

Alert Communications Group Holdings Limited

Annual report and financial statements

For the year ended 31 March 2015

Company registration number:

05861215

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Directors' report and financial statements for the year ended 31 March 2015

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Directors and advisors

Directors

Philip Ashbrook
Jeffrey Lewis
BIIF Corporate Services Limited
Elizabeth Narey

Secretary

Nicholas Borrett

Auditor

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 2015.

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.

The directors present their directors' report and the audited financial statements of the company for the financial year ended 31 March 2015.

Results and dividends

The company made a loss of £255,823 for the financial year (2014: loss £249,346).
The directors do not recommend a dividend for the year ended 31 March 2015 (2014: £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	Appointed 25 July 2014
Richard Hoile	Appointed 19 March 2014 Resigned 25 July 2014
Jeffrey Lewis	
BIIF Corporate Services Limited	
Elizabeth Narey	
Stephen Barrett	Resigned 10 March 2015

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

Statement of Directors' Responsibilities in respect of the Directors' report and financial statements

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 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.

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 he ought to have taken as a director in order to make himself 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' responsibilities were approved by the board on 24th September 2015 and signed on its behalf by:



Elizabeth Narey
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 Group Holdings 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 2015 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

Alert Communications Group Holdings Limited's financial statements comprise:

- the balance sheet as at 31 March 2015;
- the profit and loss accounts 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 applicable law and United Kingdom Accounting Standards (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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, 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.

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:

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.

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



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

28 September 2015

Alert Communications Group Holdings Limited**Profit and loss account**
For the year ended 31 March 2015

	Notes	2015 £	2014 £
Interest receivable and similar income	2	502,115	519,585
Interest payable and similar charges	2	(825,941)	(843,411)
Loss on ordinary activities before taxation		(323,826)	(323,826)
Tax on loss on ordinary activities	3	68,003	74,480
Loss for the financial year	9	(255,823)	(249,346)

There is no difference between the loss on ordinary activities before taxation and the loss for the financial year stated above and their historical cost equivalents.

The Company has no recognised gains or losses other than included in the results above, which all relate to continuing activities, and therefore no separate statement of total recognised gains and losses has been presented.

Alert Communications Group Holdings Limited

Company registered number: 05861215

Balance sheet as at 31 March 2015

	Notes	2015 £	2014 £
Fixed assets			
Investments	4	<u>6,785,000</u>	6,785,000
		<u>6,785,000</u>	6,785,000
Current assets			
Debtors - amounts falling due after more than one year	5	3,268,379	3,446,367
Debtors - amounts falling due within one year	5	<u>879,769</u>	763,725
		<u>4,148,148</u>	4,210,092
Creditors - amounts falling due within one year	6	<u>(7,555,777)</u>	(7,183,910)
Net current assets		<u>(3,407,629)</u>	(2,973,818)
Total assets less current liabilities		3,377,371	3,811,182
Creditors - amounts falling due after more than one year	7	<u>(3,268,379)</u>	(3,446,367)
Net assets		<u>108,992</u>	364,815
Capital and reserves			
Called-up share capital	8	10	10
Profit and loss account	9	<u>108,982</u>	364,805
Total shareholders' funds	9	<u>108,992</u>	364,815

The financial statements on pages 8 – 13 were approved by the board of directors and signed on its behalf by:



Elizabeth Narey
Director

24th September

1. Accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of preparation

These financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. 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.

Group financial statements

The financial statements contain information about Alert Communications Group Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a subsidiary. The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

Cash flow statement

The company has taken advantage of the exemption in Financial Reporting Standard 1 (revised 1996) to dispense with the requirement to prepare a cash flow statement in its financial statements as a consolidated cash flow statement is included in the financial statements of the ultimate parent company.

Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted as at the balance sheet date.

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)

	2015 £	2014 £
Interest receivable and similar income:		
Loan interest receivable	502,115	519,585
	502,115	519,585
Interest payable and similar charges:		
Subordinated loan interest	(825,941)	(843,411)
	(825,941)	(843,411)
Net interest and similar charges	(323,826)	(323,826)

3. Tax on loss on ordinary activities

	2015 £	2014 £
Current tax		
UK Corporation tax on loss for the financial year	68,003	74,480
Current tax credit for the financial year	68,003	74,480

The tax assessed for the year is the same (2014: same) as the standard effective rate of corporation tax in the UK for the year ended 31 March 2015 of 21% (2014: 23%) as set out below:

	2015 £	2014 £
Loss on ordinary activities before taxation	323,826	323,826
Tax on loss on ordinary activities at standard UK corporation tax rate of 21% (2014: 23%)	68,003	74,480
Current tax credit for the year	68,003	74,480

4. Investments

Cost	Total £
At 1 April 2014	6,785,000
At 31 March 2015	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 net assets.

5. Debtors

	2015 £	2014 £
Amounts falling due within one year:		
Amounts owed by parent company	701,780	633,777
Amounts owed by subsidiary undertakings	177,989	129,948
	879,769	763,725
Amounts falling due after more than one year:		
Amounts owed by subsidiary undertakings	3,268,379	3,446,367
	3,268,379	3,446,367

No interest is charged on amounts owed by subsidiary 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.

Notes to the financial statements (continued)

6. Creditors - amounts falling due within one year

	2015 £	2014 £
Subordinated secured loan notes 2030 (note 7)	177,989	129,948
Amounts owed to subsidiary undertakings	<u>7,377,788</u>	<u>7,053,962</u>
	<u>7,555,777</u>	<u>7,183,910</u>

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.

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

	2015 £	2014 £
Subordinated secured loan notes 2030	<u>3,268,379</u>	<u>3,446,367</u>
	<u>3,268,379</u>	<u>3,446,367</u>

	2015 £	2014 £
Borrowings		
Subordinated secured loan notes 2030	<u>3,446,368</u>	<u>3,576,315</u>
	<u>3,446,368</u>	<u>3,576,315</u>

	2015 £	2014 £
Maturity of debt		
In one year or less, or on demand	177,989	129,948
In more than one year, but not more than two years	225,243	177,989
In more than two years, but not more than five years	543,417	544,992
In more than five years	<u>2,499,719</u>	<u>2,723,386</u>
	<u>3,446,368</u>	<u>3,576,315</u>

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

	2015 £	2014 £
Allotted and fully paid		
10 (2014: 10) ordinary shares of £1 each	10	10

9. Reconciliation of movements in shareholders' funds and reserves

	Called up share capital £	Profit and loss account £	Total £
At 1 April 2014	10	364,805	364,815
Loss for the financial year	-	(255,823)	(255,823)
At 31 March 2015	10	108,982	108,992

10. Related party disclosures

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 £3,446,368 as at 31 March 2015 (2014: £3,576,315).

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.

11. 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.