

**Comptel Communications Holdings Limited**  
**(formerly Axiom Systems Holdings Limited)**

**Directors' report and financial  
statements**

Registered number 3997349

31 December 2010

WEDNESDAY



A28 \*A5PCOXY\* 246  
28/09/2011  
COMPANIES HOUSE



## **Contents**

Directors' report	1
Statement of directors' responsibilities in respect of the directors' report and the financial statements	3
Independent auditor's report to the members of Comptel Communications Holdings Limited	4
Profit and Loss Account	6
Balance Sheet	7
Notes	8



## **Directors' report**

The directors present their directors' report and financial statements for the year ended 31 December 2010

### **Change in name**

On the 28<sup>th</sup> June 2011 the company changed its name from Axiom Systems Holdings Limited to Comptel Communications Holdings Limited

### **Principal activity**

The company operates as a holding company for Comptel Communications Limited (formerly Axiom Systems Limited). The principal activity of Comptel Communications Limited is to provide Operational Support Solutions (OSS) to the telecommunications industry

### **Going concern**

The company is principally funded by its parent company, Comptel Corporation ("Comptel") of Finland. Comptel has indicated that it will continue providing financial support to the company for the foreseeable future, being no less than 12 months from the date of signing these financial statements

### **Business review**

No significant activity occurred in the company during the year

### **Principal risks and uncertainties**

The company is a wholly owned subsidiary of Comptel, the principal risks and uncertainties facing the company are considered and managed on a group basis

### **Key performance indicators**

The company's performance is integrated with the performance of the group and is not managed or monitored separately. Accordingly, the key performance indicators of Comptel, which include those of the company, are discussed in the group's annual report which does not form part of this report

### **Dividends**

The directors do not recommend the payment of a dividend (2009 £nil). No ordinary or preference dividends were paid or proposed during the year (2009 £nil)

### **Political and charitable contributions**

During the year, the company made no political contributions (2009 £nil). The company made no charitable donations (2009 £nil)



## **Directors' report** *(continued)*

### **Directors**

The directors who held office during the year were as follows

G Senior  
S Ahonen  
S Saaskilahti

### **Disclosure of information to auditor**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information

### **Auditor**

In accordance with Section 489 of the Companies Act 2006, a resolution for the re-appointment of KPMG LLP as auditor of the company is to be proposed at the forthcoming Annual General Meeting

By order of the board



**S Ahonen**  
*Director*

Date *16.9.2011*

One Forbury Square  
The Forbury  
Reading  
RG1 3EB



## **Statement of directors' responsibilities in respect of the directors' report and the financial statements**

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 for that period. In preparing the company 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,
- 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 its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.





**KPMG LLP**

Arlington Business Park  
Theale  
Reading  
RG7 4SD  
United Kingdom

**Independent auditor's report to the members of Comptel Communications Holdings Limited (formerly Axiom Systems Holdings Limited)**

We have audited the financial statements of Axiom Systems Holdings Limited for the year ended 31 December 2010 set out on pages 6 to 14. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 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 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 (APB'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 APB's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

**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 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with UK 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 auditor's report to the members of Comptel Communications Holdings Limited (formerly Axiom Systems Holdings 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



**Simon Baxter (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor**

23 September 2011

Chartered Accountants



**Profit and Loss Account**  
*for the year ended 31 December 2010*

	<i>Note</i>	<b>2010</b> <b>£000</b>	<b>2009</b> <b>£000</b>
Administrative (expense)/income	2	(2)	234
Other operating income	2	-	4
		<hr/>	<hr/>
<b>Operating (loss)/profit</b>		<b>(2)</b>	<b>238</b>
Interest payable and similar charges	3	-	-
		<hr/>	<hr/>
<b>(Loss)/profit on ordinary activities before taxation</b>		<b>(2)</b>	<b>238</b>
Tax on profit on ordinary activities	4	-	-
		<hr/>	<hr/>
<b>(Loss)/profit for the financial year</b>	<b>11</b>	<b>(2)</b>	<b>238</b>
		<hr/>	<hr/>

The results for the periods shown above are all derived from continuing activities

The company has no recognised gains and losses other than the results above and therefore no separate statement of total recognised gains and losses has been prepared



**Balance Sheet**  
*at 31 December 2010*

	<i>Note</i>	<b>2010</b> <b>£000</b>	<b>2010</b> <b>£000</b>	<b>2009</b> <b>£000</b>	<b>2009</b> <b>£000</b>
<b>Fixed assets</b>					
Intangible assets	5		-		-
Investments	6		-		-
			<hr/>		<hr/>
<b>Current assets</b>					
Debtors	7	22,026		22,042	
<b>Creditors</b> amounts falling due within one year	8	(37,465)		(37,458)	
		<hr/>		<hr/>	
<b>Net current liabilities</b>			(15,439)		(15,416)
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			(15,439)		(15,416)
			<hr/>		<hr/>
<b>Net liabilities</b>			(15,439)		(15,416)
			<hr/>		<hr/>
<b>Capital and reserves</b>					
Share capital account	9		117		138
Share premium account	10		10,454		10,454
Profit and loss account	10		(26,010)		(26,008)
			<hr/>		<hr/>
<b>Shareholders' deficit</b>	11		(15,439)		(15,416)
			<hr/>		<hr/>

These financial statements were approved by the board of directors on *16.9.2011*  
 on its behalf by

and were signed



**S Ahonen**  
*Director*

Company registered number 3997349



## **Notes**

*(forming part of the financial statements)*

### **1 Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as noted below

#### ***Basis of preparation***

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules

Under FRS 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements

The company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

As 100% of the company's voting rights are controlled within the group headed by Comptel, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Comptel can be obtained from the address given in note 12.

#### ***Going concern***

The financial statements are prepared on a going concern basis which the directors believe is appropriate based on the facts set out below.

The company has net liabilities of £15,439,000 at 31 December 2010 (2009 £15,416,000). The company's parent company, Comptel, has confirmed its intention to provide such funds as are necessary for the company to continue to trade for the foreseeable future, and for at least 12 months from the date of approval of these financial statements.

#### ***Taxation***

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

#### ***Investments***

Investments in subsidiary undertakings are stated at cost less any amounts written off.

#### ***Foreign currencies***

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction or, if hedged forward, at the rate of exchange under the related forward currency contract. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.



## Notes (continued)

### 2 Notes to the profit and loss account

	2010 £000	2009 £000
<i>Profit/(loss) on ordinary activities before taxation is stated after charging/(crediting).</i>		
Foreign exchange (gain)/loss	-	(234)
Other operating charges – intercompany	(2)	4

#### Auditors' remuneration

	2010 £000	2009 £000
Audit of these financial statements	-	4

Audit fee was paid by the company's subsidiary for the year ended 31 December 2010

There were no employees during the year (2009 none) None of the directors received any emoluments in respect of their services to the company (2009 £nil)

### 3 Interest payable and similar charges

	2010 £000	2009 £000
Preference share dividends	-	-
Interest on 2006 term loan	-	-
Interest on 2007 term loan	-	-



## Notes (continued)

### 4 Taxation

#### *Analysis of charge in period*

	2010 £000	2009 £000
<i>UK corporation tax</i>		
Current tax on income for the period	-	-

#### *Factors affecting the tax charge for the current period*

The current tax charge for the period is higher (2009 lower) than the standard rate of corporation tax in the UK 28%, (2009 28%). The differences are explained below

	2010 £000	2009 £000
<i>Current tax reconciliation</i>		
(Loss)/ profit on ordinary activities before tax	(2)	238
Current tax at 28% (2009 28%)	(1)	67
<i>Effects of</i>		
Other Adjustment	62	
Capital allowances for period in excess of depreciation	-	-
Expenses not deductible for tax purposes	-	-
Utilisation of tax losses	(62)	
Unutilised carried forward losses	1	(67)
Total current tax charge (see above)	-	-

#### *Deferred tax*

	2010 Unrecognised £000	2009 Unrecognised £000
Deferred tax assets not recognised in the financial statements comprises		
Tax Losses	234	371

The unrecognised deferred tax asset of £234,000 (2009 £371,000) in respect of trading losses is available to carry forward, and is recoverable against future profits arising from the same trade. No deferred tax asset has been recognised as it is not certain that there will be suitable profits in the near future.



**Notes** *(continued)*

**5 Intangible fixed assets**

	<b>Software copyright £000</b>
<i>Cost</i>	
At beginning and end of year	1,063
	<hr/>
<i>Amortisation</i>	
At beginning and end of year	1,063
	<hr/>
<i>Net book value</i>	-
At 31 December 2010	<hr/>
	<hr/>
At 31 December 2009	-
	<hr/>

**6 Fixed asset investments**

	<b>Subsidiary undertakings £000</b>
<i>Cost</i>	
At beginning and end of year	6,421
	<hr/>
<i>Provisions</i>	
At beginning and end of year	6,421
	<hr/>
<i>Net book value</i>	-
At 31 December 2010	<hr/>
	<hr/>
At 31 December 2009	-
	<hr/>

FRS 11 requires detailed information to be given where impairment reviews have been performed and/or impairments recognised

<i>Subsidiary undertakings</i>	<b>Country of incorporation</b>	<b>Principal activity</b>	<b>Class and Percentage of shares held</b>
Comptel Communications Limited	United Kingdom	Provider of OSS in the telecommunications industry	Ordinary 100%
Viewgate Networks Limited	United Kingdom	Non-trading	Ordinary 100%
Network People Limited	United Kingdom	Non-trading	Ordinary 100%
Axiom Systems OSS (Asia Pacific) Pte	Singapore	Non-trading	Ordinary 100%
Viewgate Networks Inc	United States	Non-trading	Ordinary 100%



## Notes (continued)

### 7 Debtors

	2010 £000	2009 £000
Amounts owed by group undertakings	22,026	22,042
	<u>22,026</u>	<u>22,042</u>

Amounts due from group undertakings are unsecured, interest free and have no fixed repayment date. However as the company has indicated that repayment will not be demanded for the foreseeable future, these amounts are considered as falling due after more than one year.

### 8 Creditors: amounts falling due within one year

	2010 £000	2009 £000
Amounts owed to group undertakings	37,458	37,458
Accruals and deferred income	7	-
	<u>37,465</u>	<u>37,458</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

### 9 Called up share capital

	2010 £000	2009 £000
<i>Authorised</i>		
30,000,000 ordinary shares of 1p each	300	300
1 T ordinary share of 1p each	-	-
7,258,999 E shares of 1p each	73	73
	<u>373</u>	<u>373</u>
<i>Allotted, called up and fully paid</i>		
4,447,285 ordinary shares of 1p each	44	44
1 T ordinary share of 1p each	-	-
7,258,399 E shares of 1p each	73	73
	<u>117</u>	<u>117</u>
<i>Shares to be issued</i>		
2,085,656 C preference shares of 1p each	-	21
	<u>117</u>	<u>138</u>



## Notes (continued)

### 9 Called up share capital (continued)

The E shares of 1p each have no rights to dividends, shall have no rights to receive notice of, or to attend and vote at general meetings of the company. Rights to participate on an exit or winding up are subordinated to those of preference shares, but are in preference to those of ordinary shares.

#### C preference shares

On 25 September 2003 the company issued 2,688,602 C Class convertible redeemable preference shares at a price of 72.33 pence per share in exchange for 100% of the issued share capital of Viewgate Networks group. In addition it was agreed that a further 2,085,656 C Class convertible redeemable preference shares would be issued in consideration for the shares in Viewgate Networks Limited if an exit event occurred with a valuation of between £50,000,000 and £100,000,000 within five years from the date of acquisition, as the time period has expired and as such the expected event has not occurred the accrual for the C Class shares has been removed.

#### Conversion rights

On event of a listing the C preferred shares, and E shares in issue shall convert to fully paid ordinary shares at a rate of one ordinary share for every such share converted.

#### Dividends

The C preferred shareholders shall be entitled in priority to any payment of dividend on any other class of shares in the company to receive a fixed cumulative preference dividend at the rate of 6% per annum on the amount paid up (including any premium) on the preference shares.

All C preferred shares in issue, together with accrued dividends were allotted to Comptel on 21 April 2008, and have therefore been included in amounts owed to group undertakings.

#### Voting rights

Holders of the C preferred shares shall be entitled to receive notice of, attend, speak and vote at a general meeting of the company. On a show of hands each C preferred shareholder present in person or (being a corporation) by a representative has one vote and on a poll each C preferred shareholder shall have one vote per share.

#### Winding up

On return of capital on a winding up or otherwise the company's assets available for distribution amongst the members shall be applied firstly in repaying to E shareholders any management preference if so entitled, after calculation of amounts payable to other parties; secondly to preference shareholders i) the aggregate amount of the nominal amount of the preference shares and premium paid on subscription for them; ii) any accrued but unpaid dividends up to the date of commencement of winding up or return of capital, finally in paying the balance of any proceeds pro-rata to the holders of the shares.



## Notes (continued)

### 10 Share premium and reserves

	Share Premium account £000	Profit and loss account £000
At beginning of year	10,454	(26 008)
Profit/(Loss) for the year	-	(2)
	<hr/>	<hr/>
At end of year	<b>10,454</b>	<b>(26,010)</b>
	<hr/>	<hr/>

### 11 Reconciliation of movements in equity shareholders' deficit

	2010 £000	2009 £000
Profit/(Loss) for the financial year	(2)	238
Shares cancelled	(21)	-
	<hr/>	<hr/>
Net decrease/(increase) in equity shareholders deficit	(23)	238
	<hr/>	<hr/>
Opening equity shareholders deficit	(15,416)	(15 654)
	<hr/>	<hr/>
Closing equity shareholders deficit	<b>(15,439)</b>	<b>(15 416)</b>
	<hr/>	<hr/>

### 12 Ultimate parent company and parent undertaking of larger group of which the company is a member

The largest and the smallest group in which the results of the company are consolidated is that headed by Comptel, incorporated in Helsinki, Finland. No other group financial statements include the results of the company. The consolidated financial statements of Comptel are available to the public and may be obtained from Salmisaarenaukio 1, 00180 Helsinki. A copy of the consolidated financial statements can also be obtained from Comptel's web-site at [www.comptel.com](http://www.comptel.com)