

Alert Communications Group Holdings Limited

Annual report and financial statements

For the year ended 31 March 2017

Company registration number:

05861215



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Directors and advisors

Directors

Philip Ashbrook
Jeffrey Lewis
John Cavill
Karen Stewart

Secretary

Nicholas Borrett

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Atria One
144 Morrison Street
Edinburgh
EH3 8EX

Bankers

Barclays Bank Plc
1 Churchill Place
Level 27
London
E14 5HP

Registered Office

33 Wigmore Street
London
W1U 1QX

The directors present their strategic report of the company for the financial year ended 31 March 2017.

Principal activities

The principal activity of the company is that of a holding company and it is expected that this will continue for the foreseeable future.

Business review and future developments

The directors expect the Alert Communications group of which the company is a member to continue to fulfil its contractual obligations and to operate in line with the Alert Communications Group model. It is expected that this will continue for the foreseeable future and through to the end of the contract concession period.

Key performance indicators

The directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the performance or position of the company.

By order of the board:



Karen Stewart
Director
29th September 2017

Directors' report

The directors present their directors' report and the audited financial statements of the company for the financial year ended 31 March 2017.

Results and dividends

The company made a loss of £259,061 for the financial year (2016: loss £259,061).

The directors do not recommend a dividend for the year ended 31 March 2017 (2016: £nil)

Directors of the company

The directors who held office during the year and up to the date of signing the financial statements were as follows:

Philip Ashbrook

Jeffrey Lewis

John Cavill

Karen Stewart

Financial Risk Management Objectives and Policies

The Company's principal financial instruments consist of loans. The main purpose of these financial instruments is to manage the Company's funding and liquidity requirements. These risks are managed in accordance with Board approved policies

Going Concern

The financial statements have been prepared on a going concern basis as the company's financial projections indicate that sufficient funds will be generated to allow on-going obligations to be met as they fall due.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report, 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), 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 comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the 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.

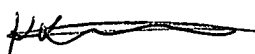
In so far as the directors are aware:

- (a) there is no relevant audit information of which the company's auditors are unaware; and
- (b) the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Reappointment of auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office.

The Directors' report was approved by the board on 29th September 2017 and signed on its behalf by:



Karen Stewart
Director

Independent auditors' report to the members of Alert Communications Group Holdings Limited
Report on the financial statements

Our opinion

In our opinion, Alert Communications (2006) Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2017 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.
-

What we have audited

The financial statements, included within the Annual Report and financial statements (the "Annual Report"), comprise:

- the balance sheet as at 31 March 2017;
- the income statement and statement of comprehensive income 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.

Opinions 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Directors' Report. We have nothing to report in this respect.

Independent auditors' report to the members of Alert Communications Group Holdings Limited (continued)

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.

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.

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.

Independent auditors' report to the members of Alert Communications Group Holdings Limited (continued)

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. With respect to the Strategic Report and Directors' Report, we consider whether those reports include the disclosures required by applicable legal requirements.



Paul Cheshire (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh

4 OCTOBER 2017

Alert Communications Group Holdings Limited**Income statement and Statement of comprehensive income**
For the year ended 31 March 2017

Income statement

	Notes	2017 £	2016 £
Interest receivable and similar income	2	458,880	483,870
Interest payable and similar charges	2	(782,706)	(807,696)
Loss on ordinary activities before taxation		(323,826)	(323,826)
Tax on loss on ordinary activities	3	64,765	64,765
Loss for the financial year		(259,061)	(259,061)

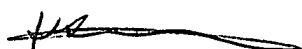
Statement of comprehensive income

	2017 £	2016 £
Loss for the financial year	(259,061)	(259,061)
Total comprehensive expense for the year	(259,061)	(259,061)

Balance sheet as at 31 March 2017

	Notes	2017 £	2016 £
Non-current assets			
Investments	4	6,785,000	6,785,000
		<u>6,785,000</u>	<u>6,785,000</u>
Current assets			
Debtors - amounts falling due after more than one year	5	2,947,054	3,043,137
Debtors - amounts falling due within one year	5	927,392	991,788
		<u>3,874,446</u>	<u>4,034,925</u>
Creditors - amounts falling due within one year	6	(8,121,522)	(7,926,857)
Net current assets		<u>(4,247,076)</u>	<u>(3,891,932)</u>
Total assets less current liabilities		2,537,924	2,893,068
Creditors - amounts falling due after more than one year	7	(2,947,054)	(3,043,137)
Net assets		<u>(409,130)</u>	<u>(150,069)</u>
Capital and reserves			
Called-up share capital	8	10	10
Profit and loss account		<u>(409,140)</u>	<u>(150,079)</u>
Total shareholders' funds / (deficit)		<u>(409,130)</u>	<u>(150,069)</u>

The financial statements on pages 9 – 18 were approved by the board of directors and signed on its behalf by:



Karen Stewart
Director

29th September 2017

Statement of changes in equity

Statement of changes in equity
for the year ended 31 March 2017

	Called-up share capital	Income statement	Total shareholders' funds / (deficit)
	£	£	£
Balance at 1 April 2015	10	108,982	108,992
Loss and total comprehensive expense for the year	-	(259,061)	(259,061)
Balance at 31 March 2016	10	(150,079)	(150,069)
Loss and total comprehensive expense for the year	-	(259,061)	(259,061)
Balance at 31 March 2017	10	(409,140)	(409,140)

1. Accounting policies

(a) Statement of compliance

The individual financial statements of Alert Communications Group Holdings Limited 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 and the Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 (SI 2015/980).

(b) General information

Alert Communications Group Holdings Limited ('the company') is incorporated and domiciled in the UK. The address of its registered office is 33 Wigmore Street, London, W1U 1QX.

The principal activity of the company is that of a holding company and it is expected that this will continue for the foreseeable future.

The company's functional and presentational currency is the pound sterling.

(c) Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed further in the accounting policies.

The accounting policies stated below have been consistently applied to the years presented, unless otherwise stated.

(d) Disclosure exemptions

The company is a wholly-owned subsidiary of BIIF Holdco Limited and is included in the consolidated financial statements of BIIF Holdco Limited which are publicly available. Consequently, the company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006

The company has taken advantage of the exemption in FRS 102 Section 7 'Statement of Cash Flows' part 1B, which states that a small company is not required to prepare a cash flow statement.

Exemption from preparing Group accounts

The Company is part of a small group. The company has taken advantage of the exemption provided by section 398 of the Companies Act 2006, early applying Statutory Financial Instrument 2015 No. 980 The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015, and has not prepared Group accounts.

1. Accounting policies (continued)

(e) Director's emoluments and employees

The company has no employees.

The directors received no remuneration during the financial year from the company (2016: Nil). Amounts were paid to related parties for the provision of directors' services were paid by another group company. Details of the provision of services can be found in the financial statements of Alert Communication Limited.

(f) Auditors remuneration

Auditors' remuneration for audit services is borne by another group company which makes no recharge to the Company.

(g) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

There are no significant judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty are as follows:

h) Impairment of assets

The carrying value of those assets recorded in the Company's balance sheet, at amortised cost, could be materially reduced where circumstances exist which might indicate that an asset has been impaired and an impairment review is performed. Impairment reviews consider the fair value and or value in use of the potentially impaired asset or assets and compares that with the carrying value of the asset or assets in the balance sheet. Any reduction in value arising from such a review would be recorded in the statement of comprehensive income. Impairment reviews involve the significant use of assumptions. Consideration has to be given as to the price that could be obtained for the asset or assets, or in relation to a consideration of value in use, estimates of the future cash flows that could be generated by the potentially impaired asset or assets, together with a consideration of an appropriate discount rate to apply to those cash flows.

1. Accounting policies (continued)

(i) Income tax

Taxation expense for the period comprises 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 equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation 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.

(i) Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price and subsequently at amortised cost, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

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

Notes to the financial statements (continued)

1. Accounting policies (continued)*(i) Financial instruments (continued)*

financial liabilities are included in the statement of comprehensive income. 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.

(j) Investments

Investments are carried at cost less provisions for impairment. Investments are tested for impairment when an event that might affect asset values has occurred. An impairment loss is recognised to the extent that the carrying amount cannot be recovered either by selling the asset or by the discounted future cash flows from the investment.

2. Interest receivable / (payable) and similar income / (charges)

	2017 £	2016 £
Interest receivable and similar income:		
Loan interest receivable	458,880	483,870
	<u>458,880</u>	<u>483,870</u>
Interest payable and similar charges:		
Subordinated loan interest	(782,706)	(807,696)
	<u>(782,706)</u>	<u>(807,696)</u>
Net interest payable and similar charges	<u>(323,826)</u>	<u>(323,826)</u>

3. Tax on loss on ordinary activities

	2017 £	2016 £
Current tax		
UK Corporation tax on loss for the financial year	64,765	64,765
Total tax credit	<u>64,765</u>	<u>64,765</u>

The tax assessed for the year is the same (2016: same) as the standard effective rate of corporation tax in the UK for the year ended 31 March 2017 of 20% (2016: 20%) as set out below:

	2016 £	2015 £
Loss on ordinary activities before taxation	323,826	323,826
Tax on loss on ordinary activities at standard UK corporation tax rate of 20% (2016: 20%)	64,765	64,765
Total tax credit	<u>64,765</u>	<u>64,765</u>

4. Investments

Cost	Total £
At 1 April 2016	6,785,000
At 31 March 2017	6,785,000

The company owns the whole of the issued ordinary share capital of Alert Communications (Holdings) Limited, a company incorporated in the UK. The principal activity of Alert Communications (Holdings) Limited is that of a holding company. The directors believe that the carrying value of the investments is supported by their underlying future cashflows of Alert Communications (Holdings) Limited.

5. Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Amounts owed by subsidiary undertakings	831,310	766,545
Amounts owed by group undertakings	96,082	225,243
	927,392	991,788
Amounts falling due after more than one year:		
Amounts owed by group undertakings	2,947,054	3,043,137

No interest is charged on amounts owed by subsidiary undertakings due within one year and the amount is payable on demand.

No interest is charged on amounts owed by group undertakings due within one year and the amount is payable on demand.

Interest on the amounts owed by subsidiary undertakings, due after one year, is charged at 14.04% per annum on the basis of a 365 day year.

A deferred tax asset of £3,681 has not been recognised in respect of the carried forward losses of £21,650 as there are no taxable profits arising in the foreseeable future against which they could be offset.

6. Creditors - amounts falling due within one year

	2017 £	2016 £
Subordinated secured loan notes 2030 (note 7)	96,082	225,243
Amounts owed to subsidiary undertakings	8,025,440	7,701,614
	8,121,522	7,926,857

Interest of 6.9% per annum is charged on a principal loan amount of £4,693,137 which is included within the amounts owed to subsidiary undertakings. The amount is repayable on demand.

Notes to the financial statements (continued)

7. Creditors - amounts falling due after more than one year

	2017 £	2016 £
Subordinated secured loan notes 2030	2,947,054	3,043,137

	2017 £	2016 £
Borrowings		

Subordinated secured loan notes 2030	3,043,137	3,268,380
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	2017 £	2016 £
Maturity of debt		
In one year or less, or on demand	96,082	225,243
In more than one year, but not more than two years	223,667	96,082
In more than two years, but not more than five years	688,329	692,266
In more than five years	2,035,059	2,254,789
	3,043,137	3,268,380

The subordinated secured loan notes 2030 are secured by way of a floating charge over the assets of the company and by way of a floating charge over the assets and a fixed charge over the shares of Alert Communications Limited. Interest on the secured loan notes is charged at fixed rate 14.04% per annum on the basis of a 365 day year

The secured loan notes will be redeemed in instalments at face value starting from 30 March 2009 through to and including 30 March 2030.

8. Called-up share capital

	2017 £	2016 £
Allotted and fully paid		
10 (2016: 10) ordinary shares of £1 each	10	10

9. Related party disclosures

The company is a wholly-owned subsidiary of BIIF Holdco Limited owned by and has taken advantage of the exemption in section 33 of FRS 102 'Related Party Disclosures', that allows it not to disclose transactions with wholly owned members of a group.

BIIF LP holds 80% of the issued share capital of Alert Communications Group Holdings Limited as well as 100% of the Subordinated Secured Loan Notes 2030 balance of £3,043,137 as at 31 March 2017 (2015: £3,268,379).

Disclosure of related party transactions that the directors have with the Alert Communications group which is consolidated at BIIF Holdco Limited are included in the accounts of that entity.

10. Ultimate parent undertaking

The Company's immediate parent company and controlling entity is BIIF LP. BIIF LP is owned by a number of investors, with no one investor having individual control. The address from which copies of these financial statements are available to the public is 54 Lombard Street, London, EC3P 3AH.