

PRIME INTERACTION LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDING 30th JUNE 2013

THURSDAY



L34KA9O8

LD2

27/03/2014

#48

COMPANIES HOUSE

Prime Interaction Limited**Directors**

Robin Fisher
Barry Stiefel

Registered Office

202 Finchley Road, London, NW36BX

Registered Number

04102260

Report of the Directors

The directors present their report and the financial statements for the year ending 30th June 2013.

Review of Activities

The company continued to act as an investment holding company, with its main investments being in subsidiary companies involved in the security industry. During the year the company acquired a 40% interest in Defence Security Systems Limited.

The company continues to look for new opportunities to provide security related and monitoring services, and the directors are pleased to report that in January 2014 the company acquired a significant interest in Kings Security Systems Limited.

Directors

The current directors named above held office throughout the year.

Charitable donations

During the year the company made donations to registered charities of £ 5,541 (2012 £225).

Small Companies Exemption

This report has been prepared in accordance with the special provisions of section 415A of the Companies Act 2006 relating to small companies.

By Order of the Board


R FISHER

Director

**Chartered Accountants' Report to the Board of Directors on the Unaudited Financial Statements
of Prime Interaction Limited**

In accordance with the engagement letter dated 30th April 2010, and in order to assist you to fulfill your duties under the Companies Act 2006, we have compiled the company's financial statements which are set out on pages 3 to 10 from the accounting records and information and explanations you have given to us

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet for the period ended 30th June 2013 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 2006. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



MOORE STEPHENS LLP

Chartered Accountants

150 Aldersgate Street
London
EC1A 4AB
27th March 2014

Prime Interaction Limited

**Profit and Loss Account
For the year ended 30th June 2013**

	<u>Note</u>	12 months ended 30 June <u>2013</u> £	11 months ended 30th June <u>2012</u> £
Turnover	2	127,500	84,205
Net operating expenses	3	<u>(173,811)</u>	<u>(158,265)</u>
Operating Loss	4	(46,311)	(74,060)
Profit on part disposal of investment		25,723	-
Investment Income	5	6,486	7,161
Interest receivable		1,736	1,973
Finance lease interest paid		<u>(1,421)</u>	<u>(1,303)</u>
Loss on Ordinary Activities Before Taxation		(13,787)	(66,229)
Tax on loss on ordinary activities	7	<u>-</u>	<u>-</u>
Loss for the Financial Period		(13,787)	(66,229)
Accumulated Loss at 31st July 2012		(2,028,073)	(1,961,844)
Capital contribution transferred to profit and loss account		<u>2,640,329</u>	<u>-</u>
Retained reserves at 30th June 2013		<u>598,469</u>	<u>(2,028,073)</u>

The profit and loss account has been prepared on the basis that all operations are continuing

There are no recognised gains or losses other than those included in the profit and loss account

Prime Interaction Limited

Balance Sheet - 30th June 2013

	Note	2013		2012	
		£	£	£	£
Fixed Assets					
Tangible assets	8		38,193		30,331
Investments	9		<u>941,863</u>		<u>756,106</u>
			980,056		786,437
Current Assets					
Debtors – Amounts falling due after one year	10	383,010		222,364	
Debtors – Amounts falling due within one year	10	6,546		6,903	
Cash at bank and in hand		<u>193,229</u>		<u>99,837</u>	
		582,785		329,104	
Creditors, amounts falling due within one year	11	<u>(44,236)</u>		<u>(50,329)</u>	
Net Current Assets			<u>538,549</u>		<u>278,775</u>
Total Assets Less Current Liabilities			<u>1,518,605</u>		<u>1,065,212</u>
Creditors, amounts falling due after more than one year	12		820,136		352,956
Capital and Reserves					
Called up share capital	13	100,000		100,000	
Capital Contribution		-		2,640,329	
Profit and loss account		<u>598,469</u>		<u>(2,028,073)</u>	
Shareholders' Funds			<u>698,469</u>		<u>712,256</u>
			<u>1,518,605</u>		<u>1,065,212</u>

For the year ended 30th June 2013, the company was entitled to exemption from audit under section 477 of the Companies Act 2006. The directors confirm that the members have not required the company to obtain an audit of its accounts for the year ended 30th June 2013 in accordance with section 476 of the Companies Act 2006. The Directors acknowledge their responsibilities for ensuring that the company keeps proper accounting records which comply with s386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year and of its profit or loss for the financial year in accordance with the requirements of s394 and s395 and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board on 27th March 2014


R FISHER - Director

The notes on pages 5 to 9 form part of these financial statements

Financial Statements for the period ending 30th June 2013

Notes

1 Principal Accounting Policies

(a) Basis of accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The company has taken exemption from the requirement to prepare group accounts on the grounds that the group is small.

(b) Turnover

Turnover represents income receivable by the company, excluding Value Added Tax, in respect of services provided in the year.

(c) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation has been provided to write off the costs less estimated residual values of the assets over their estimated useful lives on a straight-line basis at the following rates:

Computer equipment	33% per annum
Office equipment	25% per annum
Furniture and fixtures	25% per annum
Motor Vehicles	25% per annum

(d) Investments and investment income

Investments are held at cost less provision for permanent diminution. Income arising from investments is recognised in the year of receipt.

(e) Deferred taxation

Deferred taxation is provided at current rates on all timing differences using the liability method. Deferred taxation assets are only recognised where, in the opinion of the directors, there is a reasonable probability that they can be recovered in the foreseeable future.

(f) Operating leases

Rentals payable under operating leases are charged to the profit and loss account on a straight-line basis over the term of a lease.

2 Turnover

All turnover of the company is generated in the United Kingdom.

Prime Interaction Limited

Financial Statements for the period ending 30th June 2013

Notes (Continued)

3	Net Operating Expenses	<u>2013</u> £	<u>2012</u> £
	Administrative expenses	<u>173,811</u>	<u>158,265</u>
4	Operating Loss	<u>2013</u> £	<u>2012</u> £
	Operating loss is stated after charging		
	Depreciation of tangible fixed assets – held under finance lease	5,094	5,094
	Depreciation of tangible fixed assets – other	<u>446</u>	<u>-</u>
5	Investment income	<u>2013</u> £	<u>2012</u> £
	Profit distributions in respect of LLP profit share	<u>6,486</u>	<u>7,161</u>
6	Staff Costs		
	(a) Directors' remuneration	<u>2013</u> £	<u>2012</u> £
	Emoluments in respect of qualifying services	90,000	82,500
	Benefits	<u>15,347</u>	<u>14,827</u>
		<u>105,347</u>	<u>97,327</u>
	(b) Staff costs during the year, including directors, amounted to	<u>2013</u> £	<u>2012</u> £
	Salaries and wages	90,000	82,500
	Social security costs	<u>12,420</u>	<u>10,409</u>
		<u>102,420</u>	<u>92,909</u>

7 Tax on Loss on Ordinary Activities

No United Kingdom corporation tax is payable due to current and brought forward tax losses. A deferred tax asset in respect of tax losses carried forward of £1,830,000 (2012 £1,830,000) has not been recognised in these accounts due to the uncertainty as to whether these can be utilised in the foreseeable future.

Financial Statements for the period ending 30th June 2013

Notes (Continued)

8 Fixed assets

	Motor Vehicle £	Furniture and Fixtures £	Total £
Cost			
As at 1st July 2012	30,375	14,731	45,106
Additions	-	13,402	13,402
	<u>30,375</u>	<u>28,133</u>	<u>58,508</u>
Depreciation			
As at 1st July 2012	10,188	4,587	14,775
Charge for the period	5,094	446	5,540
	<u>15,282</u>	<u>5,033</u>	<u>20,315</u>
Net book value			
As at 30th June 2013	<u>15,093</u>	<u>23,100</u>	<u>38,193</u>
As at 31st July 2012	<u>20,187</u>	<u>10,144</u>	<u>30,331</u>

The net book value of assets held under finance leases included above is £15,093 (2012 £20,187)

9 Investments

	Shares in Subsidiary Undertakings £	Shares in Associated Undertakings £	Other Investments £	Total £
At Cost				
At 1st June 2012	444,082	-	321,289	765,371
Additions	-	275,028	-	275,028
Disposals	(70,271)	-	(19,000)	(89,271)
Reclassification	<u>(73,083)</u>	<u>73,083</u>	<u>-</u>	<u>-</u>
At 30th June 2013	<u>300,728</u>	<u>348,111</u>	<u>302,289</u>	<u>951,128</u>
Provision				
At 30th June 2013 and at 1st July 2012	<u>-</u>	<u>-</u>	<u>(9,265)</u>	<u>(9,265)</u>
Net book value				
As at 30th June 2013	<u>300,278</u>	<u>-</u>	<u>293,024</u>	<u>941,863</u>
Net book value				
As at 1st July 2012	<u>444,082</u>	<u>-</u>	<u>312,024</u>	<u>756,106</u>

Financial Statements for the period ending 30th June 2013

Notes (Continued)

9 Investments (Continued)

Subsidiary Companies

<u>Name</u>	<u>Period end</u>	<u>Aggregate Share Capital and Reserves</u>	<u>Profit for the Year</u>
Cougar Monitoring Limited	Year ended 30th June 2013	357,079	24,355

The principal activities of Cougar Monitoring Limited are monitoring of closed circuit television systems and the provision of security services. At 30th June 2013 the company held 70% of the company's issued share capital.

Associated Undertakings

During the year Zicam Integrated Security Limited completed the transaction to buy back shares from the company. As a result Prime Interaction Limited now holds 26% of the ordinary shares of this company and the investment has been reclassified as an associated undertaking.

On 22nd May 2013 Prime Interaction Limited acquired a 40% interest in Defence Security Systems Limited for £275,029.

The principal activity of Zicam Integrated Security Limited is that of closed circuit television surveillance supply and installation.

The principal activity of Defence Security Systems Limited is the provision of integrated security and alarm installation services.

Other investments

Unlisted investments:

	<u>2013</u> £	<u>2012</u> £
Shares	108,000	108,000
Loan notes	33,524	52,524
Partnership capital	100,000	100,000
	<u>241,524</u>	<u>260,524</u>

This investment includes an interest in 25% of the ordinary share capital of Bridge Security (CCTV) Limited and Bridge Security Monitoring Limited. Agreement has been reached with the directors of these companies for the sale of the investment and the repayment of the loan notes. Interest at the rate of 3% per annum is receivable by the company. In the opinion of the directors as they are not able to exert significant influence over this company the investment should not be treated as an investment in an associated undertaking.

Listed investments: £51,500 (2012 £51,500)

During the year the company held listed investments at a cost of £51,500. The market value of these listed investments at 30th June 2013 was £52,530 (31st July 2012 £70,813).

Financial Statements for the period ending 30th June 2013

Notes (Continued)

10 Debtors

	<u>2013</u> £	<u>2012</u> £
Amounts owed by related undertakings	<u>383,010</u>	<u>222,364</u>
Other debtors	<u>6,546</u>	<u>6,903</u>

11 Creditors: amounts falling due within one year

	<u>30th June</u> <u>2013</u> £	<u>30th June</u> <u>2012</u> £
Trade creditors	4,712	3,614
Finance lease creditor	13,294	4,250
Other taxation and social security payable	1,904	8,030
Other creditors	<u>24,326</u>	<u>34,435</u>
	<u>44,236</u>	<u>50,329</u>

12 Creditors, amounts falling due after one year

	<u>2013</u> £	<u>2012</u> £
Finance lease creditor	-	12,820
Other creditors	100,000	120,000
Loan due to parent company	<u>720,136</u>	<u>220,136</u>
	<u>820,136</u>	<u>352,956</u>

13 Share Capital

	<u>2013</u> £	<u>2012</u> £
Allotted, called up and fully paid 100,000 ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

14 Ultimate Controlling Party and Related Party Transactions

The company's immediate parent company is Prime Interaction Holdings Limited, a company registered in the British Virgin Islands. At the year end the company owed £720,136 (2012 £220,136) to Prime Interaction Holdings Limited.

In the opinion of the directors, the ultimate control of the company rests with the Merrowdown Trust.

At the year end the company was owed £133,010 (2012 £222,364) by Cougar Monitoring Limited a subsidiary company. The company charged Cougar Monitoring Limited £120,000 (2012 £75,830) for management services provided.

During the year the company provided Defence Security Systems Limited with a loan of £250,000. This bears interest at base rate plus 6%.

At the year end the company owed £22,395 (2012 £32,503) to Mr R. Fisher a director of Prime Interaction Limited and £100,000 (2012 £100,000) to the Robin Fisher No 2 Trust.