>2,355,542</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30th April 2022

	30/4/22	1/5/21
	£	£
Cash and cash equivalents	<u>6,856,250</u>	<u>3,503,972</u>

Year ended 30th April 2021

	30/4/21	1/5/20
	£	£
Cash and cash equivalents	<u>3,503,972</u>	<u>5,399,313</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/5/21	Cash flow	At 30/4/22
	£	£	£
Net cash			
Cash at bank and in hand	<u>3,503,972</u>	<u>3,352,278</u>	<u>6,856,250</u>
	<u>3,503,972</u>	<u>3,352,278</u>	<u>6,856,250</u>
Total	<u>3,503,972</u>	<u>3,352,278</u>	<u>6,856,250</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH APRIL 2022**

1. STATUTORY INFORMATION

Cellhire Limited 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. The nature of the group's operations and principal activities are the provision of international mobile communications solutions.

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" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Basis of consolidation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial reporting Standard 102- "The Financial reporting Standard applicable in the United Kingdom and Republic of Ireland" (FRS 102), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

The group financial statements consolidate the financial statements of Cellhire Limited and all its subsidiary undertakings drawn up to 30 April each year.

The financial statements have been prepared in sterling. All monetary amounts in the financial statements are rounded to the nearest £.

The parent company has taken advantage of section 408 of the Companies Act and has not included its own income statement in these statements.

Turnover

Turnover represents the amounts invoiced and accrued, excluding value added tax or local sales taxes, in respect of goods and services supplied during the year.

Turnover is recognised over the life of the contract, when the amount of turnover can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Intangible fixed assets

Other intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Development costs are recognised as an intangible asset when all of the following criteria are demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale.
- The intention to complete the intangible asset and use or sell it.
- The ability to use the intangible asset or to sell it.
- How the intangible asset will generate probable future economic benefits.
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

Amortisation is provided to write off the cost less the estimated residual value of intangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Trademarks	- 5% to 10%
Development costs	- 5%

Goodwill arising on business combinations in respect of acquisitions is capitalised. Positive goodwill is amortised over its estimated useful economic life estimated to be 10 years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH APRIL 2022

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost

includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Fixtures, fittings, IT and office equipment	- 10% to 33.3%
Communications Equipment	- 20% to 33.3%
Motor Vehicles	- 20%

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attaching to them and the grants will be received using the accruals model.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated 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.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Development costs incurred on specific projects are capitalised when recoverability can be assessed with reasonable certainty and amortised in line with expected sales/use arising from the projects. All other development costs are written off in the year of expenditure.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

The assets and liabilities of overseas subsidiary undertakings are translated at the closing exchange rates. Gains and losses arising on these translations are taken to reserves, net of exchange differences arising on related foreign currency borrowings.

Profits/losses of overseas subsidiary undertakings are translated at a monthly spot rate. Gains and losses arising on translation to the year end rate are taken through reserves.

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 CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH APRIL 2022

2. ACCOUNTING POLICIES - continued

Pension costs

The group contributes to defined contribution schemes on behalf of some of its employees. These contributions are charged to the profit and loss account when accrued.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Investment in subsidiaries

The consolidated financial statements incorporate the financial statements of the company and its subsidiaries. Control is achieved when the group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed during the year are included in total comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate using accounting policies consistent with those of the parent. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value through profit or loss if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in administrative expenses.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by geographical market is given below:

	2022	2021
	£	£
United Kingdom	18,527,602	13,727,765
Europe	3,639,090	2,742,620
Worldwide	5,108,327	2,883,496
	<u>27,275,019</u>	<u>19,353,881</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH APRIL 2022

4. EMPLOYEES AND DIRECTORS

	2022	2021
	£	£
Wages and salaries	4,031,523	3,482,981
Social security costs	617,041	537,491
Other pension costs	98,347	131,794
	<u>4,746,911</u>	<u>4,152,266</u>

	2022	2021
Directors	5	6
Staff	77	77
	<u>82</u>	<u>83</u>

The average number of employees employed by subsidiary undertakings that are consolidated during the year was 26 (2021: 29).

5. DIRECTORS' EMOLUMENTS

	2022	2021
	£	£
Directors' remuneration	867,756	840,779
Directors' pension contributions to money purchase schemes	17,885	50,318

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>5</u>	<u>6</u>
------------------------	----------	----------

Information regarding the highest paid director is as follows:

	2022	2021
	£	£
Emoluments etc	235,585	218,285
Pension contributions to money purchase schemes	6,750	35,835

6. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2022	2021
	£	£
Other operating leases	270,429	389,727
Depreciation - owned assets	699,357	413,651
Loss on disposal of fixed assets	3,104	28,391
Goodwill amortisation	13,980	20,207
Trademarks and licences amortisation	4,288	38,770
Development costs amortisation	23,216	-
Auditors' remuneration	46,163	44,527
Foreign exchange differences	(13,724)	66,741
Research and development expenditure	67,000	336,580
Goodwill impairment	-	31,138

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH APRIL 2022

7.	INTEREST RECEIVABLE AND SIMILAR INCOME		
		2022	2021
		£	£
	Deposit account interest	<u>6,210</u>	<u>6,408</u>

8. **TAXATION****Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

		2022	2021
		£	£
	Current tax:		
	UK corporation tax	615,266	295,442
	Foreign taxation	<u>296,148</u>	<u>117,649</u>
	Total current tax	<u>911,414</u>	<u>413,091</u>
	Deferred tax	<u>185,193</u>	<u>86,293</u>
	Tax on profit	<u><u>1,096,607</u></u>	<u><u>499,384</u></u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

		2022	2021
		£	£
	Profit before tax	<u>5,966,603</u>	<u>2,699,555</u>
	Profit multiplied by the standard rate of corporation tax in the UK of 19 % (2021 - 19 %)	<u>1,133,655</u>	<u>512,915</u>
	Effects of:		
	Expenses not deductible for tax purposes	1,675	8,281
	Capital allowances in excess of depreciation	(125,699)	(88,462)
	Different rates on overseas income	(81,686)	52,124
	Deferred tax	185,193	86,293
	Enhanced reliefs	(16,549)	(83,136)
	Loss on disposal of fixed assets	18	5,453
	Loss on impairment of goodwill	-	5,916
	Total tax charge	<u><u>1,096,607</u></u>	<u><u>499,384</u></u>

Tax effects relating to effects of other comprehensive income

		2022		
		Gross	Tax	Net
		£	£	£
	Exchange movements	<u>93,847</u>	<u>-</u>	<u>93,847</u>
		2021		
		<i>Gross</i>	<i>Tax</i>	<i>Net</i>
		£	£	£
	Exchange movements	<u>(37,890)</u>	<u>-</u>	<u>(37,890)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH APRIL 2022

9. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements.

10. DIVIDENDS

	2022 £	2021 £
Ordinary shares of £0.10 each		
Interim	-	<u>3,000,000</u>

11. INTANGIBLE FIXED ASSETS

Group

	Goodwill £	Trademarks and licences £	Development costs £	Totals £
COST				
At 1st May 2021	202,075	493,730	534,723	1,230,528
Additions	-	10,260	84,374	94,634
Disposals	(62,275)	-	-	(62,275)
Exchange differences	-	(2,598)	-	(2,598)
At 30th April 2022	<u>139,800</u>	<u>501,392</u>	<u>619,097</u>	<u>1,260,289</u>
AMORTISATION				
At 1st May 2021	132,176	292,102	-	424,278
Amortisation for year	13,980	4,288	23,216	41,484
Eliminated on disposal	(62,275)	-	-	(62,275)
Exchange differences	-	(2,598)	-	(2,598)
At 30th April 2022	<u>83,881</u>	<u>293,792</u>	<u>23,216</u>	<u>400,889</u>
NET BOOK VALUE				
At 30th April 2022	<u>55,919</u>	<u>207,600</u>	<u>595,881</u>	<u>859,400</u>
At 30th April 2021	<u>69,899</u>	<u>201,628</u>	<u>534,723</u>	<u>806,250</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH APRIL 2022

11. INTANGIBLE FIXED ASSETS - continued

Company	Trademarks and licences £	Development costs £	Totals £
COST			
At 1st May 2021	343,014	534,723	877,737
Additions	10,260	84,374	94,634
At 30th April 2022	<u>353,274</u>	<u>619,097</u>	<u>972,371</u>
AMORTISATION			
At 1st May 2021	207,534	-	207,534
Amortisation for year	(8,941)	23,216	14,275
At 30th April 2022	<u>198,593</u>	<u>23,216</u>	<u>221,809</u>
NET BOOK VALUE			
At 30th April 2022	<u>154,681</u>	<u>595,881</u>	<u>750,562</u>
At 30th April 2021	<u>135,480</u>	<u>534,723</u>	<u>670,203</u>

12. TANGIBLE FIXED ASSETS

Group	Communications equipment £	Vehicles £	Fixtures, fittings, IT and office equipment £	Totals £
COST				
At 1st May 2021	4,748,925	118,291	3,635,974	8,503,190
Additions	1,253,782	-	196,852	1,450,634
Disposals	(465,458)	-	(30,724)	(496,182)
Exchange differences	94,273	-	9,208	103,481
At 30th April 2022	<u>5,631,522</u>	<u>118,291</u>	<u>3,811,310</u>	<u>9,561,123</u>
DEPRECIATION				
At 1st May 2021	2,916,211	101,440	3,174,926	6,192,577
Charge for year	588,945	16,851	93,561	699,357
Eliminated on disposal	(301,873)	-	(27,620)	(329,493)
Exchange differences	55,869	-	5,492	61,361
At 30th April 2022	<u>3,259,152</u>	<u>118,291</u>	<u>3,246,359</u>	<u>6,623,802</u>
NET BOOK VALUE				
At 30th April 2022	<u>2,372,370</u>	<u>-</u>	<u>564,951</u>	<u>2,937,321</u>
At 30th April 2021	<u>1,832,714</u>	<u>16,851</u>	<u>461,048</u>	<u>2,310,613</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH APRIL 2022

12. TANGIBLE FIXED ASSETS - continued

Company

	Communications equipment £	Vehicles £	Fixtures, fittings, IT and office equipment £	Totals £
COST				
At 1st May 2021	3,814,989	118,291	3,303,378	7,236,658
Additions	733,393	-	139,658	873,051
Disposals	(361,693)	-	(97)	(361,790)
At 30th April 2022	<u>4,186,689</u>	<u>118,291</u>	<u>3,442,939</u>	<u>7,747,919</u>
DEPRECIATION				
At 1st May 2021	2,293,004	101,440	2,929,297	5,323,741
Charge for year	444,821	16,851	81,819	543,491
Eliminated on disposal	(241,785)	-	-	(241,785)
At 30th April 2022	<u>2,496,040</u>	<u>118,291</u>	<u>3,011,116</u>	<u>5,625,447</u>
NET BOOK VALUE				
At 30th April 2022	<u>1,690,649</u>	<u>-</u>	<u>431,823</u>	<u>2,122,472</u>
At 30th April 2021	<u>1,521,985</u>	<u>16,851</u>	<u>374,081</u>	<u>1,912,917</u>

13. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1st May 2021 and 30th April 2022	<u>583,763</u>
NET BOOK VALUE	
At 30th April 2022	<u>583,763</u>
At 30th April 2021	<u>583,763</u>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries**Cellhire Inc.**

Registered office: 866 Presidential Drive, Suite 406, Richardson, Dallas, Texas, 75081, U.S.A.

Nature of business: Holding company

Class of shares:	% holding
Ordinary	100.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH APRIL 2022

13. FIXED ASSET INVESTMENTS - continued

Cellhire USA, LLC

Registered office: 866 Presidential Drive, Suite 406, Richardson, Dallas, Texas, 75081, U.S.A.

Nature of business: International mobile communication solutions

Class of shares:	%
Ordinary	holding 100.00

A 100% subsidiary of Cellhire Inc.

The Telephone Company, LLC

Registered office: 866 Presidential Drive, Suite 406, Richardson, Dallas, Texas, 75081, U.S.A.

Nature of business: Dormant

Class of shares:	%
Ordinary	holding 100.00

A 100% subsidiary of Cellhire Inc.

Cellhire (France) Sarl

Registered office: 22 Quai Gallieni - 92150 Suresnes, France

Nature of business: International mobile communication solutions

Class of shares:	%
Ordinary	holding 100.00

Cellhire UK Limited

Registered office: Park House, Clifton Park, York, YO30 5PB, England

Nature of business: Dormant

Class of shares:	%
Ordinary	holding 100.00

Cellhire International Limited

Registered office: Park House, Clifton Park, York, YO30 5PB, England

Nature of business: Dormant

Class of shares:	%
Ordinary	holding 100.00

Fonefix Limited

Registered office: Park House, Clifton Park, York, YO30 5PB, England

Nature of business: Repair of mobile communications equipment

Class of shares:	%
Ordinary	holding 100.00

Cellhire YK

Registered office: Shin-Yurakucho Building, 10th Floor, 1-12-1 Yurakucho, Chiyoda – Ku, Tokyo, 100-006

Nature of business: International mobile communication solutions

Class of shares:	%
Ordinary	holding 100.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH APRIL 2022

13. FIXED ASSET INVESTMENTS - continued

Cellhire GmbH

Registered office: Teichstrasse 38, 79539 Lorrach, Germany

Nature of business: International mobile communication solutions

Class of shares:	%
Ordinary	holding 100.00

Mjølner Telecom AS

Registered office: Dronning Eufemias Gate 16, 0191 Oslo, Norway

Nature of business: International mobile communication solutions

Class of shares:	%
Ordinary	holding 100.00

0044 Limited

Registered office: Park House, Clifton Park, York, YO30 5PB, England.

Nature of business: On line communications

Class of shares:	%
Ordinary	holding 100.00

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	2,800,905	2,697,073	1,873,397	2,362,572
Amounts owed by group undertakings	-	-	1,203,808	1,174,608
Other debtors	219,697	135,321	162,642	83,495
Amounts owed from related parties	723,766	308,507	706,505	294,212
Tax	3,183	31,510	-	-
VAT	44,823	-	103,773	-
Prepayments and accrued income	4,440,363	3,205,486	3,850,570	2,386,965
	<u>8,232,737</u>	<u>6,377,897</u>	<u>7,900,695</u>	<u>6,301,852</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	2,123,426	1,541,008	1,951,126	1,338,523
Client deposits	339,107	314,252	238,646	233,619
Amounts owed to group undertakings	-	-	1,500,776	1,156,061
Corporation Tax	386,486	57,273	367,469	185,480
Social security and other taxes	144,071	136,720	79,593	92,103
Directors' current accounts	-	99,625	-	99,625
Accrued expenses	3,403,787	3,510,059	2,732,080	2,806,563
	<u>6,396,877</u>	<u>5,658,937</u>	<u>6,869,690</u>	<u>5,911,974</u>

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH APRIL 2022

Group	Non-cancellable operating leases	
	2022	2021
	£	£
Within one year	269,828	278,819
Between one and five years	903,396	946,505
In more than five years	538,246	748,236
	<u>1,711,470</u>	<u>1,973,560</u>

Company	Non-cancellable operating leases	
	2022	2021
	£	£
Within one year	167,213	175,207
Between one and five years	662,456	664,055
In more than five years	538,246	703,860
	<u>1,367,915</u>	<u>1,543,122</u>

17. PROVISIONS FOR LIABILITIES

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Deferred tax				
Accelerated capital allowances	<u>468,651</u>	<u>283,458</u>	<u>490,088</u>	<u>283,458</u>

Group	Deferred tax
Balance at 1st May 2021	283,458
Movement in year	<u>185,193</u>
Balance at 30th April 2022	<u>468,651</u>

Company	Deferred tax
Balance at 1st May 2021	283,458
Movement in year	<u>206,630</u>
Balance at 30th April 2022	<u>490,088</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH APRIL 2022

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2022	2021
Number:	Class:		£	£
1,000,000	Ordinary	£0.10	<u>100,000</u>	<u>100,000</u>

19. RESERVES

Group

	Retained earnings £
At 1st May 2021	6,956,337
Profit for the year	4,869,996
Exchange adjustments	93,847
At 30th April 2022	<u>11,920,180</u>

Company

	Retained earnings £
At 1st May 2021	6,138,638
Profit for the year	3,382,243
At 30th April 2022	<u>9,520,881</u>

20. ULTIMATE PARENT COMPANY

The company is a subsidiary undertaking of the intermediate holding company Cellhire (Holdings) Limited, a company incorporated in the UK and controlled by a director.

At 30th April 2022, the ultimate parent company was Cellhire Group Limited, a company incorporated in the UK and controlled by a director.

21. CONTINGENT LIABILITIES

On 13th October 2011 the company entered into an agreement guaranteeing the amounts due to HSBC Bank plc by certain other group companies, to include Cellhire Group Limited, Cellhire UK Limited, Cellhire (Holdings) Limited and in addition dated 10 February 2016, 0044 Limited. The amounts due as at 30th April 2022 are £Nil (2021: £Nil).

22. RELATED PARTY DISCLOSURES

During the year ended 30th April 2022 the group provided net tangible products and services of £150,565 (2021: £157,289) and received net tangible products, services and paid rent of £166,841 (2021: £160,576) to companies in which a director of Cellhire Limited is also a director.

At 30th April 2022 the group was owed £723,766 (2021: £308,507) by companies in which a director of Cellhire Limited is also a director.

At 30th April 2022 no amounts were owed to or from a director (2021: £99,625 owed to a director).

23. **PENSION SCHEME**

The group contributes to defined contribution pension schemes. The pension cost charged for the year represents contributions payable by the group to the schemes and amounted to £98,347 (2021: £131,794).

There were outstanding contributions payable to the schemes as at 30th April 2022 of £Nil (2021: £Nil).

24. **POST BALANCE SHEET EVENTS**

After the year ended 30th April 2022, Hamsard 3667 Limited, a company incorporated in the UK, acquired 100% of the share capital of Cellhire Group Limited and thus became the ultimate parent company of Cellhire 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.