

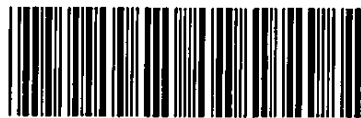
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**Agentpiece Limited**

**Directors' Report and Financial Statements**

**Year Ended 30 September 2009**

TUESDAY



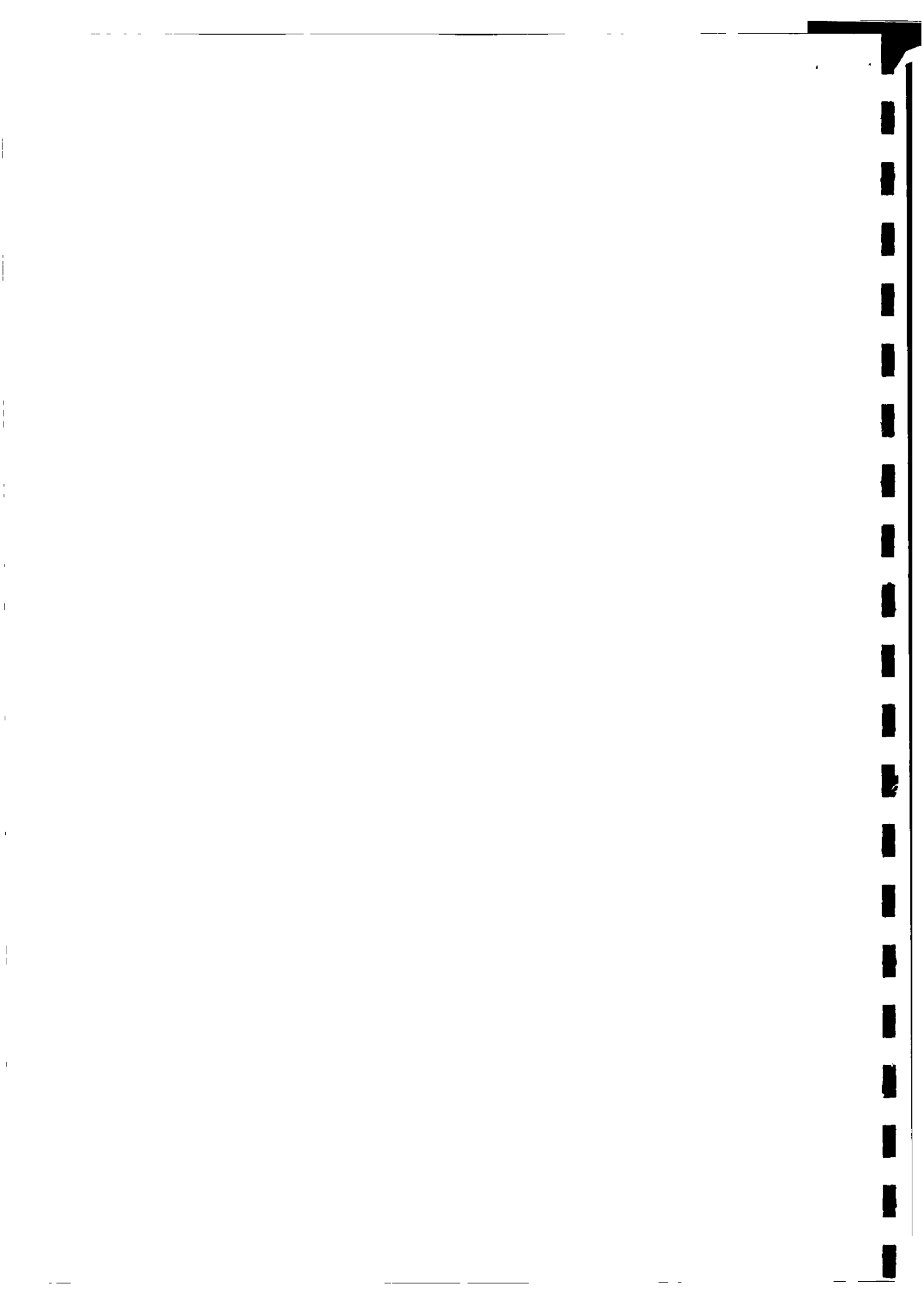
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## CONTENTS

	Page
DIRECTORS AND OTHER INFORMATION	2
DIRECTORS' REPORT	3 - 4
INDEPENDENT AUDITORS' REPORT	5 - 6
STATEMENT OF ACCOUNTING POLICIES	7
PROFIT AND LOSS ACCOUNT	8
BALANCE SHEET	9
NOTES TO THE FINANCIAL STATEMENTS	10 - 14



**DIRECTORS AND OTHER INFORMATION**

**Directors**

Mike Maloney  
Mary Turrell

**Solicitors**

McCann Fitzgerald  
Riverside One  
Sir John Rogerson's Quay  
Dublin 2

**Secretary and Registered Office**

Brenda Hogan  
Davidson House  
Gadbrook Park  
Northwich  
Cheshire  
CW9 7TN

**Company Number:** 4482839

**Auditors**

PricewaterhouseCoopers  
Chartered Accountants and Registered Auditors  
One Spencer Dock  
North Wall Quay  
Dublin 1

## DIRECTORS' REPORT

The directors present their report together with financial statements for the year ended 30 September 2009. The comparative period is for the year ended 30 September 2008.

### Principal activities, results and dividends

The profit and loss account and balance sheet for the year ended 30 September 2009 are set out on pages 8 and 9. The company is an investment holding company funded by borrowings from other group companies. Interest is paid on some of these loans.

### Interests of directors and secretary

The persons who acted as directors during the year are set out below.

Mike Maloney  
Mary Turrell  
James T Murphy (resigned 30 January 2009)

The directors and secretary who held office at 30 September 2009 had no interests in the shares in the company.

The interests of the directors and secretary in the shares of the parent undertaking Payzone plc is disclosed in the financial statements of that company.

### Research and development

The company did not engage in any research and development during the year.

### Future developments

There are no future material changes anticipated in the business of the company at this time.

### Subsequent events

Except as described in note 13, there have been no significant events subsequent to the year end which require disclosure.

### Statement of directors' responsibilities

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 year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 those 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that 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.

**DIRECTORS' REPORT - continued**

**Auditors and disclosure of information to auditors**

The directors who held office at the date of approval of this directors' report confirm that

- so far as they are aware, there is no relevant audit information of which the company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

**Subsidiary companies**

Details of the company's subsidiaries are contained in note 5 of the financial statements

**Auditors**

The auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting

On behalf of the board

  
Mike Maloney

10 May 2010

## **Independent auditors' report to the members of Agentpiece Limited**

We have audited the financial statements of Agentpiece Limited for the year ended 30 September 2009 which comprise the Profit and Loss Account, the Balance Sheet, the Accounting Policies and the related notes. 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).

### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 3 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 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### **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.

### **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 2009 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.

### **Opinion on other matter 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.



**Independent auditors' report to the members of Agentpiece 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



**Denis O'Connor (Senior Statutory Auditor)**  
**PricewaterhouseCoopers**  
**Chartered Accountants and Registered Auditors**  
**Dublin**

**10 May 2010**

## STATEMENT OF ACCOUNTING POLICIES

The following accounting policies have been applied consistently in the company's financial statements

### **Basis of preparation**

The financial statements have been prepared in accordance with accounting standards generally accepted in the United Kingdom and United Kingdom statute comprising the Companies Acts 1985. Accounting standards generally accepted in the United Kingdom in preparing financial statements giving a true and fair view are those published by the Institute of Chartered Accountants in England and Wales and issued by the Accounting Standards Board.

The company has reviewed its functional currency and the company considers that the euro is the most appropriate currency to correctly reflect the underlying activities of the company.

The preparation of the financial statements requires the directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts included in the profit and loss account for the period.

### **Consolidation**

Consolidated financial statements have not been prepared as the company is a wholly owned subsidiary of Payzone plc, a company incorporated in the Ireland, which prepares consolidated financial statements.

### **Investments**

Investments are shown at cost less provisions for impairments in value. Income from financial fixed assets, together with any related tax credit, is recognised in the profit and loss account in the period in which it is receivable.

### **Taxation**

The charge for taxation is based on the results for the period as adjusted for group relief. Tax losses utilised for group relief are transferred between group members. Charges for group relief are determined on a case-by-case basis.

Deferred tax is provided on all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future (which is considered to be recoverable) have occurred at the balance sheet date.

Timing differences are temporary differences between profits as computed for tax purposes and profits as stated in the financial statements, which arise because certain items of income and expenditure in the financial statements are dealt with in different years for tax purposes.

Deferred tax is measured at the tax rates that are expected to apply in the years in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is not discounted.

### **Cash flow statement**

The company has availed of the exemption contained in Financial Reporting Standard No 1, which exempts subsidiary undertakings from the requirement to prepare a Cash Flow Statement where 90% or more of the voting rights are held by a group which prepares publicly available consolidated financial statements in which the result of the subsidiary are included.

**PROFIT AND LOSS ACCOUNT**  
**Year Ended 30 September 2009**

	Notes	Year ended 30 September 2009 €	Year ended 30 September 2008 €
Other expenses		(117,757)	(26,389)
<b>Exceptional operating expenses</b>	<b>2</b>	<b><u>(75,749,714)</u></b>	<b><u>-</u></b>
<b>Loss on ordinary activities before interest and taxation</b>		<b>(75,867,471)</b>	<b>(26,389)</b>
Interest payable and similar charges	<b>3</b>	<b><u>(4,635,079)</u></b>	<b><u>(7,586,921)</u></b>
<b>Loss on ordinary activities before taxation</b>		<b>(80,502,550)</b>	<b>(7,613,310)</b>
Taxation on loss on ordinary activities	<b>4</b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Loss for the period</b>		<b>(80,502,550)</b>	<b>(7,613,310)</b>
Accumulated losses at start of year		<b><u>(149,004,953)</u></b>	<b><u>(141,391,643)</u></b>
<b>Accumulated losses at end of year</b>		<b><u>(229,507,503)</u></b>	<b><u>(149,004,953)</u></b>

There are no recognised gains or losses other than the loss for the above year. There is no difference between the loss on ordinary activities before taxation and the profit retained above and their historical cost equivalents.

All of the above amounts relate to continuing activities.


On behalf of the board

  
Mike Maloney

**BALANCE SHEET**  
**30 September 2009**

	Notes	30 September 2009 €	30 September 2008 €
<b>Fixed assets</b>			
Financial assets	5	<u>27,556,686</u>	<u>106,206,400</u>
<b>Current assets</b>			
Debtors	6	-	3,663,756
Creditors - amounts falling due within one year	7	-	<u>(5,000,000)</u>
<b>Net current liabilities</b>		-	<u>(1,336,244)</u>
<b>Total assets less current liabilities</b>		27,556,686	104,870,156
Creditors - amounts falling due after more than one year	8	<u>(257,064,188)</u>	<u>(253,875,108)</u>
<b>Net liabilities</b>		<u>(229,507,502)</u>	<u>(149,004,952)</u>
<b>Capital and reserves</b>			
Called up share capital	9	1	1
Profit and loss account		<u>(229,507,503)</u>	<u>(149,004,953)</u>
<b>Equity shareholders' deficit</b>	10	<u>(229,507,502)</u>	<u>(149,004,952)</u>

On behalf of the board



Mike Maloney  
Director  
Agentpiece Limited  
Registered No 4482839

## NOTES TO THE FINANCIAL STATEMENTS

**1 Going concern**

The financial statements have been prepared on a going concern basis

Notwithstanding that the company's ultimate parent Payzone plc will be liquidated the directors consider the going concern basis of accounting appropriate as this company will continue in operation following its acquisition on 9 April 2010 by a new group headed by Prize Holdings S A

This acquisition follows on from the announcement on 5 of February 2010, that an agreement had been reached between Duke Street and the Payzone plc's banking syndicate on the terms of a debt and share capital restructuring. This restructuring involved the acquisition by subsidiaries of Prize Holdings S A of the share capital of alphyra holdings Limited and Cardpoint Limited. These companies and their subsidiaries will continue on a going concern basis. Details of the acquisition have been set out in more detail in note 13

The validity of the going concern assumption is dependent on Prize Holdings S A and its subsidiaries ("the continuing group"), which includes this company, achieving operating profitability for the years ending 30 September 2010 and 30 September 2011 and the continued support of the group's bankers and shareholders

The directors have reviewed the forecast trading results of the group for a period of three years from the date of approval of this financial information. Despite continuing difficult trading conditions, the directors believe that the group operates robust business models across its divisions, which are strongly cash generative. Furthermore the directors are satisfied that management has already taken and will continue to take steps to allow the group to achieve operating profitability notwithstanding the current economic climate. Additionally the new debt arrangements provide no capital repayments or covenant testing will take place until 2011. The investment by Duke Street also provided additional working capital facilities to the continuing group

In addition the continuing group has various mechanisms and opportunities to ensure that it can react to changes in the geographic territories in which it operates. These include

- redeploying profit generating assets,
- leveraging IT efficiencies across the group,
- further reducing variable costs, and
- disposal of business not considered a strategic fit for the group

The directors are satisfied that in view of the continuing group's existing bank relationship, the recently signed debt and share capital restructuring and the associated positive cash flows, the group should have the necessary resources to meet its expected financial obligations. Accordingly, they believe it is appropriate for these financial statements to be prepared on a going concern basis

**2 Exceptional operating expenses**

An indication of impairment arose when the net assets of subsidiary companies fell below the carrying value of the investment in the current year. Consequently an impairment review was carried out which gave rise to an impairment charge of €75,749,714 in the current year (note 5)

**3 Interest payable and similar charges**

	2009 €	2008 €
Interest payable and similar charges	<u>(4,635,079)</u>	<u>(7,586,921)</u>

## NOTES TO THE FINANCIAL STATEMENTS - continued

<b>4 Tax on loss on ordinary activities</b>	<b>2009</b>	<b>2008</b>
	<b>€</b>	<b>€</b>
<b>Corporation tax on the loss for the period on ordinary activities;</b>		
Corporation tax on loss for the year	-	-
Loss on ordinary activities before taxation	<u>(80,502,550)</u>	<u>(7,613,310)</u>
Tax on profit on ordinary activities 28% (2008 30%)	(22,540,714)	(2,283,993)
Effects of		
Disallowable expenses	22,507,742	-
Losses surrendered to group companies	<u>32,972</u>	<u>2,283,993</u>
Corporation tax	<u>-</u>	<u>-</u>
<b>5 Financial assets</b>	<b>2009</b>	<b>2008</b>
	<b>€</b>	<b>€</b>
<b>Shares in subsidiary undertakings</b>		
Opening balance	106,206,400	106,100,000
Adjustment to deferred consideration	(2,900,000)	106,400
Impairment (note 2)	<u>(75,749,714)</u>	<u>-</u>
	<u>27,556,686</u>	<u>106,206,400</u>

## NOTES TO THE FINANCIAL STATEMENTS - continued

## 5 Investments - continued

At the 30 September 2009 the company held 100% of the equity of the following undertakings

	Country of incorporation	Class of share capital held	Proportion held	Principal activity
Payzone Group Holdings (UK) Limited	UK	Ordinary	100%	Investment and property holding company
Payzone Top Up Limited	UK	Ordinary	100%	Prepaid cellular distribution
Payzone Top Up Collection Services Limited	UK	Ordinary	100%	Prepaid cellular distribution
Moriaan tobacco BV	Holland	Ordinary	100%	Non-trading
Payzone UK Limited	UK	Ordinary	100%	Supply and maintenance of electronic payment terminals and reseller of mobile phone minutes and utility top up
Payzone Payments Services Limited	UK	Ordinary	100%	Cash collection and management of trust accounts
Triton Payment Services Limited	UK	Ordinary	100%	Supply and maintenance of electronic payment terminals and reseller of mobile phone minutes
ITG Payphones (UK) Limited	UK	Ordinary	100%	Non trading

## 6 Debtors

	2009 €	2008 €
Amounts owed by group companies	-	3,663,756

## 7 Creditors - amounts falling due within one year

	2009 €	2008 €
Deferred consideration	-	5,000,000

## NOTES TO THE FINANCIAL STATEMENTS - continued

8 Creditors - amounts falling due after more than one year	2009 €	2008 €
Loan note due to parent companies	164,502,715	162,402,715
Amounts due to group companies	<u>92,561,473</u>	<u>91,472,393</u>
	<u>257,064,188</u>	<u>253,875,108</u>

The loan note due to parent company is non-interest bearing and is redeemable by the holder under certain circumstances

The amount due to group companies is interest bearing and is repayable on 31 October 2014

9 Share capital	2009 €	2008 €
<b>Authorised</b>		
1,000 ordinary shares of €1 each	<u>1,000</u>	<u>1,000</u>
<b>Allotted, called up and fully paid</b>		
1 ordinary share of €1 each	<u>1</u>	<u>1</u>

10 Reconciliation of movement in equity shareholders' deficit	2009 €	2008 €
Loss for the year	<u>(80,502,550)</u>	<u>(7,613,310)</u>
Net movement in shareholders' deficit	(80,502,550)	(7,613,310)
Opening shareholders' deficit	<u>(149,004,952)</u>	<u>(141,391,642)</u>
Closing shareholders' deficit	<u>(229,507,502)</u>	<u>(149,004,952)</u>

## 11 Related party transactions

The company is availing of exemptions from disclosure of transactions and balances with fellow group companies in accordance with Financial Reporting Standards ("FRS") 8 "Related Party Transactions"

## 12 Ultimate parent company

The directors consider that the ultimate parent undertaking and controlling related party of this company is Payzone plc which is incorporated in the Republic of Ireland

The largest and smallest group of undertakings for which group accounts have been drawn up is that headed by Payzone plc, formerly listed on the AIM London (see note 13)



## NOTES TO THE FINANCIAL STATEMENTS - continued

### 13 Subsequent events

On 23 December 2009, the group reached an agreement to sell its Electronic Transfer ("EFT") payment solutions and terminal business in The Netherlands. The business has been sold to FIBAD B.V., a provider of payment solutions. The cash consideration received by the group for the business being sold is €5.7m. In addition, the transaction resulted in the release of deposits and financial guarantees totalling €1.0m, provided as security for the business bank overdraft facilities. Following this transaction, the group no longer has an operational presence in The Netherlands.

On 5 February 2010, Payzone plc ("the Company") announced that an agreement had been reached between Duke Street and the group's banking syndicate on the terms of a debt and share capital restructuring. The restructuring involved the appointment of Ernst and Young as receivers to Payzone plc, the ultimate parent of the group and the disposal of the direct subsidiaries of Payzone plc to a newly formed company, Prize Holdings S.A. ("the Transaction"). Duke Street has taken a controlling stake in the Prize Holdings S.A. and the amount of debt owing to the banking syndicate has been reduced from €320m to €82m.

Trading in the Company's ordinary shares on the Alternative Investment Market of the London Stock Exchange ("AIM"), was suspended on 5 February 2010, and will be cancelled on 10 May 2010.

The receivers disposed of the entire issued share capital of the two subsidiaries of Payzone plc, Cardpoint Limited and Alphyra Holdings Limited, and novated the intercompany debt owed to Payzone plc by its subsidiaries to subsidiaries of Prize Holdings S.A. in return for the consideration and assumption of part of the Group's debt as described below.

As part of the novation the intercompany debts Payzone plc's subsidiaries liabilities to Payzone plc were rotated to Alphyra Holdings Limited and Cardpoint Limited.

Prize Holdings S.A. became the ultimate owner of all the operating subsidiaries of the group. None of the group's subsidiaries were placed into administration or any other insolvency process. As part of the Transaction, Duke Street invested €45m in Prize Holdings S.A. Prize Holdings S.A. assumed approximately €109m of bank debt and guarantees owed to the banking syndicate, of which €27m was repaid by Prize Holdings S.A. out of the funds invested by Duke Street.

A member of the purchasing group will issue a deferred consideration note in favour of the banking syndicate, payments under which are capped at €6.3m and are contingent upon performance over the three years following completion. The funds invested by Duke Street were used to provide working capital to the Group in addition to €11m of headroom in the form of a Revolving Credit Facility provided by the banking syndicate.

The banking syndicate acquired a 16% interest in the Prize Holdings S.A., with the balance being held by Duke Street (69%) and by certain of the current senior management of the Company (15%). Following the completion of the transaction on 9 April 2010, Payzone plc, which was a holding company, divested all of its subsidiaries and used any remaining funds to satisfy certain liabilities of the Company which had ceased to trade on 5 February 2010.

### 14 Approval of financial statements

The board of directors approved these financial statements on 10 May 2010.