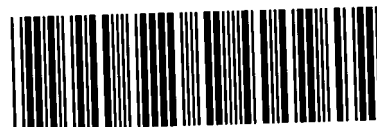


ITG Payphones (UK) Limited

Directors' Report and Financial Statements

Year Ended 30 September 2016

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CONTENTS

	Page
DIRECTORS AND OTHER INFORMATION	2
DIRECTORS' REPORT	3 - 4
INDEPENDENT AUDITORS' REPORT	5 - 7
PROFIT AND LOSS ACCOUNT	8
BALANCE SHEET	9
STATEMENT OF CHANGES IN EQUITY	10
NOTES TO THE FINANCIAL STATEMENTS	11 - 16

DIRECTORS AND OTHER INFORMATION

Directors

Mike Maloney
Julian Rothwell

Secretary and registered office

Graeme Couturier
Nations House
103 Wigmore Street
London
W1U 1QS
United Kingdom

Company number: 2067648

Auditors

PricewaterhouseCoopers
Chartered Accountants and Statutory Auditors
One Spencer Dock
North Wall Quay
Dublin 1
Ireland

DIRECTORS' REPORT

The directors present their report together with financial statements for the year ended 30 September 2016. These financial statements are prepared on a liquidation basis.

The company is a small company and has availed of the exemptions available to it under the Companies Act 2006.

Principal activities and future developments

The activity of ITG Payphones (UK) Limited ("the company") in the current period relates to rental income receivable under a sublease and associated expenses in respect of a property held under an operating lease.

The management of the company's ultimate parent, Prize Holdings 1 S.à r.l. has indicated their intention to wind up all subsidiaries within the group after the sale of its subsidiary, Payzone SA is completed, which is expected to be in 2017. This will result in a voluntary liquidation of the company in due course following the assignment of the lease and it is expected that all assets will be recovered and all liabilities settled in an orderly fashion. Therefore these financial statements have been prepared on a liquidation basis.

Results for the year and dividends

The profit and loss account and balance sheet for the year ended 30 September 2016 are set out on pages 8 and 9.

The profit for the year amounted to £48,826 (2015: loss of £5,655).

The directors do not recommend payment of a dividend.

Directors

The names of the persons who were directors at any time during the period ended 30 September 2016 are set out below:

Mike Maloney
Julian Rothwell
John Harris (resigned 20 December 2015)

Charitable and political donations

There were no charitable donations or political contributions made during the year

Principal risks and uncertainties

There are no significant risks or uncertainties facing the company.

Research and development

The company did not engage in any research and development during the year.

Events since the end of the financial year

There have been no significant events affecting the company which have taken place since the end of the reporting period.

Statement of directors' responsibilities

The directors are responsible for preparing the 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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* (FRS 102).

DIRECTORS' REPORT - continued

Statement of directors' responsibilities - continued

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 of 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;
- state whether applicable United Kingdom Accounting Standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify the company's shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; and
- 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 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.

Disclosure of information to auditors

In the case of each of the persons who are directors at the time when the report is approved, the following applies:

- As far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- The director has taken all the steps that he/she ought to have taken as a director in order to make him/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditors

The auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office. A resolution proposing their re-appointment will be submitted to the Annual General Meeting.

By order of the board on 24 January 2017 by:



Julian Rothwell
Director



Independent auditors' report to the members of ITG Payphones (UK) Limited

Report on the financial statements

Our opinion

In our opinion, ITG Payphones (UK) Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 30 September 2016 and of its 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.
-

Emphasis of matter - Basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 3 to the financial statements concerning the basis of preparation. The Company's ultimate parent, Prize Holdings 1 S.à r.l. has indicated its intention to wind up all subsidiaries within the group after the sale of its subsidiary, Payzone SA is completed, which is expected to be in 2017. Accordingly, the going concern basis of preparation is no longer appropriate and the financial statements have been prepared on a basis other than going concern as described in note 3 to the financial statements. No adjustments were necessary in these financial statements to reduce assets to their realisable values, to provide for liabilities arising from the decision or to reclassify fixed assets and long-term liabilities as current assets and liabilities.

What we have audited

The financial statements, included within the Directors' Report and Financial Statements (the "Annual Report"), comprise:

- Balance Sheet as at 30 September 2016;
- the Profit and Loss Account for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.



Independent auditors' report to the members of ITG Payphones (UK) Limited – continued

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Independent auditors' report to the members of ITG Payphones (UK) Limited - continued

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

A handwritten signature in black ink, appearing to read 'Damian Byrne'.

**Damian Byrne (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Auditors
Dublin**

24 January 2017

PROFIT AND LOSS ACCOUNT
Year Ended 30 September 2016

	Notes	2016 £	2015 £
Revenue		<u>76,667</u>	<u>57,500</u>
Gross profit		76,667	57,500
Operating expenses		(80,562)	(63,155)
Exceptional items		<u>52,721</u>	<u>-</u>
Operating profit/(loss)	5	48,826	(5,655)
Tax on profit/(loss) on ordinary activities	6	<u>-</u>	<u>-</u>
Profit/(loss) for the financial year		<u>48,826</u>	<u>(5,655)</u>

There are no other recognised gains or losses other than profit/(loss) in the financial years and therefore no statement of comprehensive income has been presented.

BALANCE SHEET
As at 30 September 2016

	Notes	2016 £	2015 £
Current assets			
Debtors	7	52,422	33,537
Cash at bank and in hand		-	-
		<u>52,422</u>	<u>33,357</u>
Creditors - amounts falling due within one year	8	<u>(1,465,261)</u>	<u>(1,495,202)</u>
Net current liabilities		<u>(1,412,839)</u>	<u>(1,461,665)</u>
Net liabilities		<u>(1,412,839)</u>	<u>(1,461,665)</u>
Capital and reserves			
Called up share capital	10	1	1
Other reserves		1,237	1,237
Retained earnings		<u>(1,414,077)</u>	<u>(1,462,903)</u>
Total deficit		<u>(1,412,839)</u>	<u>(1,461,665)</u>

The notes on pages 11 to 16 are an integral part of these financial statements.

The financial statements on pages 8 to 16 were authorised for issue by the board of directors on 24 January 2017 and were signed on its behalf.



Julian Rothwell
Director

ITG Payphones (UK) Limited
Registered No. 2067648

STATEMENT OF CHANGES IN EQUITY
Year Ended 30 September 2016

	Notes	Called-up share capital £	Capital contribution £	Profit and loss account £	Total £
Balance at 1 October 2014		<u>1</u>	<u>1,237</u>	<u>(1,457,248)</u>	<u>(1,456,010)</u>
Loss for the financial year		<u>-</u>	<u>-</u>	<u>(5,655)</u>	<u>(5,655)</u>
Total comprehensive income for the financial year		<u>-</u>	<u>-</u>	<u>(5,655)</u>	<u>(5,655)</u>
Balance at 30 September 2015		<u>1</u>	<u>1,237</u>	<u>(1,462,903)</u>	<u>(1,461,665)</u>
Balance at 1 October 2015		<u>1</u>	<u>1,237</u>	<u>(1,462,903)</u>	<u>(1,461,665)</u>
Profit for the financial year		<u>-</u>	<u>-</u>	<u>48,826</u>	<u>48,826</u>
Total comprehensive income for the financial year		<u>-</u>	<u>-</u>	<u>48,826</u>	<u>48,826</u>
Balance at 30 September 2016		<u>1</u>	<u>1,237</u>	<u>(1,414,077)</u>	<u>(1,412,839)</u>

Profit and loss account represents accumulated comprehensive income for the financial year and prior financial years, less dividends paid.

NOTES TO THE FINANCIAL STATEMENTS

1 General information

ITG Payphones (UK) Limited ('the company') is a private company limited by shares and is incorporated and domiciled in the UK. The address of its registered office is Nations House, 103 Wigmore Street, London, W1U 1QS, United Kingdom. The company's current activity is subletting the property in Bath Road, Heathrow.

These financial statements are the company's separate financial statements for the financial year beginning 1 October 2015 and ending 30 September 2016.

2 Statement of compliance

The financial statements of the company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all financial years presented, unless otherwise stated. The company has adopted FRS 102 for the first time in these entity financial statements. Details of the transition to FRS 102 are disclosed in note 16.

(a) Basis of preparation

The management of the company's ultimate parent, Prize Holdings 1 S.à r.l. has indicated their intention to wind up all subsidiaries within the group after the sale of its subsidiary, Payzone SA is completed, which is expected to be in 2017.

Therefore the financial statements have been prepared on a liquidation basis and therefore all assets and liabilities have been presented as current. This is a voluntary liquidation and the company expects to be able to recover all assets and settle all liabilities in an orderly fashion prior to legally winding up the company and therefore the measurement of the remaining assets and liabilities is not impacted.

(b) Disclosure exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions to a member of a group where the parent of that group prepares publicly available consolidated financial statements which are intended to give a true and fair view (of the assets, liabilities, financial position and profit or loss) and that member is included in the consolidation. The company is a qualifying entity and has taken advantage of the below disclosure exemptions:

- (i) Exemption from the requirements of Section 7 of FRS 102 and FRS 102 paragraph 3.17(d) to present a statement of cash flows.
- (ii) Exemption from the financial instrument disclosure requirements of Section 11 paragraphs 11.39 to 11.48A and Section 12 paragraphs 12.26 to 12.29A of FRS 102 providing the equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated, and
- (iii) Exemption from the requirement of FRS 102 paragraph 4.12(a)(iv) to disclose a reconciliation of the number of shares outstanding at the beginning and end of the period.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(c) Leases

Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

Rental income from operating leases is recognised on a straight-line basis over the lease term.

(d) Exceptional items

The company classifies certain one-off charges or credits that have a material impact on the company's financial results as 'exceptional items'. These are disclosed separately to provide further understanding of the financial performance of the company.

(e) Taxation

Taxation expense for the financial year comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred tax assets and liabilities are not discounted.

(i) *Current tax*

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) *Deferred tax*

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These 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 recognised on all timing differences at the end of each financial year with certain exceptions. Unrelieved tax losses and other deferred tax assets are recognised only when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the end of each financial year end and that are expected to apply to the reversal of the timing difference.

(f) Financial instruments

The company has chosen to apply the provisions of Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) *Financial assets*

Basic financial assets, including trade and other debtors, cash and cash equivalents and short-term deposits, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(f) Financial instruments - continued

(i) *Financial assets - continued*

At the end of each financial year financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the financial asset are transferred to another party or (c) control of the financial asset has been transferred to another party who has the practical ability to unilaterally sell the financial asset to an unrelated third party without imposing additional restrictions.

(ii) *Financial liabilities*

Basic financial liabilities, including trade and other creditors and loans from other group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is initially measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest method.

Trade payables 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 payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(iv) *Offsetting*

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

(h) Share capital

Ordinary shares are classified as share capital. Incremental costs directly attributable to the issue of new equity shares or options are shown in equity as a deduction, net of tax, from the proceeds.

4 Critical accounting judgements and estimation uncertainty

Estimates and judgements made in the process of preparing the entity financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The directors make estimates and assumptions concerning the future in the process of preparing the entity financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results. The directors do not consider that any of the judgements and estimates used in preparing the financial statements have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NOTES TO THE FINANCIAL STATEMENTS - continued

5 Operating profit/(loss)	2016	2015
	£	£

Operating profit/(loss) is stated after charging:

Exceptional items – write back of amounts owed to group undertakings	(52,421)	-
Rent payable under operating leases:		
- Land and buildings	115,000	118,684
Directors' remuneration	-	-
	<u> </u>	<u> </u>

Audit fees were borne by another group company.

6 Income tax	2016	2015
	£	£

(a) Tax expense included in profit or loss

Current tax:

UK corporation tax on profit for the financial year

Tax on profit/(loss) on ordinary activities

-	-
-	-
<u> </u>	<u> </u>

(b) Reconciliation of tax expense

Tax assessed for the financial year is lower (2015: higher) than the standard rate of corporation tax in the UK for the financial year ended 30 September 2016 of 20% (2015: 20.5%). The differences are explained below:

	2016	2015
	£	£
Profit/(loss) on ordinary activities before taxation	<u>48,826</u>	<u>(5,655)</u>
Profit/(loss) multiplied by the standard rate of tax in the UK for the financial year ended 30 September 2016 of 20% (2015: 20.5%)	9,765	(1,159)
<i>Effects of:</i>		
Utilisation of losses carried forward	(9,765)	-
Group relief surrendered	-	1,159
Tax charge for the year	<u> </u>	<u> </u>

7 Debtors	2016	2015
	£	£

Rent receivable	12,832	-
Prepaid expenses	29,398	30,443
Value added tax	10,192	3,094
	<u>52,422</u>	<u>33,537</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

8 Creditors - amounts falling due within one year	2016	2015
	£	£
Amounts owed to group undertakings	1,445,261	1,436,871
Accruals	20,000	58,331
	<u>1,465,261</u>	<u>1,495,202</u>

Amounts due to group undertakings are unsecured, interest free and are repayable on demand.

9 Deferred taxation

A potential deferred tax asset of £88,350 (2015: £99,621) has not been recognised in the financial statements as it is intended that the company be wound up.

10 Share capital	2016	2015
	£	£
Authorised		
1 ordinary shares of £1 each	<u>1</u>	<u>1</u>
Allotted, called up and fully paid - presented as equity		
1 ordinary shares of £1 each	<u>1</u>	<u>1</u>

There is a single class of equity shares. There are no restrictions on the distribution of dividends and the repayment of capital. All shares carry equal voting rights and rank for dividends to the extent to which the total amount on each share is paid up.

11 Statement of cash flows

The company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, Prize Holdings 1 S.à.r.l, includes the company's cash flows in its own consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS - continued

12 Commitments

The company leases a building under a non-cancellable operating lease agreements. The lease term is between 2 and 5 years.

The lease expenditure charged to the income statement during the year is disclosed in note 5.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	2016 £'000	2015 £'000
No later than 1 year	115	115
Later than 1 year and no later than 5 years	307	422
Later than 5 years	-	-
	<u>422</u>	<u>537</u>

13 Related party transactions

The company is exempt from disclosing related party transactions as they are with other companies that are wholly owned within the group.

14 Controlling parties

The immediate parent undertaking is Prize Ventures Limited, a company incorporated in the United Kingdom.

The ultimate parent undertaking and the smallest and the largest group to consolidate these financial statements is Prize Holdings 1 S.à.r.l., a company incorporated in Luxembourg. Copies of Prize Holdings 1 S.à.r.l. consolidated financial statements can be obtained from 1, Côte d'Eich, L-1450 Luxembourg, Grand-Duchy of Luxembourg.

15 Subsequent events

There are no significant events affecting the company which have taken place since the end of the reporting period.

16 Transition to FRS 102

This is the first financial year that the company has presented its results under FRS 102. The last financial statements under UK GAAP were for the financial period ended 30 September 2015. The date of transition to FRS 102 was 1 October 2014. There were no measurement adjustments arising from the company's transition to FRS 102 at 1 October 2014 or at the comparative date 30 September 2015. Therefore, the loss for the financial year ended 30 September 2015 and the total equity as at 1 October 2014 and 30 September 2015 remains consistent under FRS 102 with that previously reported under UK GAAP.

17 Approval of financial statements

The board of directors approved these financial statements on 24 January 2017.