

Registered number: 01557063

AUDIOTEL INTERNATIONAL LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

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AUDIOTEL INTERNATIONAL LIMITED

COMPANY INFORMATION

Directors	D C Oakley A B Stephen R B Hoyle W Adams P N Hubble (resigned 31 August 2016)
Company secretary	W Adams
Registered number	01557063
Registered office	St. Thomas House Mansfield Road Derby England DE1 3TN
Independent auditor	PKF Cooper Parry Group Limited Chartered Accountants & Statutory Auditor Sky View Argosy Road East Midlands Airport Castle Donington Derby DE74 2SA

AUDIOTEL INTERNATIONAL LIMITED

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AUDIOTEL INTERNATIONAL LIMITED
REGISTERED NUMBER: 01557063.

BALANCE SHEET
AS AT 31 MARCH 2017

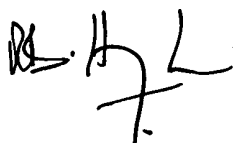
	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	23,769	28,407
Investments	5	2	2
		<u>23,771</u>	<u>28,409</u>
Current assets			
Stocks	6	141,079	193,210
Debtors: amounts falling due within one year	7	112,664	225,180
Cash at bank and in hand		26,375	12,103
		<u>280,118</u>	<u>430,493</u>
Creditors: amounts falling due within one year	8	<u>(772,832)</u>	<u>(458,233)</u>
Net current liabilities		<u>(492,714)</u>	<u>(27,740)</u>
Total assets less current liabilities		<u>(468,943)</u>	<u>669</u>
Net (liabilities)/assets		<u><u>(468,943)</u></u>	<u><u>669</u></u>
Capital and reserves			
Called up share capital	9	69,114	69,114
Share premium account	10	4,168	4,168
Profit and loss account	10	(542,225)	(72,613)
		<u>(468,943)</u>	<u>669</u>

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

The directors of the company have taken advantage of the exemptions available under s444 of the Companies Act 2006 and have elected not to include a copy of the profit and loss account with the financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

R B Hoyle
Director



Date:

31 August 2017

The notes on pages 2 to 9 form part of these financial statements.

AUDIOTEL INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting policies

1.1 Basis of preparation of financial statements

Audiotel International Limited (the company) is a limited liability company incorporated and domiciled in the United Kingdom. The address of its registered office is shown on the company information page. The principal activity of the company during the year was the manufacture and sale of security related equipment.

The financial statements are prepared in Sterling (£), which is the functional currency of the company and are for the year ended 31 March 2017 (2016: year ended 31 March 2016).

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland, including Section 1A of FRS 102, and the Companies Act 2006.

The company was acquired by Tioga Limited in September 2015. In the year to 31 March 2017 the company made a loss after taxation of £469,612. At 31 March 2017 the company has net liabilities of £468,943. Although the company has incurred further losses since the year end, it has undergone a restructuring process during the year initiated by its new owners. This has resulted in the loss decreasing in the year from £1,456,109. Tioga Limited has confirmed that it will continue to provide financial support to the company and will not call for repayment of any intercompany loans until cashflow permits. On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The following accounting policies have been applied consistently throughout the year:

1.2 Turnover

Turnover is recognised to the extent that it is probable that economic benefits will flow to the company and that the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, Value Added Tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

AUDIOTEL INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting policies (continued)

1.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Repairs and maintenance are charged to profit and loss account during the period in which they are incurred.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets over their expected useful lives on the following basis:

Leasehold improvements	- over the life of the lease
Fixtures, fittings and equipment	- 20% - 50% per annum on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'administrative expenses' in the profit and loss account.

At each balance sheet date, the company reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an 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 the asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognised as an expense immediately.

1.4 Research and development

Research and development expenditure is written off to the profit and loss account in the year in which it is incurred.

1.5 Operating leases

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

1.6 Valuation of investments

Investments in subsidiaries are initially valued at cost and reviewed annually for signs of impairment. If an impairment loss is identified this is recognised immediately in the profit and loss account and the value of the investment is reduced accordingly.

AUDIOTEL INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting policies (continued)

1.7 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the profit and loss account.

1.8 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable, loans from banks and other third parties, loans with related parties and investments in non-puttable ordinary shares.

All financial assets and liabilities are initially measured at transaction price and subsequently measured at amortised cost.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

1.9 Foreign currency translation

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Foreign exchange gains and losses are presented in the profit and loss account within 'administrative expenses'.

1.10 Finance costs

Finance costs are charged to the profit and loss account over the term of the debt using the effective interest method.

AUDIOTEL INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting policies (continued)

1.11 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the profit and loss account in the year that the company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

1.12 Pensions

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations.

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

1.13 Current and deferred taxation

The tax charge for the year comprises of current and deferred tax.

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

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

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

2. Auditors' remuneration

Fees payable to the company's auditor for the audit of the company's annual financial statements totalled £8,500 (2016: £8,000).

3. Average employee numbers

The average number of employees during the year, including directors was 21 (2016: 30).

AUDIOTEL INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

4. Tangible fixed assets

	Leasehold improvements £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 April 2016	1,016,675	1,807,846	2,824,521
Additions	-	4,743	4,743
At 31 March 2017	<u>1,016,675</u>	<u>1,812,589</u>	<u>2,829,264</u>
Depreciation			
At 1 April 2016	1,016,675	1,779,439	2,796,114
Charge for the year	-	9,381	9,381
At 31 March 2017	<u>1,016,675</u>	<u>1,788,820</u>	<u>2,805,495</u>
Net book value			
At 31 March 2017	<u>-</u>	<u>23,769</u>	<u>23,769</u>
At 31 March 2016	<u>-</u>	<u>28,407</u>	<u>28,407</u>

AUDIOTEL INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

5. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 April 2016 and 31 March 2017	2
	<hr/>
Net book value	
At 31 March 2017 and 31 March 2016	2
	<hr/> <hr/>

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Audiotel (UK) Limited	England and Wales	Ordinary	100 %	Dormant company
Security Research International Limited	England and Wales	Ordinary	100 %	Dormant company

The subsidiaries share the registered office of the parent, as detailed on the company information page.

6. Stocks

	2017 £	2016 £
Raw materials and consumables	50,364	43,761
Work in progress	72,812	62,958
Finished goods and goods for resale	17,903	86,491
	<hr/>	<hr/>
	141,079	193,210
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AUDIOTEL INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

7. Debtors

	2017 £	2016 £
Trade debtors	86,616	179,819
Other debtors	756	9,643
Prepayments and accrued income	25,292	35,718
	<u>112,664</u>	<u>225,180</u>

8. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	66,691	40,602
Amounts owed to group undertakings	645,966	336,151
Taxation and social security	19,730	30,441
Other creditors	3,240	83
Accruals and deferred income	37,205	50,956
	<u>772,832</u>	<u>458,233</u>

9. Share capital

	2017 £	2016 £
Allotted, called up and fully paid		
69,114 Ordinary shares of £1 each	<u>69,114</u>	<u>69,114</u>

10. Reserves

Share premium

Includes any premiums received on issue of share capital.

Profit and loss account

Includes all current and prior period retained profits and losses.

AUDIOTEL INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

11. Commitments under operating leases

At 31 March 2017 the company had future minimum lease payments under non-cancellable operating leases of £381,639 (2016: £473,967).

12. Auditor's report information

As the profit and loss account has been omitted from the filing copy of the financial statement 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 auditor was PKF Cooper Parry Group Limited.

Peter Sterling signed the auditor's report as senior statutory auditor.