

Syniverse Technologies Limited

Financial Statements

31 December 2018

Registered No. 01467614



Contents

Company information	2
Directors' report	3
Statement of directors' responsibilities	4
Statement of comprehensive income	5
Statement of financial position	6
Statement of changes in equity	7
Notes to the financial statements	8

Syniverse Technologies Limited

Registered No. 01467614

Company information

Directors

Laura Binion

Thomas Ford

Robert Reich

Registered Office

18 Mansell Street

London E1 8AA

Directors' report

The directors present their report and financial statements for the year ended 31 December 2018.

Results and dividends

The profit for the year after taxation amounted to £494,000 (2017: £760,000). The directors do not recommend a final dividend (2017 - £nil).

Principal activity, review of the business and future developments

The principal activity of the company during the year was the provision of Mobile Number Portability (MNP) services.

Financial risk management objectives and policies

The company's exposure to price risk and credit risk is not considered to be material for the assessment of the assets, liabilities, financial position and profit or loss of the company. Liquidity and cash flow risk are addressed by means of support from fellow group undertakings. The policies for managing these risks are regularly reviewed and agreed by the board.

Directors

The directors who served the company during the year (unless otherwise stated) were as follows:

Laura Binion
Thomas Ford
Robert Reich

Small company exemptions

This report has been prepared in accordance with the special provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Brexit

The Board's current view of the potential impact of Brexit is that the Company is not significantly exposed to a direct financial impact of Brexit, although the indirect consequences of Brexit's impact through the wider economy remain extremely difficult to assess and quantify.

On behalf of the board



Thomas Ford

Date: 30 August 2019

Statement of directors' responsibilities

The directors are responsible for preparing 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland", 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 its profit or loss for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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; 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.

Statement of comprehensive income

for the year ended 31 December 2018

	Note	2018 £'000	2017 £'000
TURNOVER	2	859	1,087
Cost of sales		(260)	(175)
Administrative expenses		(24)	(81)
Other operating (losses)/gains		96	(118)
OPERATING PROFIT	3	671	713
Interest receivable and similar income	5	-	26
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		671	739
Tax on profit on ordinary activities	6	(177)	21
PROFIT FOR THE FINANCIAL YEAR		494	760

The profits are derived from continuing operations in both the current and preceding year.

There are no recognised gains or losses other than those shown in the statement of comprehensive income and as such no separate Statement of Total Recognised Gains and Losses has been prepared.

The notes on pages 8 to 16 form an integral part of these financial statements.

Statement of financial position

at 31 December 2018

Registered No. 01467614

	Note	2018 £'000	2017 £'000
FIXED ASSETS			
Tangible assets	7	45	71
Current assets			
Debtors falling due within one year	8	6,443	6,936
Debtors falling due after one year	8	26	68
Cash at bank and in hand		-	-
		<u>6,469</u>	<u>7,004</u>
CREDITORS: Amounts falling due within one year	9	<u>(2,714)</u>	<u>(3,769)</u>
NET CURRENT ASSETS		<u>3,755</u>	<u>3,235</u>
NET ASSETS		<u>3,800</u>	<u>3,306</u>
CAPITAL AND RESERVES			
Called up share capital	10	1,839	1,839
Share premium	11	655	655
Other reserves	11	263	263
Retained earnings	11	1,043	549
TOTAL EQUITY		<u>3,800</u>	<u>3,306</u>

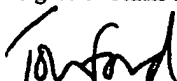
These financial statements have been prepared in accordance with the special provision for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities.

For the year ended 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts; and
- these accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Signed on behalf of the Board of Directors:



Thomas Ford

Date: 30 August 2019

Statement of changes in equity

at 31 December 2018

Registered No. 01467614

	Share capital £'000	Share premium £'000	Other reserves £'000	Retained earnings £'000	Total Equity £'000
At 1 January 2017	1,839	655	263	(211)	2,546
Share Premium	-	-	-	-	-
Profit for the year	-	-	-	760	760
At 31 December 2017	<u>1,839</u>	<u>655</u>	<u>263</u>	<u>549</u>	<u>3,306</u>
Profit for the year	-	-	-	494	494
At 31 December 2018	<u>1,839</u>	<u>655</u>	<u>263</u>	<u>1,043</u>	<u>3,800</u>

The notes on pages 8 to 16 form an integral part of these financial statements.

Notes to the financial statements

for the year ended 31 December 2018

1. Accounting policies

1.1 Statement of compliance

The individual financial statements of Syniverse Technologies Limited for the year ended 31 December 2018 have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102') and the Companies Act 2006.

1.2 Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards under the historical cost convention. Certain comparative figures have been reclassified to conform to the presentation adopted in the current period.

1.3 Reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by Section 1 of FRS 102:

- The requirements of section 7 Statement of Cash Flows;
- The requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- The requirements of Section 11 Basic Financial Instruments paragraphs 11.41 to 11.48A, financial instruments disclosures;
- The requirements of Section 12 Other Financial Instrument Issues paragraphs 12.27 to 12.29, hedge accounting disclosures;
- The requirements of Section 33 Related Party Disclosures paragraph 33.7, key management personnel compensation;
- The requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23 which apply to a qualifying entity that is a subsidiary with share-based payment arrangements for equity instruments of another group entity.

1.4 Turnover

Turnover represents amounts receivable for services net of VAT and trade discounts. The company recognises its revenue as follows:

- Maintenance and support services are recognised rateably over the term of the contract; and
- Revenues deriving from consultancy services are recognised as the service is performed.

1.5 Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value based on prices prevailing at the date of acquisition or revaluation, of each asset evenly over its expected useful life, as follows:

Plant and machinery	-	3 to 7 years straight line
Software	-	10% to 33% per annum

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Notes to the financial statements

for the year ended 31 December 2018

1.6 Financial instruments

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

1.7 Going Concern

The directors believe that the Company has adequate resources to continue as a going concern for the foreseeable future.

Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and financial statements for the year ended 31 December 2018.

1.8 Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

1.9 Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exception:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Notes to the financial statements

for the year ended 31 December 2018

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.10 Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the statement of financial position date. All differences are taken to the statement of comprehensive income.

Financial clearing is undertaken in a number of foreign currencies. The sale and purchase of foreign currencies with banks in respect of financial clearing is undertaken at spot rate. The Company does not purchase financial instruments in order to hedge the foreign exchange rate with regard to these transactions.

1.11 Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

1.11.1 Critical judgements in applying the entity's accounting policies

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

1.11.2 Critical accounting estimates and assumptions

There are no key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Notes to the financial statements

for the year ended 31 December 2018

2. Turnover

The turnover and profit before tax is attributable to the one principal continuing activity of the company.

An analysis of turnover by geographical market is given below:

	2018 £'000	2017 £'000
UK	691	548
Europe	36	28
Rest of world	132	511
	<u>859</u>	<u>1,087</u>

3. Operating profit

Operating profit is stated after charging:

	2018 £'000	2017 £'000
Depreciation of owned fixed assets	26	26
Differences on foreign exchange	<u>(103)</u>	<u>118</u>

4. Directors' emoluments

In the current and prior years the directors have been remunerated by a fellow group undertaking in respect of qualifying service to the company, and it is not practical to allocate an appropriate amount to the company.

5. Interest receivable and similar income

	2018 £'000	2017 £'000
Interest on amounts due from group undertakings	<u>-</u>	<u>26</u>

Notes to the financial statements

for the year ended 31 December 2018

6. Tax

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2018 £'000	2017 £'000
<i>Current Tax:</i>		
UK corporation tax on the profit for the year	122	(73)
Adjustments in respect of previous periods	(1)	-
Foreign tax	14	53
Total current tax (note 6 (b))	135	(20)
<i>Deferred Tax:</i>		
Deferred Tax – current period movements	42	(1)
Total deferred tax (note 6 (c))	42	(1)
	177	(21)

(b) Factors affecting tax charge for the year

The tax assessed for the year is higher than the standard rate of corporation tax in the UK of 19.00% (2017: 19.25%). The differences are explained below:

	2018 £'000	2017 £'000
Profit on ordinary activities before tax	671	739
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2017: 19.25%)	128	142
<i>Effects of:</i>		
Capital allowances in excess of depreciation	(3)	5
Overseas tax	11	43
Adjustment in respect of previous periods	(1)	(73)
Utilisation of tax losses	-	(137)
	135	(20)

Notes to the financial statements

for the year ended 31 December 2018

6. Tax (continued)

(c) Factors that may affect future tax charges:

Due to tax losses available, the company has a recognised deferred tax asset. This asset has been recognised during the year due to the continued profitability and stable business performance of the company.

	2018 £'000	2017 £'000
Accelerated capital allowances	26	67
	<u>26</u>	<u>67</u>

The analysis of deferred tax is as follows:

	2018 £'000	2017 £'000
Opening balance at 1 January	68	67
Movement during the year	(42)	1
	<u>26</u>	<u>68</u>

Notes to the financial statements

for the year ended 31 December 2018

7. Tangible fixed assets

	Plant and machinery £'000	Software £'000	Total £'000
Cost or valuation:			
Cost at 1 January 2018	3	228	231
Additions	-	-	-
Disposals	-	-	-
Cost at 31 December 2018	3	228	231
Depreciation:			
At 1 January 2018	3	157	160
Charge for the year	-	26	26
Disposals	-	-	-
At 31 December 2018	3	183	186
Net book value:			
At 31 December 2018	-	45	45
At 31 December 2017	-	71	71

8. Debtors

	2018 £'000	2017 £'000
Amounts falling due within one year		
Trade debtors	806	355
Amounts due from group undertakings	5,611	6,436
Other debtors	26	28
Prepayments and accrued income	-	1
Corporation tax	-	112
VAT receivable	-	4
	<u>6,443</u>	<u>6,936</u>
Amounts falling due after one year		
	2018 £'000	2017 £'000
Deferred tax asset (note 6)	26	68
	<u>26</u>	<u>68</u>

Notes to the financial statements

for the year ended 31 December 2018

9. Creditors: amounts falling due within one year

	2018 £'000	2017 £'000
Amounts owed to group undertakings	2,599	3,718
Trade creditors	-	2
Other creditors	8	32
Accruals and deferred income	106	17
VAT payable	1	-
	<u>2,714</u>	<u>3,769</u>

10. Allotted and issued share capital

	2018 £'000	2017 £'000
<i>Allotted, called up and fully paid</i>		
1,839,272,860 Ordinary shares of £0.001 each	<u>1,839</u>	<u>1,839</u>

11. Reconciliation of shareholders' funds and movements on reserves

	Share capital £'000	Share premium £'000	Other reserves £'000	Retained earnings £'000	Total Equity £'000
At 1 January 2018	1,839	655	263	549	3,306
Profit for the year	-	-	-	494	494
At 31 December 2018	<u>1,839</u>	<u>655</u>	<u>263</u>	<u>1,043</u>	<u>3,800</u>

12. Related party transactions

As 100% of the company's voting rights are controlled within the group headed by Syniverse Holdings, Inc., the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Syniverse Holdings, Inc., within which this company is included, can be obtained from the address given in note 13.

Notes to the financial statements

for the year ended 31 December 2018

13. Ultimate parent undertaking and controlling party

The immediate parent undertaking of the company is Cibernet Limited., a company incorporated in UK.

The ultimate parent undertaking is the Carlyle Group and affiliated funds that own 99% of Syniverse Corporation., which owns 100% of Syniverse Holdings, Inc., a company incorporated in Delaware and the Company's indirect parent.

The Company's accounting information is included in the Syniverse Holdings, Inc. consolidation. Copies of Syniverse Holdings, Inc. financial statements may be obtained from Syniverse Holdings, Inc., 8125 High Highwoods Palm Way, Tampa, Florida 33647, U.S.A.