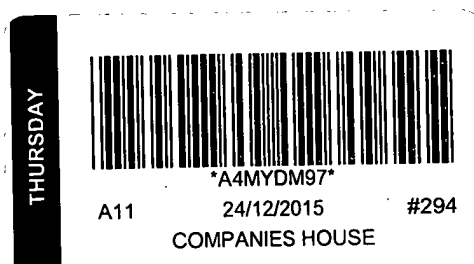


Registered number 04252034

ABSE Limited

Annual report and financial statements
for the year ended 31 March 2015



ABSE Limited

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ABSE Limited

Directors and advisors

Directors

M Riley
S Smith

Company secretaries

D McGlennon

Registered office

Daisy House
Lindred Road Business Park
Nelson
Lancashire
BB9 5SR
England

Bankers

Bank of Scotland
19/21 Spring Gardens
Manchester
M2 1FB

Independent auditor

Deloitte LLP
Chartered Accountant and Statutory Auditor
2 Hardman Street
Manchester
M3 3HF
United Kingdom

ABSE Limited

Strategic report for the year ended 31 March 2015

The directors present their strategic report on ABSE Limited ("the Company") for the year ended 31 March 2015.

Principal activity

The principal activity of the Company was that of a business and management consultancy organisation, however, the Company ceased to trade during the year ended 31 March 2014 and has no plans to trade in the future.

Business review

The results for the Company can be found on page 11. The financial position of the Company at 31 March 2015 is set out on page 12. At 31 March 2015 the Company had net assets of £1.2m (2014: £1.2m)

Exceptional administrative expenses of £464,000 were incurred in the prior period as a result of redundancies which arose following a change in ownership.

Key performance indicators (KPIs)

The KPIs for the Company are set out below:

	Year ended 31 March 2015	15 months to 31 March 2014
	£'000	£'000
Turnover	-	1,700
Adjusted EBITDA*	(1)	652

* - operating loss/profit before depreciation and net exceptional administrative expenses

KPIs have fallen in the year due to the Company ceasing to trade during the prior period. For a full analysis on the movement in KPIs refer to the Daisy Group Holdings Limited consolidated financial statements.

Future developments

The Company has no plans to trade in the future.

Approved by the board of directors and signed on its behalf by:



S. Smith
Director

17 December 2015

ABSE Limited

Directors' report for the year ended 31 March 2015 (continued)

The directors present the annual report and the audited financial statements for the Company, for the year ended 31 March 2015. Details of future developments and post balance sheet events can be found in the strategic report and for part of this report by cross reference, as permitted by section 414C of the Companies Act 2006.

Financial risk management

The Company is exposed to Limited financial risks due to the fact that it ceased to trade in the year ended 31 March 2014.

Proposed dividend

The directors could not recommend the payment of a dividend (2014: £nil).

Directors

The directors who were in office during the year and up to the date of signing the financial statements are given below:

M Riley
S Smith

Directors' and officers' liability insurance and indemnity

The Group has indemnity insurance in place on behalf of its directors during the year which remains in force at the date of this report. The articles of association of certain associated companies also contain indemnification provisions in favour of Group directors to the extent permitted by law. In addition, the Company has previously made qualifying third party indemnity provisions for the benefit of certain directors of the Company which remained in place throughout the year and continue to be in force at the date of this report.

Political and charitable donations

The Company made no charitable donations during the year (2014: £nil). No political donations were made during the period (2014: £nil).

Going concern

Under company law, the directors are required to consider whether it is appropriate to prepare financial statements on the basis that the Company is a going concern. Following the cessation of trade, the directors do not consider the Company to be a going concern and therefore have prepared the financial statements on a basis other than going concern.

Disclosure of information to auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- (a) so far as the directors are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- (b) each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

ABSE Limited

Directors' report for the year ended 31 March 2015 (continued)

Independent auditor

Deloitte LLP was appointed as auditor on 6 May 2015. A resolution to re-appoint Deloitte LLP as the Company's auditor will be proposed at the next directors' meeting.

Approved by the board of directors and signed on its behalf by:



S Smith
Director

17 December 2015

ABSE Limited

Directors' responsibilities statement

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law, the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

ABSE Limited

Independent auditor's report to the members of ABSE Limited

We have audited the financial statements of ABSE Limited for the year ended 31 March 2015 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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, 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 March 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter – Financial statements prepared other than on a going concern basis

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 have been prepared on a basis other than that of a going concern.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

ABSE Limited

Independent auditor's report to the members of ABSE 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.



Damian Sanders ACA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountant and Statutory Auditor
Manchester

17 December 2015

ABSE Limited

Profit and loss account for the year ended 31 March 2015

	Note	Year ended 31 March 2015 £'000	15 months to 31 March 2014 £'000
Turnover	3	-	1,700
Cost of sales		-	-
Gross profit		-	1,700
Administrative expenses		(1)	(1,517)
Operating (loss)/profit	6	(1)	183
Adjusted EBITDA*		(1)	652
Depreciation		-	(5)
Exceptional administrative expense	4	-	(464)
Operating (loss)/profit	6	(1)	183
Interest receivable and similar income	9	-	15
(Loss)/profit on ordinary activities before taxation		(1)	198
Tax on (loss)/profit on ordinary activities	10	35	(75)
Profit for the year/period	14	34	123

The notes on pages 11 to 18 are an integral part of these financial statements.

All results in the current year and prior period derive from discontinued activities.

In the current year and prior period there is no material difference between the profit/(loss) on ordinary activities before taxation and the profit/(loss) stated above and their historical cost equivalents.

The Company has recognised no gains or losses, in the current year or prior period, other than those shown above in the profit and loss account, and therefore no separate statement of total recognised gains and losses has been prepared.

* - operating (loss)/profit before depreciation and net exceptional administrative expenses

ABSE Limited

Balance sheet as at 31 March 2015

		31 March 2015	31 March 2014
	Note	£'000	£'000
Current assets			
Debtors	11	1,841	1,683
Cash at bank		-	211
		1,841	1,894
Creditors: amounts falling due within one year	12	(599)	(686)
Net current assets		1,242	1,208
Total assets less current liabilities		1,242	1,208
Net assets		1,242	1,208
Capital and reserves			
Called up share capital	13	-	-
Profit and loss account	14	1,242	1,208
Total shareholder's funds	15	1,242	1,208

The notes on pages 11 to 18 are an integral part of these financial statements.

The financial statements on pages 9 to 18 were approved by the board of directors, authorised for issue and signed on its behalf by:



S Smith
Director

17 December 2015

Registered number 04252034

ABSE Limited

Notes to the financial statements for the year ended 31 March 2015

1 Accounting policies

Basis of preparation

These financial statements are prepared under historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the current year and preceding period, are set out below.

Going concern

The Company ceased to trade in the prior period. Consequently, as required by FRS 18, the financial statements have been prepared on a basis other than that of a going concern which includes, where appropriate, writing down the Company's assets to net realisable value. The financial statements do not include any provision for the future costs of terminating the business of the Company except to the extent that such costs were committed at the balance sheet date. No adjustments arose as a result of ceasing to apply the going concern basis.

Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured. Turnover is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales duty.

Where goods and or services are sold in one bundled transaction, the Company allocates the total arrangement's consideration to the different individual elements based on their relative fair values. Management determines the fair values of individual components based on actual amounts charged by the Company on a stand-alone basis, or alternatively based on comparable pricing arrangements observable in the market.

Taxation

The charge for taxation is based on the profit/loss for the period and takes into account taxation deferred due to timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and account purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19, 'Deferred tax'.

Exceptional administrative expense

Items that are material and non-operating or non-recurring in nature are presented as exceptional administrative expense items in the profit and loss account, within the relevant account heading. The directors are of the opinion that the separate recording of exceptional items provides helpful information about the Company's underlying business performance.

ABSE Limited

Notes to the financial statements for the year ended 31 March 2015 (continued)

2 Cash flow statement and related party disclosures

The Company is a wholly owned subsidiary of Daisy Group Holdings Limited ("Daisy Group Holdings") and is included in the consolidated financial statements of this company, which are publicly available. Consequently, the Company has elected not to prepare a cash flow statement under the terms of FRS 1 (revised 1996), 'Cash Flow Statements'. The Company is exempt under the terms of paragraph 3(c) of FRS 8, 'Related Party Disclosures' from disclosing related party transactions with wholly owned entities that are part of the Daisy Group.

3 Turnover

The Company's activities consisted of consultancy services to business customers within the United Kingdom. The Company had a single class of business and consequently does not present a segmental analysis.

4 Net exceptional administrative expense

	Year ended 31 March 2015	15 months to 31 March 2014
	£'000	£'000
Redundancy related costs	-	464
	-	464

There was a change in the ownership of the Company during the prior period and this resulted in redundancy related costs of £464,000.

5 Auditor remuneration

Auditor remuneration was borne by the ultimate parent, Daisy Group Holdings Limited, with no recharge. There were no non audit fees paid to the auditor in either the current year or prior period.

6 Operating (loss)/profit

Operating (loss)/profit is stated after charging:

	Year ended 31 March 2015	15 months to 31 March 2014
	£'000	£'000
Depreciation of tangible fixed assets		
- owned assets	-	5
Operating leases:		
-other	-	7

7 Directors' emoluments

Remuneration received by the directors was borne by the ultimate parent undertaking, Daisy Group Holdings Limited, with no recharge. In the prior period the Company paid £19,200 in remuneration to directors for 13 months up to 31 January 2014.

ABSE Limited

Notes to the financial statements for the year ended 31 March 2015 (continued)

8 Employee information

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

	Year ended 31 March 2015 Number	15 months to 31 March 2014 Number
Sales	-	4
Administration and operations	-	5
	-	9

The aggregate payroll costs were as follows:

	Year ended 31 March 2015 £'000	15 months to 31 March 2014 £'000
Wages and salaries	-	1,232
Social security costs	-	74
	-	1,306

The Company did not have pension arrangements in place for employees in either the current year or prior period.

9 Interest receivable and similar income

	Year ended 31 March 2015 £'000	15 months to 31 March 2014 £'000
Bank interest	-	15
	-	15

ABSE Limited

Notes to the financial statements for the year ended 31 March 2015 (continued)

10 Tax on profit on ordinary activities

Analysis of the charge in the year/period is as follows:

	Year ended 31 March 2015 £'000	15 months to 31 March 2014 £'000
Current tax		
- UK corporation tax on profit for the year/period	-	75
- Adjustment in respect of prior periods	35	-
Total current tax	35	75
Total tax on profit on ordinary activities	35	75

The current tax charge for the year is lower (2014: higher) than the standard effective rate of corporation tax in the UK 21% (2014: 23.2%). The differences are explained below:

	Year ended 31 March 2015 £'000	15 months to 31 March 2014 £'000
(Loss)/profit on ordinary activities before taxation	(1)	198
Current tax at 21% (2014: 23.2%)	-	46
Effects of:		
Adjustment in respect of prior periods	35	-
Timing differences between capital allowances and depreciation	-	1
Other timing differences	-	28
Current tax charge for the year/period	35	75

The Finance Act 2013 ("the Act") was substantively enacted on 2 July 2013. The Act reduced the main rate of corporation tax to 21% with effect from 1 April 2014 and 20% with effect from 1 April 2015. The impact on the profit and loss account as a result of these rate changes is £nil (2014: £nil).

11 Debtors

	31 March 2015 £'000	31 March 2014 £'000
Amounts owed by group undertakings	1,806	1,683
Other debtors	35	-
	1,841	1,683

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

ABSE Limited

Notes to the financial statements for the year ended 31 March 2015 (continued)

12 Creditors: amounts falling due within one year

	31 March 2015 £'000	31 March 2014 £'000
Amounts owed to group undertakings	599	598
Corporation tax	-	88
	599	686

Amounts owed to group undertakings are unsecured, carry interest at 4%, have no fixed date of repayment and are repayable on demand.

13 Called up share capital

	2015 Number	2014 Number	2015 £	2014 £
Allotted, called up and fully paid				
Ordinary shares of £1	10	10	10	10
	10	10	10	10

14 Profit and loss account

	Profit and loss account £'000
At 1 April 2014	1,208
Profit for the financial year	34
At 31 March 2015	1,242

15 Reconciliation of movements in shareholder's funds

	31 March 2015 £'000	31 March 2014 £'000
Profit for the financial year/period	34	123
Opening shareholder's funds	1,208	1,085
Closing shareholder's funds	1,242	1,208

ABSE Limited

Notes to the financial statements for the year ended 31 March 2015 (continued)

16 Contingent liabilities

Daisy Bidco plc, a fellow group company, has debt facilities in place which are secured through fixed and floating charges over the assets of the Company and its subsidiary undertakings. The total indebtedness against this senior facility at 31 March 2015 was £252.5 million.

Another fellow group company, Daisy PIKco Limited, has a payment in kind facility in place which is also secured through fixed and floating charges over the assets of the Group. The total indebtedness of this facility at 31 March 2015 was £140.0 million including rolled up interest of £5.0 million,

The directors do not expect any material loss to arise in respect of the group security arrangements in place.

17 Related party transactions

The previous directors of the Company had provided loans to the business which were cleared upon the resignation by the directors. A dividend of £245,000 which was declared in 2012, was paid during the prior period and settled through the directors' loan accounts:

	Dividend paid 31 March 2015 £'000	Dividend paid 31 March 2014 £'000
J Leefield	-	127
J D Witts	-	118
	-	245

18 Related undertakings

The ultimate parent undertaking and controlling party is Daisy Group Holdings Limited which is the parent undertaking of the smallest and largest group to consolidate these financial statements.

The Company's immediate parent undertaking is Daisy Communications Ltd, a company registered in England.

At the date of signing the Company's other related undertakings were as detailed in the table below. The Company has no direct subsidiaries.

ABSE Limited

Notes to the financial statements for the year ended 31 March 2015 (continued)

18 Related undertakings (continued)

9K Limited	UK	Non trading	100%
ABSE Limited	UK	Non-trading	100%
Anglia Telecom Centres Limited	UK	Telecommunications services	100%
BNS Mobile Limited	UK	Non-trading	100%
BNS Telecom Group Limited	UK	Non-trading	100%
CIX Holdings Limited	UK	Non-trading	100%
Compulink Information Exchange Limited	UK	Non-trading	100%
Daisy Bidco plc (formerly Chain Bidco plc)	UK	Non-trading	100%
Daisy Communications Ltd.	UK	Telecommunications services	100%
Daisy Data Centre Solutions Limited	UK	Non-trading	100%
Daisy Data Solutions Limited	UK	Non-trading	100%
Daisy Digital Limited	UK	Non-trading	100%
Daisy Digital Media Limited	UK	Non-trading	100%
Daisy Finco Limited (formerly Chain Finco Limited)	UK	Non-trading	100%
Daisy Group Limited (formerly Daisy Group plc)	UK	Non-trading	100%
Daisy Intermediate Holdings Limited	UK	Non-trading	100%
Daisy Local Business Limited*	UK	Telecommunications services	50%
Daisy Midco Limited (formerly Chain Midco Limited)	UK	Non-trading	100%
Daisy Partner Services Limited	UK	Telecommunications services	100%
Daisy Partner Services Trading Limited	UK	Telecommunications services	100%
Daisy PIKco Limited (formerly Chain PIKco Limited)	UK	Non-trading	100%
Daisy Surgery Line Limited	UK	Non-trading	100%
Daisy Telecoms Limited	UK	Non-trading	100%
Daisy Udata Communications Limited*	UK	Telecommunications services	50%
Daisy Wholesale Limited	UK	Telecommunications services	100%
Daisy Worldwide Limited	UK	Telecommunications services	100%
Daisy Corporate Services Limited (formerly Damovo UK Limited)	UK	Telecommunications services	100%
Faultbasic Limited	UK	Non-trading	97.20%
Fleur Telecom Limited	UK	Telecommunications services	100%
Freedom4 Access Limited	UK	Non-trading	97.20%
Freedom4 Limited	UK	Non-trading	97.20%
Genesis Mobile Communications Limited	UK	Non-trading	100%
GX Networks UK Limited	UK	Non-trading	100%
Infinicom Communications Limited	UK	Non-trading	89.70%
Daisy Wifi Limited	UK	Telecommunications services	100%
Managed Communications Ltd	UK	Telecommunications services	90%
MoCo Communications Limited	UK	Non-trading	100%
Daisy Distribution Limited (formerly MoCo Holdings Limited)	UK	Non-trading	100%
MoCo Telecom Limited	UK	Non-trading	100%
Murphx Innovative Solutions Limited	UK	Non-trading	100%
Network Europe Group Limited	UK	Non-trading	100%
O-Bit Telecom Limited	UK	Telecommunications services	100%
Purity IT Limited	UK	Telecommunications services	100%
Single Source Computer Services UK Limited	UK	Non-trading	100%
SpiriTel Limited	UK	Non-trading	100%
SpiriTel Mobile Limited	UK	Telecommunications services	100%
Surgery Line Limited	UK	Non-trading	100%
The Net Crowd Limited	UK	Non-trading	100%
Vialtus Holdings Limited	UK	Non-trading	100%
Vialtus Limited	UK	Non-trading	100%
Worldwide Connect Limited	UK	Non-trading	100%
Damovo UK Limited (formerly XTML Limited)	UK	Non-trading	100%
Phoenix IT Group Limited	UK	IT services	100%
Phoenix IT Shared Services Limited	UK	IT services	100%
Phoenix IT Services Limited	UK	IT services	100%
ICM Computer Group Limited	UK	IT services	100%

ABSE Limited

Notes to the financial statements for the year ended 31 March 2015 (continued)

18 Related undertakings (continued)

Name	Country of incorporation	Nature of business	% of ordinary shares held by the Group
Phoenix IT Continuity and Resilience Services Limited	UK	IT Services	100%
Phoenix IT Managed Services Limited	UK	IT services	100%
Phoenix IT Continuity Consulting Limited	UK	IT services	100%
Aghoco 1000 Limited	UK	IT services	100%
Phoenix IT Computer Group (Scotland) Limited	UK	IT services	100%
Knaves Beech Investments No1 Limited	UK	IT services	100%
Phoenix International Holdings Limited	UK	IT services	100%
NDR (Holdings) Limited	UK	IT services	100%
Phoenix IT Trustees Limited	UK	IT services	100%
Trend Network Services Limited	UK	IT services	100%
VHA Limited	UK	IT services	100%
Network Disaster Recovery Limited	UK	IT services	100%
Servo Computer Services Limited	UK	IT services	100%
ICM Limited	UK	IT services	100%
Criffel Micro Business Systems Limited	UK	IT services	100%

*- joint ventures