

Personal Group Mobile Limited
Financial statements
For the year ended 31 December 2019

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COMPANIES HOUSE

Company No. : 09522023

Company information

Company registration number :	09522023
Registered office :	John Ormond House 899 Silbury Boulevard Milton Keynes Buckinghamshire MK9 3XL
Directors :	S Mace M Dugdale
Secretary :	S A Mace
Banker :	Barclays Bank Plc 1 Churchill Place London E14 5HP
Solicitor :	Dentons UKMEALLP The Pinnacle 170 Midsummer Boulevard Milton Keynes MK9 1FE

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Strategic report

Background

Personal Group Mobile Limited ("PGM" or "the Company"), a subsidiary of Personal Group Holdings plc ("PGH" or "the Group") was set up, in April 2015, as a Mobile Virtual Network Operator ("MVNO"), having purchased the trade and certain assets and liabilities of Shebang Technology Group Limited ("Shebang") out of administration. The Company was aimed at providing salary sacrifice phones and airtime to its established and new customers through the Group's subsidiary Let's Connect in addition to Shebang's existing distribution channels.

Business review

In July 2016, following a review of the Company's performance, the Group's view was that resources could be better deployed to other parts of the business and, as a result, PGM ceased trading in October 2016. PGM has not traded during 2018 but has seen transactions occur from the recovery of previously provided bad debts.

Principal risks and uncertainties

PGH's risk management policies (see note 3 of PGH's financial statements) cover all group subsidiary undertakings.

As the business has ceased trading there are no principal risks and uncertainties. Following the closure of the MVNO any outstanding balances at 31 December 2016 were written down to £Nil while continuing to attempt to collect via a third-party debt collection agency.


Key performance indicators and results

The profit before tax for the year ended 31 December 2019 was £nil (2018: £10,000).

Following the closure of PGM all network connections were terminated and all other relevant purchase and sales contract related parties were given the required notice periods for cancellation in 2016 or as soon as contractually possible.

Turnover in the year has come from small collections on bad debts and a commission income from previous third-party sales.

ON BEHALF OF THE BOARD



S Mace
Director
3 July 2020

Directors' Report

The directors present their report together with the unaudited financial statements for the year ended 31 December 2019.

Principal activity

The Company has ceased trading following the closure of the MVNO business in 2016.

Results

The profit before tax for the year to 31 December 2019 was £nil (2018: £10,000).

Political contributions

The Company has not made any political contributions in the year to 31 December 2019 (2018: £Nil).

Dividends

During the year ordinary dividends of £nil were paid (2018: £Nil). No other dividends were declared at year-end (2018: £Nil).

Directors

The membership of the Board is set out below. All directors served throughout the year unless noted below.

M W Scanlon - (Resigned 28 February 2019)

D Walker – (Resigned 15 November 2018)

S Mace

M Dugdale

During the year, directors and officers were covered by third party indemnity insurance.

Auditor

For the year ending 31 December 2019 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- the members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

BY ORDER OF THE BOARD



S Mace
Director
3 July 2020

Statement of directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements

The directors are responsible for preparing the Strategic Report, 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 judgements 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so (as explained in note 13, 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 are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

Profit and loss account and other comprehensive income

	Note	2019 £'000	2018 £'000
Turnover		-	9
Cost of sales		-	(1)
Gross profit		<u>-</u>	<u>8</u>
Administrative expenses	3	<u>-</u>	<u>2</u>
Operating profit		-	10
Interest payable and similar charges		-	-
Profit on ordinary activities before taxation	1	<u>-</u>	<u>10</u>
Tax on profit on ordinary activities	4	-	-
Profit for the financial period		<u><u>-</u></u>	<u><u>10</u></u>

There are no other items of other comprehensive income. All operations are classed as discontinued.
The notes on pages 12 to 14 form part of these financial statements

Balance Sheet

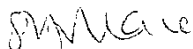
		31 December 2019 £'000	31 December 2018 £'000
	Note		
Current assets			
Cash at bank and in hand		-	23
		-	23
Creditors: amounts falling due within one year	5	(5,231)	(5,254)
Net liabilities		<u>(5,231)</u>	<u>(5,231)</u>
Capital and reserves			
Called up share capital	6	-	-
Profit and loss account		(5,231)	(5,231)
Shareholders' deficit		<u>(5,231)</u>	<u>(5,231)</u>

The notes on pages 12 to 14 form part of these financial statements

Subsidiary Accounts Exemption

For the financial year in question, the Company was entitled to exemption under section 479a of the Companies Act 2006. No members have required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

The financial statements were approved by the Board on 3 July 2020 and signed on its behalf by:



S Mace

Statement of changes in Equity

	Called up share capital £'000	Profit and loss account £'000	Total £'000
Balance as at 1 January 2018	-	(5,241)	(5,241)
Profit for the financial period	-	10	10
Balance as at 31 December 2018	-	(5,231)	(5,231)
Profit for the financial period	-	-	-
Balance as at 31 December 2019	-	(5,231)	(5,231)

The notes on pages 12 to 14 form part of these financial statements

Principle accounting policies

Basis of preparation

Personal Group Mobile Limited (the "Company") is a company incorporated and domiciled in England and Wales.

These financial statements have been prepared on a non-going concern basis which is discussed further in note 14, under the historical cost convention and in accordance with the Companies Act 2006 and the Financial Reporting Standard 101 'Reduced Disclosure Framework'. The amendments to FRS 101 (2016/17 Cycle) issued in July 2017 and effective immediately have been applied.

The company financial statements have been prepared and approved by the directors in accordance with 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.

No judgements which have a significant effect on the financial statements have been required in the preparation of these financial statements.

No significant assumptions or estimates which have a significant effect on the financial statements have been required in the preparation of these financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. The functional currency of the Company is Sterling.

On 7 July 2016 the directors took the decision to cease trading following the closure of the MNVO business. As there are currently no plans to further trade in the company, following the settlement of the remaining net assets, 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.

The Company's ultimate parent undertaking, Personal Group Holdings Plc includes the Company in its consolidated financial statements. The consolidated financial statements of Personal Group Holdings Plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Companies House.

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

- Cash Flow Statement and related notes (IAS 1 paragraphs 10(d), 38A and 111 and IAS 7);
- Statement of compliance with all IFRSs (IAS 1 paragraph 16);
- Disclosures in respect of capital management (IAS 1 paragraphs 134-136);
- The effects of new but not yet effective IFRSs (IAS 8 paragraphs 30 and 31);
- Disclosures in respect of the compensation of Key Management Personnel (IAS 24 paragraphs 17 and 18A); and
- Disclosures in respect of transactions with wholly owned subsidiaries (IAS 24).

The financial statements have been prepared under the historical cost convention. The functional and presentational currency of the Company is Sterling.

Changes to Accounting Policies

In order to comply with the policies of its Parent and the wider Group, the Company adopts new standards applicable to IFRS, as appropriate. No new standards have been adopted in the year, IFRS 16 having been early adopted in 2018.

Principle accounting policies

Turnover

Fee income represents amounts chargeable, net of value added tax, of commission receivable and collection of previously written down debts. All turnover is derived from sales in the United Kingdom.

Costs incurred to fulfil a contract

Costs incurred to fulfil a contract under IFRS 15 are recognised as an asset under certain conditions laid out in IFRS 15.95. The capitalised contract costs are amortised on a systematic basis that is consistent with the Company's transfer of the related goods or services to the customer. Capitalised contract costs are subject to an impairment assessment at the end of each reporting period. Impairment losses are recognised in the profit and loss account. There are no contracts in the Group for which these conditions are met and, as such, no assets have been recognised.

Impairment

Financial assets (including trade and other debtors)

IFRS 9 requires the use of an expected credit loss model to calculate impairment losses rather than an incurred loss model. Therefore, it is not necessary for a credit event to have occurred before credit losses are recognised. The new impairment model applies to all the Company's financial assets.

The Company assesses on a forward-looking basis, the expected credit losses ("ECL") associated with its debt instrument assets carried at amortised costs. The Company recognises a loss allowance for such losses at each reporting date. The Company measures ECL on each balance sheet date according to a three stage ECL impairment model:

Stage 1 – from initial recognition of the financial asset to the date on which the asset has experienced a significant increase in credit risk (SICR) relative to its initial recognition, a loss allowance is equal to the credit loss expected to result from default occurring over 12 months following the reporting date.

Stage 2 – following a significant increase in credit risk relative to the initial recognition of the financial asset, a loss allowance is recognised equal to the credit losses expected over the remaining lifetime of the asset. Where an SICR is no longer observed, the instrument will move back to Stage 1.

Stage 3 – when the financial asset is considered to be credit impaired, a loss allowance is recognised equal to the credit losses expected over the remaining life of the asset. Interest and revenue is calculated based on the gross carrying amount of the asset, net of the loss allowance.

The measurement of the ECL reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, the time value of money and reasonable and supportable information that is available without undue cost and effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Principle accounting policies

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other debtors, cash and cash equivalents 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 at bank and in hand

Cash at bank and in hand comprise cash balances and call deposits. The company holds no derivative financial instruments.

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.

Cash at bank and in hand

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Equity

Equity comprises the following:

- "Share capital" represents the nominal value of equity shares.

Notes to the financial statements

1 Profit on ordinary activities before taxation

	2019 £'000	2018 £'000
Profit on ordinary activities before taxation is		
Auditor's remuneration		
- audit fees	-	3

All income is derived within the UK

2 Directors and employees

Staff costs during the period were as follows:

	2019 £'000	2018 £'000
Wages and salaries	-	-
Social security costs	-	(5)
Pension costs	-	-
	-	(5)

The average number of employees employed by the company was nil (2018: nil).

All directors were paid by other group companies.

The split of remuneration for Directors relating to Personal Group Mobile Limited is:

	2019 £'000	2018 £'000
Aggregate remuneration in respect of qualifying services	-	-
Gains on exercise of share options	-	-
Pension contributions to executive and group personal pension schemes	-	-

The aggregate of emoluments and amounts receivable under long term incentive schemes of the highest paid director was £Nil (2018: £Nil), and company pension contributions of £Nil (2018: £Nil) were made to a money purchase scheme on his behalf.

During the year, no director (2018: no directors) exercised share options and received shares under a long-term incentive scheme.

Notes to the financial statements (continued)

3 Administration expenses

	2019 £'000	2018 £'000
Administrative expenses	-	(2)
	-	(2)

4 Tax on profit on ordinary activities

The relationship between the expected tax expense based on the effective tax rate of Personal Group Mobile Limited at 19.00% (2018: 19.00%) and the expense actually recognised in the income statement can be reconciled as follows

	2019 £'000	2018 £'000
Recognised in the profit and loss account		
UK Corporation tax		
Current tax expense	-	-
Actual tax expense	-	-
Reconciliation of effective tax rate		
Profit before tax	-	10
Tax rate	19.00%	19.00%
Expected tax expense	-	2
Other adjustments		
Group relief	-	(2)
Actual tax expense	-	-

2018

The standard rate of tax applied to reported profit on ordinary activities is 19.00% (2018: 19.00%). A further reduction to 17.00% is due from 1 April 2020 and this change was substantively enacted on 15 September 2016. These will reduce future tax charges accordingly.

5 Creditors: amounts falling due within one year

	2019 £'000	2018 £'000
Accruals & other creditors	-	3
Amounts owed to group undertakings	5,254	5,251
	5,254	5,254

Amounts owed by group undertakings are generated from the provision of services by other group undertakings and are repayable on demand. These amounts are non interest bearing.

Notes to the financial statements (continued)

6 Share capital

	31 December 2019	31 December 2018
	£	£
Authorised		
Ordinary shares of £1 each	<u>1</u>	<u>1</u>
Allotted		
Ordinary shares of £1 each	<u>1</u>	<u>1</u>

7 Capital commitments

The company had no capital commitments at 31 December 2019 or 31 December 2018.

8 Contingent liabilities

There were no contingent liabilities at 31 December 2019 or 31 December 2018.

9 Leasing commitments

The Company had no leasing commitments during the year and has no commitments after 31 December 2019.

10 Ultimate controlling related party

The immediate parent undertaking is Personal Group Limited, the ultimate Parent undertaking of this company is Personal Group Holdings plc. Both companies are registered in England and Wales. The address of both companies is as follows:

John Ormond House
899 Silbury Boulevard
Milton Keynes
Buckinghamshire
MK9 3XL

The only group of undertakings for which group accounts have been drawn up is that headed by Personal Group Holdings Plc. Copies of these group accounts may be obtained from Companies House.

As a wholly owned subsidiary of Personal Group Holdings Plc the company has taken advantage of the exemption available under FRS 101 not to disclose transactions with other members of the group headed by Personal Group Holdings Plc.

11 Non-going concern note

During the year ended 31 December 2016 the Company's principal activity was the provision of virtual mobile network offerings however in July 2016, following a review of the Company's performance, the Group's view was that resources could be better deployed to other parts of the business and, as a result, the Company ceased trading in October 2016.

As the directors do not intend to acquire a replacement trade following settlement of the remaining net liabilities, they have not prepared the financial statements on a going concern basis.

12 Post balance sheet events

There are no post balance sheet events that require disclosure.