

Company Registration No. 03229746 (England and Wales)

**CARELINE UK MONITORING LIMITED**  
**REVISED DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

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# CARELINE UK MONITORING LIMITED

## COMPANY INFORMATION

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**Directors**

A Davey  
P J Cummings (Appointed 28 June 2011)  
J E Entwistle (Appointed 16 May 2012)

**Secretary**

Peverel Secretarial Limited

**Company number**

03229746

**Registered office**

Queensway House  
11 Queensway  
New Milton  
Hampshire  
United Kingdom  
BH25 5NR

**Auditors**

BDO LLP  
Arcadia House  
Maritime Walk  
Ocean Village  
Southampton  
SO14 3TL

**Bankers**

Bank of Scotland  
2nd Floor  
Pentland House  
8 Lochside Avenue  
Edinburgh  
EH12 9DJ

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# CARELINE UK MONITORING LIMITED

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# CARELINE UK MONITORING LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2011

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The directors present their revised report and financial statements for the year ended 31 December 2011

#### Revised Financial Statements

These revised financial statements replace the original financial statements for the year ended 31 December 2011 which were approved by the board on 24 September 2012. They are now the statutory financial statements of the company for that financial year. In accordance with the Companies Act 2006 ('the Act'), the financial statements have been revised as at the date of the original financial statements and not as at the date of this revision. Accordingly they do not deal with events between these dates.

The original financial statements did not comply with the Act in the following respect: Amounts owed by group companies included an amount which was irrecoverable and should have been fully provided for; the requirement for a provision for these amounts was known at the year end. The effect of the revision is to increase administrative expenses by £4,080,394 and reduce amounts owed by group companies by the same amount. Net assets and the profit for the year have been reduced by £4,080,394.

#### Principal activities and review of the business

The principal activity of the company continued to be that of providing emergency alarm monitoring services.

The Peverel group of companies including Careline UK Monitoring Limited have experienced a period of uncertainty whilst the previous UK parent company, Aztec Opco Developments Limited was in administration.

The directors believe that the future outlook of the company is positive following the Peverel group of companies, including Careline UK Monitoring Limited, being sold to Knight Square Limited on 06 March 2012 as detailed in note 21.

#### Overview

Careline UK Monitoring Limited is the largest emergency monitoring service in the UK with over 130,000 connections which protect customer homes and premises, handling more than 2 million calls a year.

The Directors note that 2011 saw a period of significant investment in the future with the installation of a new call handling system to meet the demands of the company's growing business, with Turnover increasing by 9.8% in 2011. Gross margin remained strong in the year at 70%.

There has also been a sharper focus on credit control in the year and this has resulted in reduced trade debtors days.

There were also significant start up costs incurred in the year regarding the establishment of a new Telehealth monitoring service. The economic benefits of these investments will flow to the company in future periods.

The Directors are pleased to report that as part of the annual independent customer satisfaction survey, 92% of the company's customers reported a satisfaction of 8/10 or higher with the monitoring service delivered by the company in 2011.

#### Financial Review

The following key performance indicators are used to measure the results of the company:

Turnover has increased by 9.8%.

Operating profit has decreased by 203.3% due to fees levied from the parent company during the period of administration and the provision for intercompany bad debts.

#### Risk Analysis

The group relies on the retention of key customers and development of new business in order to maintain business levels and continue to grow. The loss of key trained personnel is a risk, however staff turnover is reducing to acceptable levels through better assessment, recruitment and training.

# CARELINE UK MONITORING LIMITED

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2011

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#### Results and dividends

The results for the year are set out on page 6

#### Post balance sheet events

Note 22 provides information on post balance sheet events affecting the company

#### Future developments

The Peverel group still faces the legacy issues associated with the period of Administration

Following the change in ownership of the group, steps have been taken to establish an on-going commitment to openness and transparency with its customers and stakeholders. Performance will be measured and reported so that progress towards improving customer service can be seen.

The outlook for the company is very promising with a healthy pipeline of new business opportunities. The company is also well placed to exploit the emerging demand in both the Telecare and Telehealth markets.

#### Directors

The following directors have held office since 1 January 2011

A Davey	
P J Cummings	(Appointed 28 June 2011)
L E Middleburgh	(Appointed 28 June 2011 and resigned 2 May 2012)
C A Wadlow	(Appointed 28 June 2011 and resigned 31 August 2012)
K A Edgar	(Appointed 28 June 2011 and resigned 2 May 2012)
N G Bannister	(Resigned 31 March 2011)
D C Edwards	(Resigned 14 July 2011)
J E Entwistle	(Appointed 16 May 2012)

#### Auditors

In accordance with the company's articles, a resolution proposing that BDO LLP be reappointed as auditors of the company will be put at a General Meeting.

#### 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 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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.

# CARELINE UK MONITORING LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2011**

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### Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



A Davey  
Director

20 November 2012

# **CARELINE UK MONITORING LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF CARELINE UK MONITORING LIMITED**

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We have audited the revised financial statements of Careline UK Monitoring Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Balance Sheet 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). These revised financial statements replace the original financial statements approved by the directors on 24 September 2012.

The revised financial statements have been prepared under the Companies (Revision of Defective Accounts and Reports) Regulations 2008 and accordingly do not take account of events which have taken place after the date on which the original financial statements were approved.

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 statement of directors' responsibilities, the directors are responsible for the preparation of the revised 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 revised 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 (APB's) Ethical Standards for Auditors.

We report to you our opinion as to whether the revised financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and are prepared in accordance with the requirements of the Companies Act 2006 as they have effect under the Companies (Revision of Defective Accounts and Reports) Regulations 2008. We also report to you if in our opinion the information given in the revised Directors' Report is consistent with the revised financial statements.

We are also required to report whether in our opinion the original financial statements failed to comply with the requirements of the Companies Act 2006 in respects identified by the directors.

#### **Scope of the audit of financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

In addition, the audit of the revised financial statements includes the performance of procedures to assess whether the revisions made by the directors are appropriate and have been properly made.

#### **Opinion on financial statements**

In our opinion the revised financial statements

- give a true and fair view, seen as at the date the original financial statements were approved, of the state of the company's affairs as at 31 December 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice seen as at the date the original financial statements were approved, and
- have been prepared in accordance with the requirements of the Companies Act 2006 as they have effect under the Companies (Revision of Defective Accounts and Reports) Regulations 2008,

In our opinion, the original financial statements for the year ended 31 December 2011 failed to comply with requirements of the Companies Act 2006 in the respects identified by the directors in the statement contained in the Directors' Report.

# CARELINE UK MONITORING LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### TO THE MEMBERS OF CARELINE UK MONITORING LIMITED

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#### Emphasis of matter - revision of financial statements

In forming our opinion on the revised financial statements, which is not modified, we have considered the adequacy of the disclosure made in the Directors' Report concerning the need to revise the financial statements. The original financial statements were approved on 24 September 2012 and our previous report was signed on that date. We have not performed a subsequent events review for the period from the date of our previous report to the date of this report.

#### Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the revised directors' report for the financial year for which the revised financial statements are prepared is consistent with the revised financial statements.

#### 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



Kim H Hayward (Senior Statutory Auditor)  
for and on behalf of BDO LLP  
Statutory Auditor

26 November 2012

Arcadia House  
Maritime Walk  
Ocean Village  
Southampton  
SO14 3TL

BDO LLP is a limited liability partnership registered in England and Wales (registered number OC305127)

# CARELINE UK MONITORING LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	2011 £	2010 £
<b>Turnover</b>	<b>2</b>	6,051,515	5,512,262
Cost of sales		<u>(1,786,741)</u>	<u>(1,425,763)</u>
<b>Gross profit</b>		4,264,774	4,086,499
Administrative expenses		(2,989,160)	(1,370,549)
Exceptional items		<u>(4,080,394)</u>	<u>-</u>
<b>Administrative expenses</b>		<u>(7,069,554)</u>	<u>(1,370,549)</u>
<b>Operating (loss)/profit</b>	<b>3</b>	(2,804,780)	2,715,950
Other interest receivable and similar income	<b>4</b>	7,477	4,687
Interest payable and similar charges	<b>5</b>	<u>(1,479)</u>	<u>(648)</u>
<b>(Loss)/profit on ordinary activities before taxation</b>		(2,798,782)	2,719,989
Tax on (loss)/profit on ordinary activities	<b>6</b>	<u>16,234</u>	<u>(6,821)</u>
<b>(Loss)/profit for the year</b>	<b>15</b>	<u><u>(2,782,548)</u></u>	<u><u>2,713,168</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

# CARELINE UK MONITORING LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2011

	Notes	2011 £	£	2010 £	£
<b>Fixed assets</b>					
Tangible assets	8	296,430		143,276	
Investments	9	3,689,077		1,189,077	
		<u>3,985,507</u>		<u>1,332,353</u>	
<b>Current assets</b>					
Stocks	10	56,834		89,500	
Debtors	11	1,154,768		4,673,076	
Cash at bank and in hand		378,301		61,473	
		<u>1,589,903</u>		<u>4,824,049</u>	
<b>Creditors' amounts falling due within one year</b>	12	(3,894,167)		(1,692,611)	
<b>Net current (liabilities)/assets</b>			(2,304,264)		3,131,438
<b>Total assets less current liabilities</b>			<u>1,681,243</u>		<u>4,463,791</u>
			<u>1,681,243</u>		<u>4,463,791</u>
<b>Capital and reserves</b>					
Called up share capital	14	1,250,001		1,250,001	
Profit and loss account	15	431,242		3,213,790	
<b>Shareholders' funds</b>	16	<u>1,681,243</u>		<u>4,463,791</u>	

Approved by the Board and authorised for issue on

20/11/12

  
P J Cummings  
Director

Company Registration No 03229746

# CARELINE UK MONITORING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention

#### 1.2 Going concern

These financial statements have been prepared on the going concern basis

#### 1.3 Cashflow

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group

#### 1.4 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

#### 1.5 Turnover

Turnover represents amounts derived from the provision of monitoring services which falls within the company's ordinary activities, stated net of value added tax

Developments that are owned by other group companies are deemed to be related parties within the meaning of FRS8. Turnover derived from these developments amounted to £4,484,717 in the year ended 31 December 2011 (2010 £4,198,015)

#### 1.6 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Land and buildings Freehold	evenly over ten years
Plant and machinery	evenly over five years
Computer equipment	evenly over three/five years

#### 1.7 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

#### 1.8 Investments

Fixed asset investments are stated at cost less provision for diminution in value

#### 1.9 Stock

Stock is valued at the lower of cost and net realisable value

#### 1.10 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable

# CARELINE UK MONITORING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

### 1 Accounting policies

(Continued)

#### 1.11 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

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.

#### 1.12 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006, as it is a subsidiary undertaking of Peverel Building Technologies Limited, a company incorporated in England and Wales, and is included in the consolidated accounts of that company.

### 2 Turnover

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

### 3 Operating (loss)/profit

	2011 £	2010 £
Operating (loss)/profit is stated after charging		
Depreciation of tangible assets	81,780	52,749
Operating lease rentals		
- Plant and machinery	28,354	-
Exceptional items	4,080,394	-
and after crediting		
Profit on disposal of tangible assets	(3,467)	-

Fees payable to the company's auditor in the current and the prior year were paid by fellow subsidiary undertakings.

Exceptional items relate to intercompany bad debt provisions of £4,080,394 (2010: £nil).

### 4 Investment income

	2011 £	2010 £
Bank interest	7,477	4,687

# CARELINE UK MONITORING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

<b>5</b>	<b>Interest payable</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	Other interest	1,479	648
		<u>1,479</u>	<u>648</u>
<b>6</b>	<b>Taxation</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	<b>Total current tax</b>	-	-
		<u>-</u>	<u>-</u>
	<b>Deferred tax</b>		
	Origination and reversal of timing differences	(18,541)	(12,572)
	Effects of changes in tax rates and laws	2,621	-
	Deferred tax adjustments arising in previous periods	(314)	19,393
		<u>(16,234)</u>	<u>6,821</u>
	<b>Factors affecting the tax charge for the year</b>		
	(Loss)/profit on ordinary activities before taxation	(2,798,782)	2,719,989
		<u>(2,798,782)</u>	<u>2,719,989</u>
	(Loss)/profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 26% (2010 - 28%)	(727,683)	761,597
		<u>(727,683)</u>	<u>761,597</u>
	Effects of		
	Non deductible expenses	9,588	2,508
	Fixed asset timing differences	18,541	13,217
	Group relief	(350,411)	(849,456)
	Provisions against group loans	1,060,902	-
	Transfer pricing adjustments	(12,774)	72,453
	Rate change on movement	1,837	-
	Other tax adjustments	-	(319)
		<u>727,683</u>	<u>(761,597)</u>
	<b>Current tax charge for the year</b>	-	-
		<u>-</u>	<u>-</u>
<b>7</b>	<b>Dividends</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	Ordinary interim paid	-	11,000,000
		<u>-</u>	<u>11,000,000</u>

# CARELINE UK MONITORING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

### 8 Tangible fixed assets

	Land and buildings Freehold £	Plant and machinery £	Total £
<b>Cost</b>			
At 1 January 2011	-	398,748	398,748
Additions	22,266	220,131	242,397
Disposals	-	(10,930)	(10,930)
At 31 December 2011	22,266	607,949	630,215
<b>Depreciation</b>			
At 1 January 2011	-	255,472	255,472
On disposals	-	(3,467)	(3,467)
Charge for the year	1,460	80,320	81,780
At 31 December 2011	1,460	332,325	333,785
<b>Net book value</b>			
At 31 December 2011	20,806	275,624	296,430
At 31 December 2010	-	143,276	143,276

# CARELINE UK MONITORING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

### 9 Fixed asset investments

	Shares in subsidiary undertakings £
<b>Cost</b>	
At 1 January 2011	1,189,077
Additions	2,500,000
At 31 December 2011	3,689,077
<b>Net book value</b>	
At 31 December 2011	3,689,077
At 31 December 2010	1,189,077

#### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Subsidiary undertakings	Country of registration or incorporation	Principal activity	Shares held	
			Class	%
Cirrus Communication Systems Limited	England & Wales No 01444995	Maintenance and installation	Ordinary shares	100
Appello Telehealth Limited	England & Wales No 04174104	Dormant	Ordinary shares	100

The share capital in Cirrus Communication Systems Limited is directly held by the company. The share capital in Appello Telehealth Limited is indirectly held.

10 Stocks	2011 £	2010 £
Finished goods and goods for resale	56,834	89,500

# CARELINE UK MONITORING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

<b>11 Debtors</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Trade debtors	106,122	110,876
Amounts owed by parent and fellow subsidiary undertakings	881,209	4,477,309
Other debtors	62,768	-
Prepayments and accrued income	39,149	35,605
Deferred tax asset (see note 13)	65,520	49,286
	<u>1,154,768</u>	<u>4,673,076</u>

Included within other debtors is an amount of £11,999 (2010 £nil) due from related parties

<b>12 Creditors amounts falling due within one year</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Trade creditors	14,324	-
Amounts owed to parent and fellow subsidiary undertakings	2,889,546	372,697
Taxes and social security costs	54,108	120,378
Other creditors	8,276	3,301
Accruals and deferred income	927,913	1,196,235
	<u>3,894,167</u>	<u>1,692,611</u>

### 13 Provisions for liabilities

The deferred tax asset (included in debtors, note 11) is made up as follows

	<b>2011</b>
	<b>£</b>
Balance at 1 January 2011	(49,286)
Profit and loss account	(16,234)
Balance at 31 December 2011	<u>(65,520)</u>

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Decelerated capital allowances	<u>(65,520)</u>	<u>(49,286)</u>

<b>14 Share capital</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Allotted, called up and fully paid		
1,250,001 Ordinary shares of £1 each	<u>1,250,001</u>	<u>1,250,001</u>

# CARELINE UK MONITORING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

### 15 Statement of movements on profit and loss account

	Profit and loss account
	£
Balance at 1 January 2011	3,213,790
Loss for the year	(2,782,548)
Balance at 31 December 2011	<u>431,242</u>

### 16 Reconciliation of movements in shareholders' funds

	2011 £	2010 £
(Loss)/Profit for the financial year	(2,782,548)	2,713,168
Dividends	-	(11,000,000)
Net depletion in shareholders' funds	(2,782,548)	(8,286,832)
Opening shareholders' funds	4,463,791	12,750,623
Closing shareholders' funds	<u>1,681,243</u>	<u>4,463,791</u>

### 17 Contingent liabilities

The Group is party to a composite debenture secured over all of its assets. The Borrower is Aztec Opco Developments Limited, the ultimate UK parent of Careline UK Monitoring Limited. The loan and deferred interest payable outstanding at the Balance Sheet date was £137,748,319 (2010: £131,375,729).

### 18 Financial commitments

At 31 December 2011, the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2012:

	Other 2011 £	2010 £
Operating leases which expire Between two and five years	<u>12,363</u>	<u>-</u>

### 19 Directors' emoluments

The directors were paid by either fellow subsidiary undertakings or related parties, of which they are also directors.

# CARELINE UK MONITORING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

### 20 Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was

	2011 Number	2010 Number
Office and Management	85	77

#### Employment costs

	2011 £	2010 £
Wages and salaries	1,778,671	1,465,018
Social security costs	164,892	130,611
Other pension costs	24,653	19,723
	1,968,216	1,615,352

### 21 Control

The parent company of this group is Peverel Building Technologies Limited. Peverel Building Technologies Limited is the smallest and largest group for which group financial statements are prepared and are available to the public and may be obtained from Companies House, Cardiff.

Up until the 14 March 2011 the UK parent undertaking was Aztec Opco Developments Limited, a company registered in England and Wales. At that time, the ultimate parent undertaking was Euro Investments Overseas Inc, a company registered in the British Virgin Islands with the ultimate controlling party being the Tchenguiz Family Trust.

On the 14 March 2011, Aztec Opco Developments Limited was placed into administration and the ultimate controlling party became Simon Appell, Alistair Beveridge and Anne O'Keefe each of Zolfo Cooper LLP.

Upon successful sale of the Peverel Group on 06 March 2012 by Zolfo Cooper LLP, the company's ultimate parent undertaking and controlling party is Knight Square Limited, a company registered in England and Wales under registration number 07925023.

# **CARELINE UK MONITORING LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2011**

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### **22 Post balance sheet events**

In relation to the Sale and Purchase Agreement and the Kingsborough Insurance Services Limited Sale and Purchase Agreement, Capita Trust Company Limited and Capita Asset Services (Ireland) Limited signed a Deed of Release on the 5 March 2012 with Peverel Group Limited (In Administration), Peverel Limited (In Administration), Kingsborough Insurance Services Limited, Sonata Insurance Services Limited and the Released Parties as defined in Schedule 1 of the said Deed of Release. The Composite Debenture charge which was created on the Opco group of companies on 30 November 2007 was released and satisfied under the said Deed of Release.

On 5 March 2012, Knight Midco Limited and its subsidiaries entered into a Multicurrency Term and Revolving facilities agreement with The Royal Bank of Scotland plc and National Westminster Bank plc.

On 06 March 2012 various assets and liabilities of Peverel Group Limited and Peverel Limited, including Careline UK Monitoring Limited, were sold to Knight Diamond Limited (subsequently renamed Peverel Services Limited).

On 12 March 2012 the company purchased 500,000 ordinary £1 shares at par in its subsidiary undertaking Cirrus Communication Systems Limited.

### **23 Related party relationships and transactions**

The company has taken advantage of the exemption available in accordance with FRS 8 'Related party disclosures' not to disclose transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of the group to which it is party to the transactions.

Interphone Limited, a company incorporated in England and Wales, is regarded as a related party, due to it having a common ultimate parent undertaking.

During the year costs were incurred by the company on behalf of Interphone Limited. These were recharged at cost and amounted to £19,998 (2010 £46,995). At 31 December 2011 the balance due from Interphone Limited was £11,999 (2010 £nil).

During the year the company made purchases of £33 (2010 £17) from Interphone Limited. At 31 December 2011 the balance due to Interphone Limited was £nil (2010 £nil).