

Maintel Holdings Plc
Registered number: 03181729

Financial statements for the period ended
30 December 2016



Maintel Holdings Plc

Statement of comprehensive income for the period ended 30 December 2016

	30 December 2016 £000
Dividend income from related parties	4,000
Exceptional costs	(2,532)
Net management charges income	246
Other administrative expenses	(279)
Administrative expenses	<u>(2,565)</u>
Operating profit	1,435
Interest receivable	2
Interest payable	<u>(890)</u>
Profit on ordinary activities before taxation	547
Taxation on profit on ordinary activities	<u>192</u>
Profit on ordinary activities after taxation	<u><u>739</u></u>

All amounts relate to continuing activities.
There is no other comprehensive income in the current period.

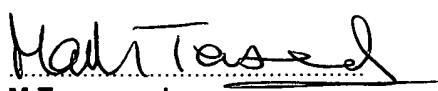
The notes on page 4 to 6 form part of these financial statements.

Maintel Holdings Plc

Statement of financial position as at 30 December 2016

	Note	30 December 2016 £000	30 December 2016 £000
Company number 03181729			
Non current assets			
Investment in subsidiaries			49,560
Current assets			
Debtors	3	10,326	
Cash at bank and in hand		1,499	
		<u>11,825</u>	
Creditors: amounts falling due within one year			
Creditors	4	(631)	
Borrowings	5	-	
		<u>(631)</u>	
Net current assets			<u>11,194</u>
Total assets less current liabilities			60,754
Creditors: amounts falling due after more than one year			
Borrowings	5		<u>(30,688)</u>
Net assets			<u><u>30,066</u></u>
Capital and reserves			
Called up share capital	6		142
Share premium			24,354
Capital redemption reserve			31
Share based remuneration reserve			97
Retained earnings			<u>5,442</u>
Shareholders' funds			<u><u>30,066</u></u>

The financial statements, which have been prepared solely for the purpose of confirming the level of distributable reserves, were approved by the Board on 23 February 2017.


M Townsend
 Director

The notes on page 4 to 6 form part of these financial statements.

1. Accounting policies

Basis of preparation

These interim financial statements for Maintel Holdings Plc ("the Company") have been prepared in accordance with the recognition and measurement requirements of International Financial Reporting Standards (IFRS) as adopted by the European Union. The interim financial statements have been prepared for the purposes of presenting the distributable reserves of the Company as at 30 December 2016 and are comprised of the statement of comprehensive income, the statement of financial position, and notes 1 to 6. The notes presented in the interim financial statements have been restricted to information assessed as relevant to the statement of financial position and the Company's distributable reserves as at 30 December 2016.

Investments

Investments in subsidiary undertakings are stated at cost unless, in the opinion of the directors, there has been impairment to their value, in which case they are written down to their recoverable amount.

Dividends income

Dividends received from related party investees are recognised as income through the income statement when the company has an unconditional right to receive the dividends.

Taxation

Current tax is the expected tax receivable on the taxable income for the year, together with any adjustments to tax receivables in respect of previous periods.

Dividends

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the company. Proposed but unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

Judgements and key areas of estimation uncertainty

The Company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The principal use of 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 relates to the potential impairment of the carrying value of investments.

The Company assesses at each reporting date whether there is an indication that its investments may be impaired. In undertaking such an impairment review, estimates are required in determining an asset's recoverable amount. These estimates include the asset's future cash flows and an appropriate discount rate to reflect the time value of money and other risk factors. The range of estimates reflects the relative risk profiles of the cash generating units.

2. Investment in subsidiaries

The following were the principal subsidiary undertakings at the end of the year:

Maintel Europe Limited
Maintel International Limited (previously Datapoint Communications Limited)
Azzurri Communications Limited (acquired on 4 May 2016)

2. Investment in subsidiaries (continued)

The acquisition of Azzurri Communications Limited was effected by the acquisition of its parent company, Warden Holdco Limited on 4 May 2016. Warden Holdco Limited is the ultimate holding company of Azzurri Communications Limited and its subsidiaries. Warden Midco Limited, Azzurri Holdings Limited and Azzurri Capital Limited are intermediate holding companies of Azzurri Communications Limited and its subsidiaries.

All trading entities provide goods and services in the managed services and technology sector, network services and mobile services.

The following subsidiaries of the Company were dormant as at 30 December 2016:

Maintel Finance Limited	District Holdings Limited
Maintel Network Solutions Limited	Unified Group Limited
Unified Professional Services Limited	Unified Networks Services Limited
Proximity Communications Limited	Achilles Professional Services Limited
Datapoint Customer Services Limited	Maintel Voice and Data Limited
Maintel Mobile Limited	Datapoint Global Services Limited

The following subsidiaries of the Company were dormant and were in the process of being dissolved as at 30 December 2016:

Maintel London Limited (dissolved on 17 January 2017)	DVH Group Limited (in the process of being dissolved)
Unified Communications Limited (dissolved on 17 January 2017)	Wireless Air Ware Limited
Azzurri Scotland Limited	Sirocom Limited
Siroconnect Limited	Azzurri Trustees Limited
Netwise Systems Limited	FH Brown Office Technologies Limited
Azzurri Mobile Limited	Focus Communications International Limited
Azzurri Data Limited	Callmedia Limited
MiTech Europe Limited	MiTech Group Limited
MiTech Digitalk Limited	MiTech Services Limited
Smart Connection Company Limited	MiTech AMS Limited
MiSpace Limited	Plenitude Data Services Limited
	Smart House (UK) Limited

Each subsidiary company is wholly owned and, other than Maintel International Limited which is incorporated in the Republic of Ireland, is incorporated in England and Wales.

3. Debtors

	30 December 2016 £000
Amounts due from subsidiary undertakings	10,027
Prepayments and other debtors	101
Corporation tax	198
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	10,326 <hr/>

All amounts shown under debtors fall due for payment within one year.

4. Creditors

	30 December 2016 £000
Amounts due to subsidiary undertakings	294
Trade creditors and accruals	337
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	631

5. Borrowings

	30 December 2016 £000
Current bank loan - secured	-
Non-current bank loan - secured	30,688
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	30,688

On 8 April 2016 the Company entered into new facilities with the Royal Bank of Scotland plc to support the acquisition of Warden Holdco Limited and its subsidiaries ('Azzurri'). These consist of a revolving credit facility totalling £36.0m in committed funds on a reducing basis for a five year term (with an option to borrow up to a further £20.0m in uncommitted accordion facilities) and replaced the Company's existing term and revolving credit facilities with Lloyds Bank plc which were fully repaid and terminated.

Under the terms of the facility agreement the committed funds reduce to £31.0m on the three year anniversary, and to £26.0m on the four year anniversary from the date of signing.

Non-current bank loan above is stated net of unamortised issue costs of debt of £0.3m.

6. Share capital

	Authorised	
	30 December 2016 Number	30 December 2016 £000
Ordinary shares of 1p each	17,571,840	176
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	Allotted, called up and fully paid	
	30 December 2016 Number	30 December 2016 £000
Ordinary shares of 1p each	14,197,059	142
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