

Company registration number: 02619538

Premier Managed Payphones Limited

Financial statements

31 December 2016



Premier Managed Payphones Limited

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Premier Managed Payphones Limited

Directors and other information

Directors	Jayesh Patel Jayten Patel Keith Scott Stephen Martin
Secretary	Stephen Martin
Company number	02619538
Registered office	Maniland House 12 Court Parade East Lane Wembley HA0 3HU
Auditors	Leftley Rowe & Company The Heights 59-65 Lowlands Road Harrow Middlesex HA1 3AW
Bankers	Royal Bank of Scotland plc 175 - 177 Kensington High Street Kensington London W8 6SH

Premier Managed Payphones Limited

Directors' report Year ended 31 December 2016

The directors present their report and the financial statements of the company for the year ended 31 December 2016.

Principal activity

The group, of which the company is a member, provides Bedside Entertainment Systems to acute NHS hospitals. In addition, the group provides payphones and bedside entertainment and telephone units and bedside phone and TV units called Easitalk and Easiview respectively. The company manages payphones within a number of sites, mainly in hospitals across the UK. The company also manages the Easitalk and Easiview terminals installed by the group.

Business review

The majority of the group's business to date is derived from entertainment and communication terminals at patients' bedsides.

The group uses a number of KPI's covering its business performance, key ones being;

EBITDA - earnings before interest, tax, depreciation and amortisation reflect the ability of the group to generate cash from its ongoing operations.

Revenue - revenue per terminal per day broken down into type of revenue stream.

Costs - costs per terminal per day, chiefly covering site staff costs, maintenance costs and direct costs of sales. The group has taken active steps to reduce the costs of staff during the year and to tightly control other costs.

Directors

The directors who served the company during the year were as follows:

Jayesh Patel
Jayten Patel
Keith Scott
Stephen Martin

Premier Managed Payphones Limited

Directors' report (continued) Year ended 31 December 2016

Directors responsibilities statement

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 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 judgments and accounting estimates that are reasonable and prudent; 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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 26 September 2017 and signed on behalf of the board by:



Stephen Martin
Director

Premier Managed Payphones Limited

Independent auditor's report to the members of Premier Managed Payphones Limited Year ended 31 December 2016

We have audited the financial statements of Premier Managed Payphones Limited for the year ended 31 December 2016 which comprise the statement of income and retained earnings, statement of financial position and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standard (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 an auditors report 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.

Respective responsibilities of directors and auditor

As explained more fully in the directors responsibilities statement, 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). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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. In addition, we read all the financial and non-financial information in the directors 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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss 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.

Opinion 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 directors report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the directors report have been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors report.

Premier Managed Payphones Limited

**Independent auditor's report to the members of
Premier Managed Payphones Limited (continued)
Year ended 31 December 2016**

Matters on which we are required to report by exception

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, 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 the 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; and
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



Christopher Andrews (senior statutory auditor)

**For and on behalf of
Leftley Rowe & Company
Chartered Accountants and Statutory Auditors
The Heights
59-65 Lowlands Road
Harrow
Middlesex
HA1 3AW**

26 September 2017

Premier Managed Payphones Limited

**Statement of income and retained earnings
Year ended 31 December 2016**

	Note	2016 £	2015 £
Turnover	4	198,493	313,024
Cost of sales		(57,266)	(73,038)
Gross profit		<u>141,227</u>	<u>239,986</u>
Administrative expenses		(203,183)	(376,204)
Other operating income	5	-	195,000
Operating (loss)/profit	6	<u>(61,956)</u>	<u>58,782</u>
Other interest receivable and similar income	8	(8,109)	4,127
(Loss)/profit before taxation		<u>(70,065)</u>	<u>62,909</u>
Tax on (loss)/profit		-	-
(Loss)/profit for the financial year and total comprehensive income		<u><u>(70,065)</u></u>	<u><u>62,909</u></u>
Retained earnings at the start of the year		<u>(8,205)</u>	<u>(71,114)</u>
Retained earnings at the end of the year		<u><u>(78,270)</u></u>	<u><u>(8,205)</u></u>

All the activities of the company are from continuing operations.

The notes on pages 9 to 13 form part of these financial statements.

Premier Managed Payphones Limited

**Statement of financial position
31 December 2016**

	Note	2016		2015	
		£	£	£	£
Current assets					
Stocks	10	21,505		27,086	
Debtors	11	40,933		42,301	
Cash at bank and in hand		73,615		18,174	
		<u>136,053</u>		<u>87,561</u>	
Creditors: amounts falling due within one year	12	<u>(214,223)</u>		<u>(95,666)</u>	
Net current liabilities			<u>(78,170)</u>		<u>(8,105)</u>
Total assets less current liabilities			<u>(78,170)</u>		<u>(8,105)</u>
Net liabilities			<u>(78,170)</u>		<u>(8,105)</u>
Capital and reserves					
Called up share capital	14	100		100	
Profit and loss account		<u>(78,270)</u>		<u>(8,205)</u>	
Shareholders deficit		<u>(78,170)</u>		<u>(8,105)</u>	

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 26 September 2017, and are signed on behalf of the board by:



Stephen Martin
Director

Company registration number: 02619538

The notes on pages 9 to 13 form part of these financial statements.

Premier Managed Payphones Limited

Notes to the financial statements Year ended 31 December 2016

1. General information

The company is a private company limited by shares, registered in England. The address of the registered office is Premier Managed Payphones Ltd, Maniland House, 12 Court Parade, East Lane, Wembley, HA0 3HU.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

In order to assess the appropriateness of preparing the financial statements on a going concern basis, management has prepared detailed projections of expected future cash flows and these have been reviewed by the Board. These forecasts include potential uncertainties and sensitivities of key assumptions.

The directors have considered the current financial position of the group and the cash flow forecasts for the foreseeable future, and believe that the group will generate sufficient funds to meet its obligations and all financial liabilities as they fall due, for a period of at least 12 months from the date of signing these financial statements. The directors therefore believe that the company is a going concern.

The company has net liabilities of £78,170 (£8,105 in 2015) at the Balance Sheet date. The majority of this relates to the parent undertaking of the parent Pretel Group Limited. Pretel Group Limited has indicated that it will provide or procure such funds as are necessary to enable the company to settle all liabilities as they fall due. Accordingly, the financial statements have been prepared on a going concern basis.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, usually on despatch of the goods; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Premier Managed Payphones Limited

Notes to the financial statements (continued) Year ended 31 December 2016

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are 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 measured 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.

Tangible assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	- 5 - 15 years
Fittings fixtures and equipment	- 3 - 4 years
Telephone equipment	- 3 - 4 years

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Premier Managed Payphones Limited

Notes to the financial statements (continued)
Year ended 31 December 2016

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

4. Turnover

Turnover arises from:

	2016	2015
	£	£
Rendering of services	198,493	313,024

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. Other operating income

	2016	2015
	£	£
Other operating income	-	195,000

6. Operating loss/profit

Operating loss/profit is stated after charging/(crediting):

	2016	2015
Cost of stocks recognised as an expense	44	68
Impairment of trade debtors	-	143,453

Premier Managed Payphones Limited

Notes to the financial statements (continued)
Year ended 31 December 2016

7. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2016	2015
Administrative staff	1	1
Engineering & Customer Services	3	3
	<u>4</u>	<u>4</u>

The aggregate payroll costs incurred during the year were:

	2016	2015
	£	£
Wages and salaries	60,087	61,156
Social security costs	4,590	4,499
Other pension costs	260	250
	<u>64,937</u>	<u>65,905</u>

8. Other interest receivable and similar income

	2016	2015
	£	£
Loans to group undertakings	<u>(8,109)</u>	<u>4,127</u>

9. Tangible assets

	Plant and machinery	Fixtures, fittings and equipment	Telephone equipment	Total
	£	£	£	£
Cost				
At 1 January 2016	274,434	12,783	1,197,000	1,484,217
At 31 December 2016	<u>274,434</u>	<u>12,783</u>	<u>1,197,000</u>	<u>1,484,217</u>
Depreciation				
At 1 January 2016	274,434	12,783	1,197,000	1,484,217
At 31 December 2016	<u>274,434</u>	<u>12,783</u>	<u>1,197,000</u>	<u>1,484,217</u>
Carrying amount				
At 31 December 2016	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2015	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Premier Managed Payphones Limited

Notes to the financial statements (continued)
Year ended 31 December 2016

10. Stocks

	2016	2015
	£	£
Payphones and payphone spares	<u>21,505</u>	<u>27,086</u>

11. Debtors

	2016	2015
	£	£
Other debtors	<u>40,933</u>	<u>42,301</u>

12. Creditors: amounts falling due within one year

	2016	2015
	£	£
Amounts owed to group undertakings and undertakings in which the company has a participating interest	155,541	56,819
Social security and other taxes	51,663	28,226
Other creditors	<u>7,019</u>	<u>10,621</u>
	<u>214,223</u>	<u>95,666</u>

13. Employee benefits

Defined contribution plans

The amount recognised in profit or loss in relation to defined contribution plans was £260 (2015: £250).

14. Called up share capital

Issued, called up and fully paid

	2016		2015	
	No	£	No	£
Ordinary shares of £ 1.00 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

15. Ultimate parent undertaking

The immediate parent company is Premier Telesolutions limited, a company incorporated in England and Wales. The ultimate parent company is Catwise Limited, a company incorporated in England & Wales.

The results of the company are consolidated in the UK group headed by Pretel Group Limited.