

Registration number 02619538

Premier Managed Payphones Limited
Directors' report and financial statements
for the year ended 31 December 2013

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Premier Managed Payphones Limited

Company 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

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Premier Managed Payphones Limited

Directors' report for the year ended 31 December 2013

The directors present their report and the accounts for the year ended 31 December 2013.

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.

Results and dividends

The profit for the year, after taxation, amounted to £115,318. No dividends were paid during the year.

Directors

The directors who served during the year are as stated below:

Jayesh Patel

Jayten Patel

Keith Scott

Stephen Martin

Premier Managed Payphones Limited

**Directors' report
for the year ended 31 December 2013**

..... continued

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 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 of the profit or loss of the company for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and 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 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.

In so far as the directors are aware:

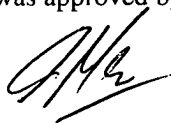
- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Leftley Rowe & Company are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

This report was approved by the Board on 19 September 2014 and signed on its behalf by



Stephen Martin
Director

**Independent auditor's report to the shareholders of
Premier Managed Payphones Limited**

We have audited the financial statements of Premier Managed Payphones Limited for the year ended 31 December 2013 which comprise the profit and loss account, balance sheet, the reconciliation of movements in shareholders' funds and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, 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 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 and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications of our report

Opinion on the 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 2013 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.

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.

**Independent auditor's report to the shareholders of
Premier Managed Payphones Limited**

.....continued

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 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.



.....
Christopher Andrews (senior statutory auditor)
For and on behalf of Leftley Rowe & Company
Chartered Accountants and
Statutory Auditors
19 September 2014

The Heights
59-65 Lowlands Road
Harrow
Middlesex
HA1 3AW

Premier Managed Payphones Limited

**Profit and loss account
for the year ended 31 December 2013**

		Continuing operations	
	Notes	2013	2012
		£	£
Turnover	2	588,808	825,846
Cost of sales		(103,961)	(171,061)
Gross profit		484,847	654,785
Administrative expenses		(357,630)	(476,604)
Operating profit	3	127,217	178,181
Interest payable and similar charges	5	(11,899)	(8,371)
Profit on ordinary activities before taxation		115,318	169,810
Tax on profit on ordinary activities	6	-	-
Profit for the year	12	115,318	169,810

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 7 to 11 form an integral part of these financial statements.

Premier Managed Payphones Limited

**Balance sheet
as at 31 December 2013**

		2013		2012	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	7		-		-
Current assets					
Stocks		35,306		37,273	
Debtors	8	88,085		96,855	
Cash at bank and in hand		47,103		40,834	
		<u>170,494</u>		<u>174,962</u>	
Creditors: amounts falling due within one year	9	<u>(350,299)</u>		<u>(470,085)</u>	
Net current liabilities			<u>(179,805)</u>		<u>(295,123)</u>
Total assets less current liabilities			<u>(179,805)</u>		<u>(295,123)</u>
Deficiency of assets			<u>(179,805)</u>		<u>(295,123)</u>
Capital and reserves					
Called up share capital	11		100		100
Profit and loss account	12		<u>(179,905)</u>		<u>(295,223)</u>
Shareholders' funds	13		<u>(179,805)</u>		<u>(295,123)</u>

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

The financial statements were approved by the Board on 19 September 2014 and signed on its behalf by

Stephen Martin
Director



Registration number 02619538

The notes on pages 7 to 11 form an integral part of these financial statements.

Premier Managed Payphones Limited

Notes to the financial statements for the year ended 31 December 2013

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board.

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

1.2. Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts. This represents the amount of cash collected from payphones and Easitalk and Easiview units during the year, plus an accrual for cash received in payphones but not collected at the year end. Turnover also includes revenue from the sale of payphones, payphone brackets, Easitalk and Easiview units and also from underperforming payphones and terminals in hospitals.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and machinery	-	5 - 15 years
Fixtures, fittings and equipment	-	3 - 8 years
Telephone equipment	-	3 - 4 years

1.4. Stock

Stock is valued at the lower of cost and net realisable value. Cost is determined on the average cost basis. Net realisable value represents estimated selling price less costs to complete and sell. Provision is made for slow moving, obsolete or damaged stock where the net realisable value is less than cost.

1.5. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Premier Managed Payphones Limited

Notes to the financial statements for the year ended 31 December 2013

..... continued

1.6. 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 £179,805 at the Balance Sheet date. The company's parent, 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.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3. Operating profit

	2013	2012
	£	£
Operating profit is stated after charging:		
Depreciation and other amounts written off tangible assets	-	2,264
Auditors' remuneration (Note 4)	-	2,100
	<u> </u>	<u> </u>

4. Auditors' remuneration

	2013	2012
	£	£
Auditors' remuneration	-	2,100
	<u> </u>	<u> </u>

The auditors' remuneration in respect of the audit of these financial statements in the current year was paid by Premier Telesolutions Limited, a fellow group undertaking.

5. Interest payable and similar charges

	2013	2012
	£	£
Included in this category is the following:		
Interest payable on loans < 1 yr	11,899	8,371
	<u> </u>	<u> </u>

Premier Managed Payphones Limited

**Notes to the financial statements
for the year ended 31 December 2013**

..... continued

6. Tax on profit on ordinary activities

Analysis of charge in period	2013	2012
	£	£
Current tax		
UK corporation tax	<u>-</u>	<u>-</u>

Factors affecting tax charge for period

The tax assessed for the period is lower than the main rate of corporation tax in the UK (23%). The differences are explained below:

	2013	2012
	£	£
Profit on ordinary activities before taxation	<u>115,318</u>	<u>169,810</u>
Profit on ordinary activities multiplied by small profits / main rate of corporation tax in the UK of 23% (2012 : 24%)	26,523	40,754
Effects of:		
Capital allowances for period in excess of depreciation	-	543
Group relief	<u>(26,523)</u>	<u>(41,297)</u>
Current tax charge for period	<u>-</u>	<u>-</u>

7. Tangible fixed assets

	Plant and machinery	Fixtures, fittings and equipment	Telephone	Total
	£	£	£	£
Cost				
At 1 January 2013	<u>274,434</u>	<u>12,783</u>	<u>1,197,000</u>	<u>1,484,217</u>
At 31 December 2013	<u>274,434</u>	<u>12,783</u>	<u>1,197,000</u>	<u>1,484,217</u>
Depreciation				
At 1 January 2013	<u>274,434</u>	<u>12,783</u>	<u>1,197,000</u>	<u>1,484,217</u>
At 31 December 2013	<u>274,434</u>	<u>12,783</u>	<u>1,197,000</u>	<u>1,484,217</u>
Net book values				
At 31 December 2013	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2012	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Premier Managed Payphones Limited

**Notes to the financial statements
for the year ended 31 December 2013**

..... continued

8. Debtors	2013	2012
	£	£
Prepayments and accrued income	88,085	96,855

9. Creditors: amounts falling due within one year	2013	2012
	£	£
Amounts owed to group undertaking	226,647	321,722
Other taxes and social security costs	90,976	112,796
Accruals and deferred income	32,676	35,567
	<u>350,299</u>	<u>470,085</u>

10. Provisions for liabilities

At the balance sheet date there is an unrecognised deferred tax asset of £395,881 (2012: £395,881), measured at 20% (2012: 20%). This asset has not been recognised due to uncertainty over future profit levels.

The small profits rate will be unified with the main rate, so from 1 April 2015 there will be only one Corporation Tax rate set at 20%.

11. Share capital	2013	2012
	£	£
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100

12. Equity Reserves	Profit and loss account	Total
	£	£
At 1 January 2013	(295,223)	(295,223)
Profit for the year	115,318	115,318
At 31 December 2013	<u>(179,905)</u>	<u>(179,905)</u>

Premier Managed Payphones Limited

**Notes to the financial statements
for the year ended 31 December 2013**

..... continued

13. Reconciliation of movements in shareholders' funds	2013	2012
	£	£
Profit for the year	115,318	169,810
Opening shareholders' funds	(295,123)	(464,933)
Closing shareholders' funds	<u>(179,805)</u>	<u>(295,123)</u>

14. Related party transactions

This company is exempt under the terms of FRS 8 from disclosing related party transactions with other companies within the group qualifying as related parties, as the consolidated financial statements of Pretel Group Limited, in which the company is included, are publicly available.

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. The consolidated financial statements of this company are available to the public and can be obtained from the company's registered office.