

Financial Statements Phones International Group Holdings Limited

For the year ended 30 April 2011

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COMPANIES HOUSE

Registered number: 04419913

Company Information

Company number	04419913
Registered office	Network House Third Avenue Globe Park Marlow Buckinghamshire SL7 1LY
Directors	P Jones S Vincent G McPherson
Company secretary	J Holdgate
Bankers	Barclays Bank Plc PO Box 2481 Reading Berkshire RG1 1AX
Solicitors	Osborne Clarke 2 Temple Back East Temple Quay Bristol Avon BS1 6EG
Auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Churchill House Chalvey Road East Slough Berkshire SL1 2LS

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Directors' report

For the year ended 30 April 2011

The directors present their report and the financial statements for the year ended 30 April 2011

Principal activities

The company is a holding company and does not trade with third parties

On 5 July 2010 the entire issued share capital of the company was acquired by PDJ (Shelf 4) Limited

Results and dividends

The profit for the year, after taxation, amounted to £17,994,603 (2010 - £2,999,962)

Dividends of £15,242,880 (2010 £3,000,000) were paid during the year

Directors

The directors who served during the year were

P Jones
S Vincent
G McPherson

No director had during the year a material interest in any contract which was significant in relation to the company's business

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 judgments and 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.

Directors' report

For the year ended 30 April 2011

Provision of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information

Small company exemption

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities

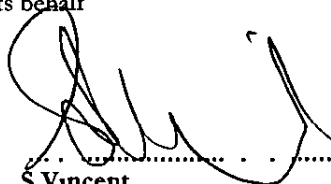
Auditor

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier

This report was approved by the board and signed on its behalf



.....
P Jones
Director
Date 30 NOVEMBER 2011



.....
S Vincent
Director

Independent auditor's report to the members of Phones International Group Holdings Limited

We have audited the financial statements of Phones International Group Holdings Limited for the year ended 30 April 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).

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 Auditor's 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 Statement of directors' responsibilities, 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

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at www.frc.org.uk/apb/scope/private.cfm.

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 30 April 2011 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 members of Phones International Group Holdings Limited

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

Grant Thornton UK LLP

Paul Creasey BA FCA (Senior statutory auditor)
for and on behalf of

Grant Thornton UK LLP

Chartered Accountants

Statutory Auditor

Slough

Date *9 January 2012*

Profit and loss account

For the year ended 30 April 2011

	Note	2011 £	2010 £
Administrative expenses		-	(38)
Operating profit/(loss)		-	(38)
Income from other fixed asset investments		17,994,603	3,000,000
Profit on ordinary activities before taxation		17,994,603	2,999,962
Tax on profit on ordinary activities	3	-	-
Profit for the financial year	8	17,994,603	2,999,962

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the profit and loss account

The notes on pages 7 to 12 form part of these financial statements

Balance sheet

As at 30 April 2011

	Note	£	2011 £	£	2010 £
Fixed assets					
Investments	4		7,842,581		7,842,581
Current assets					
Debtors	5	9,929		-	
Cash at bank		72		72	
		<u>10,001</u>		<u>72</u>	
Creditors amounts falling due within one year	6	-		(2,741,794)	
Net current assets/(liabilities)			<u>10,001</u>		<u>(2,741,722)</u>
Total assets less current liabilities			<u>7,852,582</u>		<u>5,100,859</u>
Capital and reserves					
Called up share capital	7		1		15,255
Share premium account	8		-		4,634,254
Capital redemption reserve	8		-		5,000
Profit and loss account	8		7,852,581		446,350
Shareholders' funds	9		<u>7,852,582</u>		<u>5,100,859</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30/11/2011



P Jones
Director



S Vincent
Director

The notes on pages 7 to 12 form part of these financial statements

Notes to the financial statements

For the year ended 30 April 2011

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards

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

The principal accounting policies of the company are set out below. The policies have remained unchanged from the previous year. The directors have reviewed the principal accounting policies and consider them to be appropriate to the company.

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.3 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.4 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.5 Going concern

The Directors have reviewed the Company's business plan and forecasts for the period to November 2012. As a result the Directors believe that the Company has adequate resources to continue operations for the foreseeable future. Accordingly, we continue to adopt the going concern basis in preparing the Financial Statements.

Notes to the financial statements

For the year ended 30 April 2011

1. Accounting policies (continued)

1.6 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

2. Staff costs

The company has no employees other than the directors, who did not receive any remuneration (2010 - £NIL).

3. Taxation

	2011 £	2010 £
UK corporation tax charge on profit for the year	-	-

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2010 - lower than) the standard rate of corporation tax in the UK of 27.84% (2010 - 28%). The differences are explained below.

	2011 £	2010 £
Profit on ordinary activities before tax	17,994,603	2,999,962
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 27.84% (2010 - 28%)	5,009,697	839,989
Effects of		
Group relief	-	11
Income not subject to tax	(5,009,697)	(840,000)
Current tax charge for the year (see note above)	-	-

Notes to the financial statements

For the year ended 30 April 2011

3. Taxation (continued)

Factors that may affect future tax charges

There were no factors that may affect future tax charges

4. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 May 2010 and 30 April 2011	7,842,581
Net book value	
At 30 April 2011	7,842,581
At 30 April 2010	7,842,581

Subsidiary undertakings

The following were subsidiary undertakings of the company

Name	Class of shares	Holding
Phones International Group Limited	Ordinary	100%
Data Select Limited*	Ordinary	100%
Newmediacom Limited*	Ordinary	100%
Virtual Phone Shop Limited*	Ordinary	100%

The aggregate of the share capital and reserves as at 30 April 2011 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Phones International Group Limited	(122,314)	10,476,761
Data Select Limited*	4,577,631	4,611,292
Newmediacom Limited*	6,258	(29)
Virtual Phone Shop Limited*	1	-

* By virtue of shareholding in Phones International Group Limited

The above companies are engaged in the sale and distribution of wireless technology products, web site design and hosting solutions and fulfilment services

Notes to the financial statements

For the year ended 30 April 2011

5. Debtors

	2011	2010
	£	£
Amounts owed by group undertakings	9,929	-

6. Creditors:

Amounts falling due within one year

	2011	2010
	£	£
Amounts owed to group undertakings	-	2,741,794

7. Share capital

	2011	2010
	£	£
Authorised		
231,240 Ordinary shares of £0.10 each	23,124	23,124
Allotted, called up and fully paid		
10 (2010 - 152,550) Ordinary shares of £0.10 each	1	15,255

In accordance with section 642 of the Companies Act 2006, the company reduced its allotted share capital from 152,550 ordinary shares to 10 ordinary shares during the year

8. Reserves

	Share premium account	Capital redemption reserve	Profit and loss account
	£	£	£
At 1 May 2010	4,634,254	5,000	446,350
Profit for the year	-	-	17,994,603
Dividends Equity capital	-	-	(15,242,880)
Transfer from share capital	-	-	15,254
Capital redemption transfer	-	(5,000)	5,000
Capital reduction	(4,634,254)	-	4,634,254
At 30 April 2011	-	-	7,852,581

Notes to the financial statements

For the year ended 30 April 2011

9. Reconciliation of movement in shareholders' funds

	2011 £	2010 £
Opening shareholders' funds	5,100,859	5,100,897
Profit for the year	17,994,603	2,999,962
Dividends (Note 10)	(15,242,880)	(3,000,000)
Shares redeemed	(15,254)	-
Capital reduction - share capital	15,254	-
Share premium - redeemed	(4,634,254)	-
Capital reduction - share premium	4,634,254	-
Capital redemption reserve - redeemed	(5,000)	-
Capital reduction - capital redemption reserve	5,000	-
Closing shareholders' funds	<u>7,852,582</u>	<u>5,100,859</u>

10. Dividends

	2011 £	2010 £
Dividends paid on equity capital	<u>15,242,880</u>	<u>3,000,000</u>

Dividends of £15,242,880 (2010 £196 65) per share were paid during the year

11. Capital commitments

The company had no capital commitments at 30 April 2011 or 30 April 2010

12. Contingent liabilities

There is a group banking arrangement for the companies Phones International Group Limited and Data Select Limited supported by an inter company cross guarantee. The company has a contingent liability of £nil (2010 £nil) in respect of this arrangement.

There were no other contingent liabilities at 30 April 2011 or 30 April 2010

Notes to the financial statements

For the year ended 30 April 2011

13. Ultimate parent undertaking and controlling party

The directors consider that the ultimate and immediate parent undertaking of this company is PDJ (Shelf 4) Limited, which is registered in England and Wales

The largest and smallest group of undertakings for which group financial statements have been drawn up is that headed by PDJ (Shelf 4) Limited

The ultimate controlling related party of the company is P Jones as a result of being the sole shareholder in the parent company, Data Select Network Solutions Limited (formally Oval (2074) Limited) up to 5 July 2011, and being the sole shareholder of PDJ (Shelf 4) Limited following its acquisition of Phones International Group Holdings Limited on that date

14. Related party transactions

As a wholly owned subsidiary of PDJ (Shelf 4) Limited, the company is exempt from the requirements of Financial Reporting Standard No 8 'Related Party Disclosures' to disclose transactions with other members of the group