

Financial Statements

Tellermate Holdings Limited

For the Year Ended 31 December 2016

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COMPANIES HOUSE

Registered number: 07449535

Tellermate Holdings Limited

Company Information

Directors

P J Rendell
G R J Davies
D W Lunn
J A V Sopher
R Dell'Aquila
D Hawks III
M LaConti

Company secretary

G R J Davies

Registered number

07449535

Registered office

Leeway House
Leeway Industrial Estate
Newport
NP19 4SL

Independent auditor

Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor
11/13 Penhill Road
Cardiff
South Glamorgan
CF11 9UP

Bankers

HSBC Bank Plc
56 Queen Street
Cardiff
CF10 2PX

Contents

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditor's report	4 - 5
Statement of comprehensive income	6
Balance sheet	7
Statement of changes in equity	8
Notes to the financial statements	9 - 17

Strategic Report

For the Year Ended 31 December 2016

Introduction

The directors present their strategic report for the year ended the 31 December 2016.

Business review

The company is an intermediate holding company between, ultimate parent, Cash Management Solutions Limited, and its investments in the underlying Tellermate subsidiary companies.

Principal risks and uncertainties

The company is dependent on income from its subsidiaries.

Competitive pressure in the markets in which the subsidiary companies operate and the general economic environment are a continuing risk to dividend income for the company.

Financial key performance indicators

The company has no on-going performance indicators as these are considered in the consolidated accounts of Cash Management Solutions Limited.

This report was approved by the board on 27 June 2017 and signed on its behalf.



G R J Davies
Director

Directors' Report

For the Year Ended 31 December 2016

The directors present their report and the financial statements for the year ended 31 December 2016.

Directors' responsibilities statement

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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Company law the directors must not approve the financial statements unless satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; 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.

Results and dividends

The profit for the year, after taxation, amounted to £6,588,962 (2015 - loss £49,587).

Dividends of £3,972,008 were declared and paid during the year (2015: £Nil).

Directors

The directors who served during the year were:

P J Rendell
G R J Davies
D W Lunn
J A V Sopher
R Dell'Aquila
D Hawks III
M LaConti

Future developments

The Directors remain confident about the future prospects for the Group, as its trading companies are well established and continue to focus on customer development, increasing market share and developing new products.

Directors' Report

For the Year Ended 31 December 2016

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 27 June 2017. and signed on its behalf.



G R J Davies
Director

Independent Auditor's Report to the Members of Tellermate Holdings Limited

We have audited the financial statements of Tellermate Holdings Limited for the year ended 31 December 2016, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is the applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 on, 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 Financial Reporting Council'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 31 December 2016 and of its profit 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.



Independent Auditor's Report to the Members of Tellermate Holdings Limited (continued)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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 those financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and the Directors' report.

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.

Rhian Owen (Senior statutory auditor)
for and on behalf of

Grant Thornton UK LLP

Chartered Accountants

Statutory Auditor

Cardiff

Date:

27 June 2017

Statement of Comprehensive Income

For the Year Ended 31 December 2016

	Note	2016 £	2015 £
Administrative expenses		(62,086)	(49,587)
Operating loss	4	(62,086)	(49,587)
Income from fixed assets investments		6,658,562	-
Profit/(loss) before tax		6,596,476	(49,587)
Tax on profit/(loss)		(7,514)	-
Profit/(loss) for the year		6,588,962	(49,587)

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2016 (2015: £NIL).

The notes on pages 9 to 17 form part of these financial statements.

Balance Sheet

As at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Investments	10	3,599,777	3,619,101
		<u>3,599,777</u>	<u>3,619,101</u>
Current assets			
Debtors: amounts falling due within one year	11	35,162	2,487
Cash at bank and in hand	12	1,407	1,437
		<u>36,569</u>	<u>3,924</u>
Creditors: amounts falling due within one year	13	(46,216)	(2,649,849)
Net current liabilities		<u>(9,647)</u>	<u>(2,645,925)</u>
Total assets less current liabilities		<u>3,590,130</u>	<u>973,176</u>
Net assets		<u><u>3,590,130</u></u>	<u><u>973,176</u></u>
Capital and reserves			
Called up share capital	14	112,870	112,870
Capital redemption reserve		28,276	28,276
Merger reserve		910,930	910,930
Profit and loss account		2,538,054	(78,900)
		<u>3,590,130</u>	<u>973,176</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
27 June 2017.



G R J Davies
Director

The notes on pages 9 to 17 form part of these financial statements.

Statement of Changes in Equity

As at 31 December 2016

	Share capital	Capital redemption reserve	Merger reserve	Retained earnings	Total equity
	£	£	£	£	£
At 1 January 2016	112,870	28,276	910,930	(78,900)	973,176
Comprehensive income for the year					
Profit for the year	-	-	-	6,588,962	6,588,962
Contributions by and distributions to owners					
Dividends: Equity capital	-	-	-	(3,972,008)	(3,972,008)
At 31 December 2016	112,870	28,276	910,930	2,538,054	3,590,130

Statement of Changes in Equity

As at 31 December 2015

	Share capital	Capital redemption reserve	Merger reserve	Retained earnings	Total equity
	£	£	£	£	£
At 1 January 2015	112,870	28,276	910,930	(29,313)	1,022,763
Comprehensive income for the year					
Loss for the year	-	-	-	(49,587)	(49,587)
At 31 December 2015	112,870	28,276	910,930	(78,900)	973,176

The notes on pages 9 to 17 form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2016

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

1.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Cash Management Solutions Limited as at 31 December 2016 and these financial statements may be obtained from Leeway House, Leeway Industrial Estate, Newport, NP19 4SL.

1.3 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

The company is exempt from the requirement to prepare group accounts under Section 400 of the Companies Act 2006.

1.4 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Notes to the Financial Statements

For the Year Ended 31 December 2016

1. Accounting policies (continued)

1.6 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

1.7 Creditors

Short term creditors are measured at the transaction price.

1.8 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

1.9 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Notes to the Financial Statements

For the Year Ended 31 December 2016

2. General information

Tellermate Holdings Limited is a private company limited by shares and incorporated in England and Wales. The registered office is Leeway House, Leeway Industrial Estate, Newport, NP19 4SL.

The financial statements are prepared in sterling which is the functional currency of the company. Amounts are rounded to the nearest £.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Many of the amounts included in the financial statements involve the use of judgement and / or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimation is contained in the accounting policies and / or the notes to the financial statements and the key areas are summarised below:

Provisions

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

4. Operating loss

During the year, no director received any emoluments (2015 - £NIL).

5. Auditor's remuneration

	2016 £	2015 £
Fees payable to the Company's auditor and its associates in respect of:		
All other services	15,000	-
	<u>15,000</u>	<u>-</u>

6. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2015 - £NIL).

Notes to the Financial Statements

For the Year Ended 31 December 2016

7. Income from investments

	2016 £	2015 £
Dividends received from unlisted investments	(6,658,562)	-
	<u>(6,658,562)</u>	<u>-</u>

8. Taxation

	2016 £	2015 £
Corporation tax		
Adjustments in respect of previous periods	7,514	-
	<u>7,514</u>	<u>-</u>
Total current tax	<u>7,514</u>	<u>-</u>
Deferred tax		
Total deferred tax	<u>-</u>	<u>-</u>
Taxation on profit on ordinary activities	<u>7,514</u>	<u>-</u>

Notes to the Financial Statements

For the Year Ended 31 December 2016

8. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2015 - higher than) the standard rate of corporation tax in the UK of 20% (2015 - 20.25%). The differences are explained below:

	2016 £	2015 £
Profit/(loss) on ordinary activities before tax	<u>6,596,476</u>	<u>(49,587)</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.25%)	1,319,295	(10,041)
Effects of:		
Expenses not deductible for tax purposes	5,000	-
Adjustments to tax charge in respect of prior periods	7,514	-
Non-taxable income	(1,331,712)	-
Group relief	<u>7,417</u>	<u>10,041</u>
Total tax charge for the year	<u><u>7,514</u></u>	<u><u>-</u></u>

9. Dividends

	2016 £	2015 £
Ordinary		
Dividends paid	<u>3,972,008</u>	<u>-</u>
	<u><u>3,972,008</u></u>	<u><u>-</u></u>

Notes to the Financial Statements

For the Year Ended 31 December 2016

10. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2016	3,619,101
Disposals	(19,324)
At 31 December 2016	<u>3,599,777</u>
Net book value	
At 31 December 2016	<u><u>3,599,777</u></u>
At 31 December 2015	<u><u>3,619,101</u></u>

Notes to the Financial Statements

For the Year Ended 31 December 2016

10. Fixed asset investments (continued)

Direct subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Tellermate Inc	Ordinary	100 %	Distribution
Tellermate Europe SARL	Ordinary	100 %	Distribution
Tellermate Limited	Ordinary	100 %	Manufacturing and distribution
Tellermate Japan & Co. Limited	Ordinary	100 %	Distribution

Indirect Subsidiary undertakings

The following were indirect subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Tellermate Gmbh	Ordinary	100 %	Distribution
Tellermate Iberica SL	Ordinary	100 %	Distribution

Name	Country of incorporation
Tellermate Inc	United States
Tellermate Europe SARL	France
Tellermate Limited	England and Wales
Tellermate Japan & Co. Limited	Japan
Tellermate Gmbh	Germany
Tellermate Iberica SL	Spain

Notes to the Financial Statements

For the Year Ended 31 December 2016

11. Debtors

	2016 £	2015 £
Amounts owed by group undertakings	25,550	-
Other debtors	2,577	-
Prepayments	7,035	2,487
	<u>35,162</u>	<u>2,487</u>

12. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	1,407	1,437
	<u>1,407</u>	<u>1,437</u>

13. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	9,702	-
Amounts owed to group undertakings	-	2,649,849
Corporation tax	7,514	-
Accruals and deferred income	29,000	-
	<u>46,216</u>	<u>2,649,849</u>

14. Share capital

	2016 £	2015 £
Allotted, called up and fully paid		
3,886 Ordinary shares of £1 each	3,886	3,886
63,621 B Ordinary shares of £1 each	63,621	63,621
12,575 C Ordinary shares of £1 each	12,575	12,575
32,788 D Ordinary shares of £1 each	32,788	32,788
	<u>112,870</u>	<u>112,870</u>

Notes to the Financial Statements

For the Year Ended 31 December 2016

15. Related party transactions

The company has taken advantage of exemptions under FRS 102 which mean that transactions between wholly-owned group companies do not have to be disclosed.

16. Ultimate parent undertaking and controlling party

The immediate parent company is Cash Management Solutions Limited, a company registered in England and Wales. The ultimate parent company is BEP III LLC, a company registered in the United States. The largest and small group of undertakings for which group accounts have been drawn up is that headed by Cash Management Solutions Limited. Copies of the group accounts are available at Leeway House, Leeway Industrial Estate, Newport, NP19 4SL.