Blue Fire Communications Limited

Directors' report and financial statements

Registered number 06956139

For the year ended 31 May 2017

Contents

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 May 2017.

Principal activities

The principal activity of the Company was that of a supplier of telephony solutions.

Business review

The Company was dormant throughout the year. No significant change in the activity of the Company is envisaged in the forthcoming year.

Results and dividends

The results for the period are set out in the profit and loss account and other comprehensive income on page 5. The loss for the financial year of £Nil *(2016: loss £6,000)* has been transferred to reserves.

The directors do not recommend the payment of a dividend *(2016: £Nil)*.

Directors

The directors who served during the year were as follows:

CCH Guillaume
DS Bailey (resigned 6 March 2017)
CP Ralph (appointed 6 March 2017)

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed and KPMG LLP will therefore continue in office.

By order of the board

CCH Guillaume
Director

Buckholt Drive
Warndon
Worcester
WR4 9SR

28 September 2017

Statement of directors' responsibilities in respect of the directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including *FRS 101 Reduced Disclosure Framework.*

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business. (As explained in note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.)

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

KPMG LLP
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

Independent auditor's report to the members of Blue Fire Communications Limited

We have audited the financial statements of Blue Fire Communications Limited for the year ended 31 May 2017 set out on pages 5 to 12. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) including *FRS 101 Reduced Disclosure Framework.*

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 directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, 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 Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

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 31 May 2017 and of its result for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter – non-going concern basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements which explains that the financial statements are now not prepared on the going concern basis for the reasons set out in that note.

Opinion on other matter prescribed by the Companies Act 2006

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

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

Independent auditor's report to the members of Blue Fire Communications Limited
(continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

Stuart Smith (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

28 September 2017

Profit and loss account and other comprehensive income
for the year ended 31 May 2017

	Note	2017 £000	2016 £000
Turnover	1,2	-	27
Cost of sales		-	(18)
Gross profit		-	9
Administrative expenses		-	(17)
Operating loss		-	(8)
Interest receivable and similar income	6	-	-
Loss before taxation	3	-	(8)
Taxation	7	-	2
Loss for the financial year		-	(6)
Other comprehensive income		-	-
Total comprehensive expense for the year		-	(6)

There were no recognised gains or losses in the year other than the result for the year as shown above. During the year the company discontinued trading activities.

The notes on pages 8 to 12 form an integral part of the financial statements.

Balance sheet
At 31 May 2017

	Note	2017 £000	£000	2016 £000	£000
Current assets					
Debtors	8	117		120	
Cash at bank and in hand		-		-	
		117		120	
Creditors: Amounts falling due within one year	9	(52)		(55)	
Net current assets			65		65
Total assets less current liabilities			65		65
Capital and reserves					
Called up share capital	10		1		1
Profit and loss account			64		64
Equity shareholders' funds			65		65

The notes on pages 8 to 12 form an integral part of the financial statements.

These financial statements were approved by the board of directors on 28 September 2017 and were signed on its behalf by:

CCH Guillaume
Director

Company number: 06956139

Statement of Changes in Equity

	Called up share capital £000	Profit and loss account £000	Total equity £000
Balance at 1 June 2015	1	70	71
Total comprehensive income for the year			
Loss for the year	-	(6)	(6)
Balance at 31 May 2016	**1**	**64**	**65**
Balance at 1 June 2016	1	64	65
Total comprehensive income for the year			
Result for the year	-	-	-
Balance at 31 May 2017	**1**	**64**	**65**

Notes

(forming part of the financial statements)

1 Accounting policies

Blue Fire Communications Limited (the "Company") is a company incorporated and domiciled in the UK. The registered address is Buckholt Drive, Warndon, Worcester WR4 9SR.

Basis of preparation

During the year ended 31 May 2016, the directors made the decision to cease all trading. Therefore, all trading arrangements with customers and suppliers were ended during that year. As they do not intend to trade, the directors have not prepared the financial statements on a going concern basis. No adjustments were necessary to the amounts at which the remaining net assets are included in these financial statements.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework ("FRS 101")*. The amendments to FRS 101 (2016/16 Cycle) issued in July 2016 and effective immediately have been applied.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, OM Topco Limited includes the Company in its consolidated financial statements. The consolidated financial statements of OM Topco Limited are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from the Company's registered address at 1 Le Marchant Street, St Peter Port, Guernsey GY1 2JJ.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel.

As the consolidated financial statements of OM Topco Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures.*

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 14.

1.1 Measurement convention

The financial statements are prepared on the break up basis.

Notes *(continued)*

1 Accounting policies *(continued)*

1.2 Going concern

During the year ended 31 May 2016, the directors made the decision to cease all trading. Therefore, all trading arrangements with customers and suppliers were ended during that year. As they do not intend to trade, the directors have not prepared the financial statements on a going concern basis. No adjustments were necessary to the amounts at which the remaining net assets are included in these financial statements.

1.3 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

1.4 Impairment excluding stocks and deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

1.5 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

1.6 Turnover

Turnover represents amounts (net of VAT) receivable in respect of the supply of telephony services. Revenue is recognised when services are provided.

Notes *(continued)*

1 Accounting policies *(continued)*

1.7 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

2 Turnover

All turnover is attributable to customers within the United Kingdom and is attributable to the principal activity of the Company.

3 Loss before taxation

	2017	2016
	£000	£000
Loss before taxation is stated after charging:		
Fees payable to the company's auditor:		
Audit of these financial statements	-	3
Taxation compliance services	-	1

4 Staff numbers and costs

The average number of persons employed by the Company (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2017	2016
Administrative and management staff	**2**	2

5 Remuneration of directors

The directors received no remuneration for their services during the year *(2016: £Nil)*.

Notes *(continued)*

6 Interest receivable and similar income

	2017	2016
	£000	£000
Bank interest	-	-

7 Taxation

Analysis of credit in the year

	2017	2016
	£000	£000
UK corporation tax		
Current tax	-	(2)

Factors affecting the tax credit for the year

The tax credit for the year is the same as *(2016: the same as)* the standard rate of corporation tax in the UK of 19.83% *(2016: 20 %)*.

	2017	2016
	£000	£000
Tax reconciliation		
Loss on ordinary activities before tax	-	(8)
Tax credit at 19.83% *(2016: 20 %)* (see above)	-	(2)

Amounts owed by group undertakings are unsecured, repayable on demand and interest free.

Factors that may affect current and total tax charges

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

8 Debtors

	2017	2016
	£000	£000
Amounts owed by group undertakings	**117**	120
	117	120

Amounts owed by group undertakings are unsecured, repayable on demand and interest free.

Notes *(continued)*

9 Creditors: Amounts falling due within one year

	2017	2016
	£000	£000
Amounts owed to group undertakings	**52**	51
Other creditors and accruals	-	4
	52	55

Amounts owing to group undertakings are unsecured, repayable on demand and interest free.

10 Called up share capital

	2017	2016
	£000	£000
Authorised, allotted, called up and fully paid:		
1,000 ordinary shares of £1 each	1	1

11 Financial commitments

The Company had no capital commitments, nor any commitments under non-cancellable operating leases in the current or preceding financial years.

12 Related party disclosures

As disclosed in note 1, the Company has applied the exemption under FRS 101 and has not disclosed any related party transactions with wholly-owned subsidiaries within the Group.

There were no related party transactions requiring disclosure during the year to 31 May 2017 *(2016: none)*.

13 Ultimate parent company and controlling party

The ultimate parent company is OM Topco Limited, a company incorporated in Guernsey.

The results of the Company are consolidated within the Group headed by OM Topco Limited. Copies of the Group financial statements, incorporating those of the Company, are available from the Company's registered address at OM Topco Limited, 1 Le Marchant Street, St. Peter Port, Guernsey GY1 2JJ.

The Company's ultimate controlling party is Montagu Private Equity LLP

14 Accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on past experience together with expectation of future events that are believed to be reasonable at the present time. Actual results may ultimately differ from these estimates.

There are no estimates or assumptions that have a significant risk of causing material adjustments to the carrying values of assets and liabilities within the next financial year.