

**Procomm Site Services (Holdings)
Limited**

Report and Financial Statements

Year Ended

30 September 2013

Company Number 07115358

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Procomm Site Services (Holdings) Limited

Report and financial statements for the year ended 30 September 2013

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Directors

M E Thistlethwayte
J R Thistlethwayte
P Beckett
B J Cranny
D A Horner
S J Smith
N L Wood
D C Harbord

Registered office

PO Box 1949, Coverdale Court, Wilton International, Redcar, Cleveland, TS10 4YG

Company number

07115358

Auditors

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

Procomm Site Services (Holdings) Limited

Report of the directors for the year ended 30 September 2013

The directors present their report together with the audited financial statements for the year ended 30 September 2013

Results and dividends

The statement of comprehensive income is set out on page 6 and shows the profit for the year

During the year £280,000 of dividends have been paid (2012 - £280,000)

Principal activities and future developments

The principal activity of the Company in the year under review was that of a holding company

The Company is a private limited company and is incorporated and domiciled in the UK. The registered number of the company is 07115358

Review of business and future developments

As the Company is non-trading, the Company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business

It is intended that the Company will remain as a holding company for the foreseeable future

The directors consider the prospects for the Group (being this company and its principal trading subsidiary, Procomm Site Services Limited) for the foreseeable future to be satisfactory

Principal risks and uncertainties

Given the nature of the Company's activities, the directors are of the opinion that there are no principal risks or uncertainties facing the Company

Financial risk management

The Group's operations may expose it to a variety of financial risks. These are discussed further in note 3 to the financial statements

Charitable and political donations

The Company made no charitable or political donations in the period

Procomm Site Services (Holdings) Limited

Report of the directors for the year ended 30 September 2013 (continued)

Directors

The directors of the company during the year were

M E Thistlethwayte
J R Thistlethwayte
P Beckett
B J Cranny
D A Horner
S J Smith
N L Wood
D C Harbord

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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 they have been prepared in accordance with IFRSs as adopted by the European Union, 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.

Procomm Site Services (Holdings) Limited

Report of the directors for the year ended 30 September 2013 (*continued*)

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the next annual general meeting.

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

On behalf of the Board



D C Harbord

Director 20/12/2013

Date

Procomm Site Services (Holdings) Limited

Independent auditor's report

TO THE MEMBERS OF PROCOMM SITE SERVICES (HOLDINGS) LIMITED

We have audited the financial statements of Procomm Site Services (Holdings) Limited for the year ended 30 September 2013 which comprise the statement of total comprehensive income, the statement of financial position, the statement of cash flows, the statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 auditors

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 Financial Reporting Council's website 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 30 September 2013 and of the company's profit for the year then ended,
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union,
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters 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.

Procomm Site Services (Holdings) Limited

Independent auditor's report (*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 by the company, or returns adequate for our audit have not been received from branches not visited by us, or
- the company 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

BDO LLP

Arbinder Chatwal (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Southampton
United Kingdom

23/2/13

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

Procomm Site Services (Holdings) Limited

Statement of total comprehensive income for the year ended 30 September 2013

	Note	2013 £	2012 £
Revenue - Dividends received from subsidiary company		500,000	500,000
Administrative expenses	15	(112,830)	(99,220)
Finance costs			
- Redeemable preference share dividends	16	(280,000)	(280,000)
- Other	16	(114,983)	(117,394)
Profit before tax		(7,813)	3,386
Tax credit	7	53,536	84,091
Profit for the year		45,723	87,477
Total comprehensive income for the year		45,723	87,477
Profit and total comprehensive income attributable to Equity holders of the company		45,723	87,477

All amounts relate to continuing activities

The company has no other items of comprehensive income and as such the statement of comprehensive income for the year agrees to the profit for the year

The notes on pages 10 to 23 form part of these financial statements

Procomm Site Services (Holdings) Limited

Statement of financial position at 30 September 2013

Company number 07115358	Note	2013 £	2013 £	2012 £	2012 £
Assets					
Non-current assets					
Investments in subsidiaries	8	5,136,112		5,136,112	
Trade and other receivables	9	787,602		844,758	
			5,923,714		5,980,870
Current assets					
Trade and other receivables	9	63,001		55,068	
			63,001		55,068
Total assets			5,986,715		6,035,938
Equity attributable to equity holders					
Ordinary shares	10	100,000		100,000	
Retained earnings	11	144,519		98,796	
Total equity			244,519		198,796
Liabilities					
Non-current liabilities					
Trade and other payables	12	200,000		-	
Borrowings					
- Redeemable preference shares	13	4,000,000		4,000,000	
- Other	13	700,195		1,349,200	
Total non-current liabilities			4,900,195		5,349,200
Current liabilities					
Trade and other payables	12	37,596		237,942	
Borrowings	13	804,405		250,000	
Total current liabilities			842,001		487,942
Total liabilities			5,742,196		5,837,142
Total equity and liabilities			5,986,715		6,035,938

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

The financial statements were approved and authorised for issue by the Board of Directors on 20/12/2013 and were signed on its behalf by

D C Harbord
Director



The notes on pages 10 to 23 form part of these financial statements

Procomm Site Services (Holdings) Limited

Statement of cash flows for the year ended 30 September 2013

	Note	2013 £	2013 £	2012 £	2012 £
Cash flows from operating activities					
	17	(64,571)			(102,606)
Corporation tax received		54,154			
Net cash generated from operating activities			(10,417)		
Cash flows from investing activities					
Dividends received from subsidiary company		500,000		500,000	
Net cash used in investing activities			500,000		500,000
Cash flows from financing activities					
Redeemable preference share dividends		(280,000)		(280,000)	
Other finance costs		(114,983)		(117,394)	
Repayments of borrowings		(94,600)		-	
Net cash generated from financing activities			(489,583)		(397,394)
Net movement in cash and cash equivalents			-		-
Cash and cash equivalents at the beginning of the year			-		-
Cash and cash equivalents at the end of the year			-		-

The notes on pages 10 to 23 form part of these financial statements

Procomm Site Services (Holdings) Limited

Statement of changes in equity for the year ended 30 September 2013

	Ordinary share capital £	Retained earnings £	Total £
Balance at 30 September 2011	100,000	11,319	111,319
Comprehensive income			
Profit for the year	-	87,477	87,477
	<hr/>	<hr/>	<hr/>
Total comprehensive income	-	87,477	87,477
	<hr/>	<hr/>	<hr/>
Balance at 30 September 2012	100,000	98,796	198,796
Comprehensive income			
Profit for the year	-	45,723	45,723
	<hr/>	<hr/>	<hr/>
Total comprehensive income	-	45,723	45,723
	<hr/>	<hr/>	<hr/>
Balance at 30 September 2013	100,000	144,519	244,519
	<hr/>	<hr/>	<hr/>

The notes on pages 10 to 23 form part of these financial statements

Procomm Site Services (Holdings) Limited

Notes forming part of the financial statements for the year ended 30 September 2013

1 General information

Procomm Site Services (Holdings) Limited is a holding company

The Company is a private limited company and is incorporated and domiciled in the UK. The registered office is PO Box 1949, Coverdale Court, Wilton International, Redcar, Cleveland, TS10 4YG

2 Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs as adopted by the EU), IFRIC interpretations and the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention and on a going concern basis.

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts in the financial statements. The areas involving a higher degree of judgement or complexity, or areas where assumptions or estimates are significant to the financial statements are disclosed in note 4.

The IFRS primary financial statements are presented in accordance with IAS 1 - 'Presentation of Financial Statements'.

Single entity financial statements

The Company has taken advantage of the exemption from preparation of consolidated financial statements afforded by section 400 of the Companies Act 2006.

Accordingly, these financial statements present information about the Company itself and do not provide consolidated financial information concerning the group as a whole. The smallest company in which the results of the Company are consolidated are those of Portchester Equity Limited, a company incorporated in the United Kingdom.

Procomm Site Services (Holdings) Limited

Notes forming part of the financial statements
for the year ended 30 September 2013

2 Accounting policies (continued)

New accounting standards and interpretations

The following new standards, amendments to standards and interpretations that have been issued by the International Accounting Standards Board and the International Financial Reporting Interpretations Committee are to be applied to financial statements with periods commencing on or after the following dates

<u>International Accounting and Financial Reporting Standards (IAS/IFRS)</u>		<u>Effective date</u>
IAS 19*	Employee Benefits	1 January 2013
IAS 27*	Separate Financial Statements	1 January 2013
IAS 28*	Investments in Associates and Joint Ventures	1 January 2013
IFRS 7*	Disclosures – Offsetting Financial Assets and Financial Liabilities (Amendment)	1 January 2013
IFRS 10*	Consolidated Financial Statements	1 January 2013
IFRS 11*	Joint Arrangements	1 January 2013
IFRS 12*	Disclosure of Interests in Other Entities	1 January 2013
IFRS 10, 11 & 12*	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities Transition Guidance (Amendment)	1 January 2013
IFRS 13*	Fair Value Measurement	1 January 2013
(2009 – 2011 Cycle)*	Annual Improvements to IFRS	1 January 2013
IAS 32*	Offsetting Financial Assets and Financial Liabilities (Amendment)	1 January 2014
IFRS 10, 12 & IAS 27*	Investment Entities (Amendment)	1 January 2014
IAS 36	Recoverable amounts disclosures for non-financial assets (Amendment)	1 January 2014
IFRS 9*	Financial Instruments	1 January 2015

* Not endorsed by the European Union as at the date of approval of these financial statements

The directors anticipate that the adoption of these standards and interpretations in future periods will have no material impact on the financial statements of the Company

Procomm Site Services (Holdings) Limited

Notes forming part of the financial statements
for the year ended 30 September 2013

2 Accounting policies (continued)

Foreign currency translation

(a) Functional and presentation currency

The functional and presentation currency of the Company is Pounds Sterling

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency (sterling) using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income

Investments in subsidiaries

All investments in subsidiaries are held at cost less impairment charges (if any). The cost of investments in subsidiaries includes expenditure that is directly attributable to the costs of acquiring subsidiary companies

Financial assets

Classification

The company classifies its financial assets in one category - loans and receivables. The classification depends on the purpose for which the financial assets were acquired and management determines the classification of its financial assets at initial recognition. The Company's loans and receivables comprise 'trade and other receivables' and 'cash and cash equivalents' in the statement of financial position (see accounting policies)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the statement of financial position date. These are classified as non-current assets

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Company commits to purchase the asset. Financial assets are derecognised when the risk and rewards of ownership have transferred

Loans and receivables are subsequently carried at amortised cost using the effective interest rate method

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payment are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of a provision account, and the amount of the loss is recognised within administrative expenses in the statement of total comprehensive income

Procomm Site Services (Holdings) Limited

Notes forming part of the financial statements
for the year ended 30 September 2013

2 Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments, with original maturities of three months

Share capital

Ordinary shares are classified as equity. Mandatory redeemable preference shares are classified as liabilities. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Trade and other payables

Trade and other payables are non-derivative financial liabilities with fixed or determinable payments and relate to obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are included in current liabilities, except for maturities greater than 12 months after the statement of financial position date. These are classified as non-current liabilities. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised costs; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of total comprehensive income over the period of borrowings using the effective interest method.

Preference shares, which are mandatorily redeemable on a specified date, are classified as liabilities. The dividends on these preference shares are recognised in the statement of total comprehensive income as interest expense.

Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of total comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the statement of financial position date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation; it establishes provisions, when appropriate, as the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority.

Procomm Site Services (Holdings) Limited

Notes forming part of the financial statements
for the year ended 30 September 2013

2 Accounting policies (continued)

Revenue

The Company's sole source of revenues is dividends from its subsidiary company. These are recognised as revenue when the Company becomes entitled to receive such dividends, which is typically on receipt of the monies.

Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period to which the dividends are approved by the Company's shareholders or, in the case of cumulative preference share dividends, the period in which the Company becomes contractually obliged to pay a dividend to the shareholders.

3 Financial risk management

Financial risk factors

The Company's operations expose it to a variety of financial risks that include the effects of liquidity risk and interest rate risk. The Company does not use derivative financial instruments to manage interest rate costs and as such, no hedge accounting is applied.

Given the size of the Company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the executive directors.

(a) Interest rate cash flow risk

The Company has interest bearing liabilities. Interest bearing liabilities comprise amounts due in respect of redeemable preference shares which have a fixed interest rate of 7%, 2 classes of loan notes which have a fixed interest rate of 7% and 6.75% respectively and convertible loan stock which has an interest rate of 7%.

(b) Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company keeps the capital structure under review with a process of monthly financial forecasts updated quarterly. These forecasts, including a detailed cash flow forecast, provide the Board with an assessment of the Company's capital adequacy for the period under review.

Management regards the capital structure of the Company to consist of the ordinary and redeemable preference shares in issue.

Procomm Site Services (Holdings) Limited

Notes forming part of the financial statements
for the year ended 30 September 2013 (continued)

3 Financial risk management (continued)

(c) Liquidity risk

The Company manages liquidity risk by maintaining sufficient cash to enable it to meet its operational requirements. Operating cash flows are actively managed with annual cash flow forecasts updated as required and subject to board review.

The table below analyses the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year £	Between 1 and 2 years £	Between 2 and 5 years £	Over 5 years £
At 30 September 2013				
Redeemable preference shares	280,000	4,128,333	-	-
Convertible loan stock	17,500	17,500	271,875	-
Other payables				
6 75% Loan notes	11,138	170,105	-	-
7% Loan notes	788,025	361,017	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 30 September 2012				
Redeemable preference shares	280,000	280,000	4,128,333	-
Convertible loan stock	258,750	-	-	-
Other payables	270,879	-	-	-
6 75% Loan notes	14,850	14,850	226,806	-
7% Loan notes	79,044	790,798	401,888	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The Company's borrowings are analysed in note 13.

4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The financial statements include no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Procomm Site Services (Holdings) Limited

Notes forming part of the financial statements
for the year ended 30 September 2013 (*continued*)

5 Employee benefit expense

The Company incurred £17,500 (2012 - £Nil) in the year as compensation for loss of office

The Company did not incur any other expenses in connection with employment during the year

The average monthly number of persons (including executive directors) employed during the year was 8 (2012 - 8)

The number of employees at 30 September 2013 was 8 (2012 - 8)

The directors did not receive any emoluments in respect of their services to the Company (2012 - £Nil)

6 Auditors' remuneration

The auditor's remuneration has been borne by the trading subsidiary of the Company, Procomm Site Services Limited, with no recharge to the Company

7 Tax expense

	2013 £	2012 £
<i>Current tax</i>		
Group relief	(53,536)	(54,154)
Adjustment in respect of prior periods	-	(29,937)
	<hr/>	<hr/>
Total current tax	(53,536)	(84,091)
	<hr/>	<hr/>

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the tax rate applicable to the profit of the Company as follows

	2013 £	2012 £
Profit before tax	(7,813)	3,386
	<hr/>	<hr/>
Tax calculated at domestic tax rates applicable at 23.5% (2012 - 25%)	(1,836)	847
Effects of		
Expenses not deductible for tax purposes	65,800	70,000
Adjustments in respect of prior periods	-	(29,937)
Non-taxable group income	(117,500)	(125,000)
	<hr/>	<hr/>
Total tax for year	(53,536)	(84,091)
	<hr/>	<hr/>

The changes to the main rate of corporation tax for UK companies announced in the March 2013 Budget were substantively enacted on 2 July 2013. These tax rate changes are that the main rate of corporation tax will reduce from 23% to 21% from 1 April 2014 and reduce further to 20% from 1 April 2015. As these changes were substantively enacted at the statement of financial position date, they have been included in these financial statements.

Procomm Site Services (Holdings) Limited

Notes forming part of the financial statements
for the year ended 30 September 2013 (continued)

7 Tax expense (continued)

A deferred tax asset exists of £3,243 (2012 - £3,729) in respect of tax losses carried forward. This has not been recognised as it is uncertain as to when sufficient taxable profits will be realised to enable the losses to be utilised.

8 Investments in subsidiaries

£

Cost and net book value

At 30 September 2012 and 30 September 2013

5,136,112

Principal subsidiary

Name	Country of incorporation	Proportion of ordinary shares	Nature of business
Procomm Site Services Limited	UK	100%	Sale and rental of temporary accommodation units

The proportion of the voting rights on the subsidiary company does not differ from the proportion of ordinary shares held.

The aggregate capital and reserves of the subsidiary are as follows

	2013 £	2012 £
Procomm Site Services Limited	5,806,614	5,051,545

Procomm Site Services Limited reported a profit for the year ended 30 September 2013 of £998,678 (2012 - £911,320)

9 Trade and other receivables

	2013 £	2012 £
<i>Current</i>		
Amounts owed by subsidiary company	-	914
Amounts owed by group undertakings in respect of group relief	53,536	54,154
Other receivables	9,465	-
Total current trade and other receivables	63,001	55,068
<i>Non-current</i>		
Amounts owed by subsidiary company	787,602	844,758
Total non-current trade and other receivables	787,602	844,758
Total trade and other receivables	850,603	899,826

Procomm Site Services (Holdings) Limited

Notes forming part of the financial statements
for the year ended 30 September 2013 (continued)

9 Trade and other receivables (continued)

The fair value of trade and other receivables at 30 September 2013 approximate to the book value stated above

Other receivables consist of amounts due from Procomm Site Services Limited. There is no formal repayment plan in respect of these balances except that the Company has agreed that it will not demand repayment of these balances for a period of at least 12 months from the end of the accounting period to which these financial statements relate. The loan is non-interest bearing.

10 Ordinary shares

	Number of shares		Value		
	'A'	'B'	'A'	'B'	Total
	ordinary	ordinary	ordinary	ordinary	
	Number	Number	£	£	£
As at 30 September 2012 and 30 September 2013	24,000	76,000	24,000	76,000	100,000

Both classes of ordinary shares have a par value of £1 per share. All of the ordinary shares are fully paid.

Both classes of ordinary shares rank pari passu except that dividends payable to 'A' ordinary shareholders rank in preference to those payable to 'B' ordinary shareholders.

11 Reserves

	Retained earnings £
At 1 October 2011	11,319
Profit for the year	87,477
At 30 September 2012	98,796
Profit for the year	45,723
At 30 September 2013	144,519

This reserve represents cumulative net gains and losses recognised in the statement of total comprehensive income.

Procomm Site Services (Holdings) Limited

Notes forming part of the financial statements
for the year ended 30 September 2013 (*continued*)

12 Trade and other payables

	2013 £	2012 £
<i>Current</i>		
Amounts due to parent company	21,147	220,307
Other payables	4,303	4,939
Accrued expenses	6,146	6,696
Amounts owed to related parties	6,000	6,000
	<hr/>	<hr/>
Total current trade and other payables	37,596	237,942
	<hr/>	<hr/>
<i>Non-current</i>		
Amounts due to parent company	200,000	-
	<hr/>	<hr/>
Total non-current trade and other payables	200,000	-
	<hr/>	<hr/>
Total trade and other payables	237,596	237,942
	<hr/>	<hr/>

Amounts due to parent company represent amounts owed to the ultimate parent company, Portchester Equity Limited. These amounts have a fixed interest rate of 3%. Repayment has been deferred until 31 December 2016.

13 Borrowings

	2013 £	2012 £
<i>Current</i>		
Convertible loan stock	-	250,000
7% 'A' Loan notes	94,600	-
7% 'B' Loan notes	539,805	-
7% 'C' Loan notes	170,000	-
	<hr/>	<hr/>
Total current borrowings	804,405	250,000
	<hr/>	<hr/>
<i>Non-current</i>		
6.75% Loan notes	165,000	220,000
7% 'A' Loan notes	255,195	389,395
7% 'B' Loan notes	-	539,805
7% 'C' Loan notes	30,000	200,000
Convertible loan stock	250,000	-
Redeemable preference shares	4,000,000	4,000,000
	<hr/>	<hr/>
Total non-current borrowings	4,700,195	5,349,200
	<hr/>	<hr/>
Total borrowings	5,504,600	5,599,200
	<hr/>	<hr/>

Procomm Site Services (Holdings) Limited

Notes forming part of the financial statements
for the year ended 30 September 2013 (continued)

13 Borrowings (continued)

(i) 6.75% Loan notes

The loan notes are unsecured, interest bearing debt instruments issued by the Company. Interest is payable at 6.75% and the loan notes are repayable at the holders request from 17 March 2015, or earlier if the Company wishes to repay some or all of the amounts outstanding.

(ii) 7% 'A' Loan notes

The loan notes are unsecured, interest bearing debt instruments issued by the Company. Interest is payable at 7% and the loan notes are repayable at the holders request from 17 March 2015, or earlier if the Company wishes to repay some or all of the amounts outstanding.

(iii) 7% 'B' Loan notes

The loan notes are unsecured, interest bearing debt instruments issued by the Company. Interest is payable at 7% and the loan notes are repayable at the holders request from 17 March 2014, or earlier if the Company wishes to repay some or all of the amounts outstanding.

(iv) 7% 'C' Loan notes

The loan notes are unsecured, interest bearing debt instruments issued by the Company. Interest is payable at 7% and the loan notes are repayable at the holders request from 17 March 2014, or earlier if the Company wishes to repay some or all of the amounts outstanding.

(v) Convertible loan stock

The convertible loan stock's interest bearing at the higher of 7% or 1.5% above LIBOR. The loan has been deferred for repayment, in one instalment, until 31 December 2016 but may be converted at any time, at the Company's option, into cumulative participating redeemable preference shares.

(vi) Preference shares

	Number of shares preference Number	Total preference £
At 30 September 2012 and 30 September 2013	4,000,000	4,000,000

All preference shares have a par value of £1 per share and are all fully paid.

The preference shares carry a fixed dividend rate of the higher of 7% and 1.5% above LIBOR which accrues on a daily basis and is payable quarterly. The holders of the preference shares are also entitled to 5% of the value of any dividend paid to ordinary shareholders.

The holders of the preference shares are not entitled to receive notice of, or attend and vote at any general meeting of the Company unless the business of the meeting includes a resolution for any one of the following matters:

- to wind up or dissolve the Company,
- to repay or reduce the share capital of the Company, or
- to vary or sabotage any of the class rights attached to the preference shares.

The shares can be redeemed at the shareholders request on or after 17 March 2015. The carrying value of the preference shares approximates their fair value.

Procomm Site Services (Holdings) Limited

Notes forming part of the financial statements
for the year ended 30 September 2013 (*continued*)

14 Financial instruments

a) By category

Loans and receivables

	2013 £	2012 £
Trade and other receivables	850,603	899,826

Financial liabilities at amortised cost

Borrowings	5,504,600	5,599,200
Trade and other payables	233,293	237,942
	<u>5,737,893</u>	<u>5,837,142</u>

b) Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates

Trade and other receivables

Trade receivables are due from the subsidiary company and as such the balance is considered to be wholly recoverable

The Company does not hold receivables with parties whose past default has resulted in no recovery of the receivables balance

Procomm Site Services (Holdings) Limited

Notes forming part of the financial statements
for the year ended 30 September 2013 *(continued)*

15 Expenses by nature

	2013 £	2012 £
Professional fees	95,330	99,220
Compensation re loss of office	17,500	-
	<u>112,830</u>	<u>99,220</u>

16 Finance income and costs

	2013 £	2012 £
Finance costs		
On loan instruments	114,983	117,394
On redeemable preference shares	280,000	280,000
	<u>394,983</u>	<u>397,394</u>

The dividends payable on the redeemable preferences shares in 2013 were £280,000 (£0.07 per share) (2012 - £280,000 (£0.07 per share))

17 Cash used in operations

	2013 £	2012 £
Profit before tax	(7,813)	3,386
Adjustments for		
Dividends from subsidiary company	(500,000)	(500,000)
Finance costs		
- Redeemable preference share dividends paid	280,000	280,000
- Other	114,983	117,394
Finance income		-
Changes in working capital		
Increase in trade and other receivables	48,605	(6,212)
Increase in trade and other payables	(346)	2,826
	<u>(64,571)</u>	<u>(102,606)</u>

Procomm Site Services (Holdings) Limited

Notes forming part of the financial statements
for the year ended 30 September 2013 (continued)

18 Related party transactions

(a) Key management compensation

The directors are considered to be the only key management of the business. The directors received no compensation in respect of services provided to this company during the period (see note 5).

During the year, £5,000 (2012 - £Nil) was loaned to N Wood, a director of the Company. At the period end £4,800 (2012 - £Nil) was outstanding on this loan.

(b) Interest charges and loans

During the year the Company accrued interest payable of £69,157 (2012 - £71,568) to the following related parties in respect of the loans due to:

	2013 £	2012 £
Portchester Equity Limited (Parent company)	505,000	505,000
B Cranny (Director)	-	-
M Webb	-	-
A Fairhurst	-	-
P Beckett (Director)	55,000	55,000
S Smith (Director)	-	-
Mrs A Webb	165,550	236,500
Mrs A Fairhurst	208,049	208,049
Mrs A Smith (Directors spouse)	61,242	61,242
Mrs S Cranny (Directors spouse)	78,752	78,752
	<u>1,073,593</u>	<u>1,144,543</u>

During the year the board passed resolution to move the loan notes between a number of the related parties.

(c) Related party companies

During the year the company entered into transactions with Chelverton Asset Management Limited, a related party by virtue of common directors. Total transactions in the year were £24,000 (2012 - £24,000). At 30 September 2013 the company owed the related party £6,000 (2012 - £6,000).

19 Ultimate controlling party

The immediate and ultimate parent company is Portchester Equity Limited, a private company incorporated in the UK. The largest and smallest company in which the results of the Company are consolidated is that headed by Portchester Equity Limited. Copies of these financial statements can be obtained from 20 Jewry Street, Winchester, Hampshire, SO23 8RZ.

The directors recognise M E Thistlethwayte as the ultimate controlling party by virtue of his controlling interest in Portchester Equity Limited.

