

Hero Towers Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2018

Thomas Alexander & Co Limited
590 Green Lanes
Palmers Green
London
N13 5RY

Hero Towers Ltd

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Hero Towers Ltd

Company Information

Directors A Levene
A Crane
J True
K Ho

Company secretary J Piccirillo

Registered office 590 Green Lanes
Palmer's Green
London
N13 5RY

Accountants Thomas Alexander & Co Limited
590 Green Lanes
Palmer's Green
London
N13 5RY

Hero Towers Ltd

(Registration number: 09570325) Balance Sheet as at 31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	<u>4</u>	33,249	18,978
Investments	<u>5</u>	760	760
		<u>34,009</u>	<u>19,738</u>
Current assets			
Debtors	<u>6</u>	806,493	168,092
Cash at bank and in hand		1,017,981	1,428,010
		1,824,474	1,596,102
Creditors: Amounts falling due within one year	<u>7</u>	<u>(1,822,156)</u>	<u>(1,430,797)</u>
Net current assets		<u>2,318</u>	<u>165,305</u>
Net assets		<u>36,327</u>	<u>185,043</u>
Capital and reserves			
Share premium reserve		3,461,744	1,650,008
Profit and loss account		<u>(3,425,417)</u>	<u>(1,464,965)</u>
Total equity		<u>36,327</u>	<u>185,043</u>

For the financial year ending 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 30 August 2019 and signed on its behalf by:

.....

A Crane
Director

Hero Towers Ltd

Notes to the Financial Statements for the Year Ended 31 December 2018

1 General information

The company is a private company limited by share capital, incorporated in UK.

The address of its registered office is:

590 Green Lanes
Palmers Green
London
N13 5RY

The principal place of business is:

5th Floor
40-44 Clipstone Street
London
W1W 5DW

These financial statements were authorised for issue by the Board on 30 August 2019.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Hero Towers Ltd

Notes to the Financial Statements for the Year Ended 31 December 2018

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures, fittings & equipment	3 years straight line

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Hero Towers Ltd

Notes to the Financial Statements for the Year Ended 31 December 2018

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Share based payments

The company operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the entity. The fair value of the employee services received is measured by reference to the estimated fair value at the grant date of equity instruments granted and is recognised as an expense over the vesting period. The estimated fair value of the option granted is calculated using the Black Scholes option pricing model. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 20 (2017 - 14).

Hero Towers Ltd

Notes to the Financial Statements for the Year Ended 31 December 2018

4 Tangible assets

	Furniture, fittings and equipment £	Total £
Cost or valuation		
At 1 January 2018	27,306	27,306
Additions	20,834	20,834
At 31 December 2018	48,140	48,140
Depreciation		
At 1 January 2018	8,328	8,328
Charge for the year	6,563	6,563
At 31 December 2018	14,891	14,891
Carrying amount		
At 31 December 2018	33,249	33,249
At 31 December 2017	18,978	18,978

5 Investments

	2018 £	2017 £
Investments in subsidiaries	760	760
Subsidiaries		£
Cost or valuation		
At 1 January 2018		760
Provision		
Carrying amount		
At 31 December 2018		760
At 31 December 2017		760

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

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Notes to the Financial Statements for the Year Ended 31 December 2018

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2018	2017
Subsidiary undertakings				
HeroTechnologies Inc	251 Little Falls Drive, Wilmington, New Castle, 19808, Delaware, USA	Common stock	100%	100%

The principal activity of HeroTechnologies Inc is the provision of an instant messaging customer service application.

6 Debtors

	Note	2018 £	2017 £
Trade debtors		437,531	52,797
Amounts owed by group undertakings and undertakings in which the company has a participating interest	<u>10</u>	-	10,580
Prepayments		46,625	24,377
Other debtors		42,119	22,958
Corporation tax asset		280,218	57,380
		<u>806,493</u>	<u>168,092</u>

7 Creditors

Creditors: amounts falling due within one year

	Note	2018 £	2017 £
Due within one year			
Trade creditors		52,650	30,016
Amounts owed to group undertakings and undertakings in which the company has a participating interest	<u>10</u>	121,184	-
Taxation and social security		44,005	17,863
Accruals and deferred income		437,160	109,514
Other creditors		1,167,157	1,273,404
		<u>1,822,156</u>	<u>1,430,797</u>

8 Share capital

Allotted, called up and fully paid shares

Hero Towers Ltd

Notes to the Financial Statements for the Year Ended 31 December 2018

	2018		2017	
	No.	£	No.	£
Ordinary shares of £0.0000001 each	304,088	0.0304088	241,169	0.024117

9 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £10,000 (2017 - £Nil).

10 Related party transactions

Included in creditors is an amount of £121,184 (2017: -£10,580) owed to Hero Technologies Inc, a wholly owned subsidiary.

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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.