Inmarsat Solutions Global Limited

Registered No. 04041428

Annual Report and Financial Statements
For the year ended 31 December 2014

Inmarsat Solutions Global Limited
Strategic Report
For the year ended 31 December 2014

Principal activities
The principal activities of the Company are to provide fixed and mobile satellite remote communications solutions using broadband network and mobile satellite technologies.

Principal risks and uncertainties
The Company is part of the Inmarsat plc group ("the Group") and is subject, directly and indirectly, to the same risks and uncertainties that may adversely affect the business, operations, liquidity, financial position or future performance of the Group. The principle risks of the Group are set out on pages 27 and 28 of the Inmarsat plc 2014 annual report, which does not form part of this report. The risks faced specifically by the Company are examined in detail in note 2.

Key financial and other performance indicators
The Company's key financial and other performance indicators during the year were as follows:

(US$ in millions)	2014	2013	Change % Increase/(Decrease)
Revenue	8.1	13.4	(39.6)%
Operating loss	(2.3)	(2.6)	11.5%
Loss after tax	(2.1)	(2.4)	12.5%
Shareholders' equity	3.1	5.4	(42.6)%
Average number of employees	27	33	(18.2)%

Revenue declined 39.6% year over year due mainly to a decline in services provided to third party customers as a result of the sale of a portion of the business to RigNet, Inc. ("RigNet"). The Directors are satisfied with the results for the year.

On January 1, 2014, the Group completed a $45.2m asset acquisition of Globe Wireless, a Florida-based provider of value-added maritime communications services to the shipping market. The UK-related assets were immaterial on acquisition. The acquisition has helped to partially offset the expected decline in revenues related to the sales of assets to RigNet.

In August 2013, a strategic partnership was announced with RigNet, a leading global provider of managed remote telecommunications solutions to the oil and gas industry, to offer GX services to the energy sector. Under the terms of the agreement, the Inmarsat plc group agreed to sell its retail energy business (which includes the majority of the assets in Inmarsat Solutions Global Limited) to RigNet for a total cash consideration of US$25m. The transaction closed effective 31 January 2014.

The Directors of the Group manage the Group's operations on a business sector basis. For this reason, the Company's Directors believe that further analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the Company's business. The development, performance and position of the group are discussed in the group's 2014 Annual Report which does not form part of this report.

By Order of the Board
Alison Horrocks FCIS
Company Secretary
25 September 2015

Inmarsat Solutions Global Limited
Directors' Report
For the year ended 31 December 2014

The Directors submit their report and the audited financial statements of Inmarsat Solutions Global Limited (the "Company") for the year ended 31 December 2014. The Company is part of the Inmarsat plc group of companies (the "Group").

Directors and their interests

The Directors who were in office on 1 January 2014 and who served during the year and subsequently, were as follows:

- Alison Horrocks
- Rupert Pearce

None of the Directors, at any time during the year ended 31 December 2014 or subsequently, have had any interests in any shares of the Company.

Results and dividends

The loss for the year amounted to US$2.1m (2013: US$2.4m). No dividends were paid in the year and the Directors do not recommend a dividend in respect of the current year.

Share issue

In 2013, the Company issued ordinary shares for total proceeds of US$17.9m to its parent company, Inmarsat Solutions Limited, representing 11,001,843 shares of £1 each. There were no further share issuances in the current year.

Financial instruments

Details of the financial risk management objectives and policies of the Company are the same as the Group. These details are explained in note 2 to the financial statements.

Directors' indemnity

Each of the Directors benefit from an indemnity given by the Company under its Articles of Association. This indemnity is in respect of liabilities incurred by the Director in the execution and discharge of his/her duties. In addition, each of the Directors who is an individual benefits from an indemnity given by another Group undertaking, Inmarsat Plc. This indemnity is in respect of liabilities arising out of third party proceedings to which the Director is a party by reason of his engagement in the business of the Company.

Going concern

In determining whether the Company's financial statements can be prepared on a going concern basis the Directors have considered all the factors likely to affect its future development, performance and its financial position including the matters disclosed in the Strategic Report and Directors' Report. The Company is part of the Group and the going concern review completed at the date of signing of the Group accounts is set out on page 92 of the Inmarsat plc 2014 annual report which does not form part of this report. The going concern of the Company is dependent on the going concern of the Group. Additionally, the Company is reliant on the Group's financing facilities.

While the majority of the assets in the Company were sold to RigNet, the Directors continue operating the Company as a sales agent for related Group companies, providing sales representation services in its local market. The Company continues to earn commissions on the sales it generates, which are expected to offset the salary and administrative charges associated with providing its services.

After making enquiries, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in note 1 to the financial statements.

Inmarsat Solutions Global Limited
Directors' Report (continued)
For the year ended 31 December 2014

Post balance sheet events

Details of material post balance sheet events are included in note 17 to the financial statements

Auditor

Each of the persons who is a Director at the date of approval of these financial statements confirms that:

1) so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
2) the Director has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Inmarsat Solutions Global Limited
Directors' Report (continued)
For the year ended 31 December 2014

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 are required to prepare the group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and Article 4 of the IAS Regulation and have also chosen to prepare the parent company financial statements under IFRSs as adopted by the EU. Under company law the directors must not approve the accounts 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 of the company for that period.

In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement

We confirm that to the best of our knowledge:

\- the financial statements, prepared in accordance with International Financial Reporting Standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole; and

\- the management report, which is incorporated into the directors' report, includes a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

By Order of the Board
Alison Horrocks FCIS
Company Secretary
25 September 2015

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INMARSAT SOLUTIONS GLOBAL LIMITED

We have audited the financial statements of Inmarsat Solutions Global Limited for the year ended 31 December 2014 which comprise the Income Statement, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards ("IFRSs") as adopted by the European Union.

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' Responsibility Statement, 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 Ethical Standards for Auditors.

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. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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.

David Griffin (FCA)
Senior Statutory Auditor
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
25 September 2015

Inmarsat Solutions Global Limited
Income Statement
For the year ended 31 December 2014

(US$ in millions)	Note	2014	2013
Revenue	1	8.1	13.4
Cost of sales		(4.4)	(7.5)
Gross profit		**3.7**	**5.9**
Administrative expenses		(4.8)	(8.2)
Depreciation and amortisation	7, 8	(1.2)	(0.3)
Operating loss		**(2.3)**	**(2.6)**
Interest receivable and similar income		0.3	-
Interest payable and similar charges		(0.4)	-
Net interest payable	3	**(0.1)**	**-**
Loss on ordinary activities before taxation	4	**(2.4)**	**(2.6)**
Income tax credit	6	0.3	0.2
Loss for the year		**(2.1)**	**(2.4)**

Inmarsat Solutions Global Limited
Statement of Comprehensive Income
For the year ended 31 December 2014

(US$ in millions)	2014	2013
Loss for the year	**(2.1)**	**(2.4)**
Other comprehensive income		
Foreign exchange (loss)/gain on hedges, net of tax	(0.2)	0.2
Other comprehensive income, net of tax	**(0.2)**	**0.2**
Total comprehensive income for the year, net of tax	**(2.3)**	**(2.2)**

The accompanying notes are an integral part of the financial statements.

Inmarsat Solutions Global Limited
Balance Sheet
For the year ended 31 December 2014

(US$ in millions)	Note	As at 31 December 2014	As at 31 December 2013
Assets			
Non-current assets			
Intangible assets	7	0.4	-
Property, plant and equipment	8	0.6	0.1
Deferred income tax asset	6	1.8	2.3
Notes receivable	15	0.6	-
Total non-current assets		**3.4**	**2.4**
Current assets			
Assets held for sale	12	-	4.2
Trade and other receivables	10	20.1	5.9
Cash and cash equivalents	9	0.5	0.6
Total current assets		**20.6**	**10.7**
Total assets		**24.0**	**13.1**
Liabilities			
Non-current liabilities			
Notes payable	15	12.4	-
Total non-current liabilities		**12.4**	**-**
Current liabilities			
Liabilities held for sale	12	-	1.2
Trade and other payables	11	8.5	6.5
Total current liabilities		**8.5**	**7.7**
Total liabilities		**20.9**	**7.7**
Net assets		**3.1**	**5.4**
Shareholders' equity			
Share capital	13	17.9	17.9
Share premium		11.0	11.0
Capital contribution reserve		43.1	43.1
Accumulated losses		(68.9)	(66.6)
Total shareholders' equity		**3.1**	**5.4**

The financial statements of Inmarsat Solutions Global Limited, registered number 04041428, on pages 6 to 23 were approved by the Board of Directors on 25 September 2015 and signed on its behalf by:

Rupert Pearce
Director

Inmarsat Solutions Global Limited
Statement of Changes in Equity
For the year ended 31 December 2014

(US$ in millions)	Ordinary shares	Share premium	Capital contribution reserve	Retained earnings/ deficit	Total
Balance at 1 January 2013	**-**	**11.0**	**43.1**	**(64.4)**	**(10.3)**
Loss for the year	-	-	-	(2.4)	(2.4)
Issue of share capital	17.9	-	-	-	17.9
Foreign exchange gain on hedges	-	-	-	0.2	0.2
Balance at 31 December 2013	**17.9**	**11.0**	**43.1**	**(66.6)**	**5.4**
Loss for the year	-	-	-	(2.1)	(2.1)
Foreign exchange loss on hedges	-	-	-	(0.2)	(0.2)
Balance at 31 December 2014	**17.9**	**11.0**	**43.1**	**(68.9)**	**3.1**

Inmarsat Solutions Global Limited
Statement of Cash Flows
For the year ended 31 December 2014

(US$ in millions)	Note	2014	2013
Cash flow from operating activities			
Cash used in operations	14	(4.8)	(17.1)
Income taxes received		-	-
Net cash flow from operating activities		**(4.8)**	**(17.1)**
Cash flow from investing activities			
Purchase of property, plant and equipment		(0.8)	(0.4)
Additions to intangible and other assets		(1.3)	-
Net cash flow from investing activities		**(2.1)**	**(0.4)**
Cash flow from financing activities			
Issue of share capital		-	17.9
Intercompany funding		(6.8)	(0.8)
Net cash flow from financing activities		**6.8**	**17.1**
Net (decrease)/increase in cash and cash equivalents		**(0.1)**	**(0.4)**
Movement in cash and cash equivalents			
At beginning of period		0.6	1.0
Net (decrease)/increase in cash and cash equivalents		(0.1)	(0.4)
As reported on balance sheet (net of bank overdrafts)		**0.5**	**0.6**
At end of year, comprising			
Cash at bank and in hand		**0.5**	**0.6**

1. Principal accounting policies

General information
The principal activities of Inmarsat Solutions Global Limited (the "Company") are to provide fixed satellite remote communications solutions using broadband network technologies.

The Company's parent undertaking is Inmarsat Solutions Limited and ultimate controlling party is Inmarsat plc, both incorporated in the United Kingdom and registered in England and Wales. The largest and smallest groups into which the results of the Company are consolidated are headed by Inmarsat plc and Inmarsat Investments Limited, respectively.

Basis of preparation
The principal accounting policies adopted in the preparation of the financial statements for years ended 31 December 2014 and 2013 (the "financial statements") are set out below.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") adopted by the European Union ("EU") and therefore the Group's financial statements comply with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention except for the revaluation of certain financial assets and financial liabilities, as described later in these accounting policies.

In determining whether the Company's financial statements can be prepared on a going concern basis the Directors have considered all the factors likely to affect its future development, performance and its financial position including the matters disclosed in the Strategic Report and the Directors' Report. The Company is part of the Inmarsat plc group ("the Group") and the going concern review completed at the date of signing of the Group accounts is set out on page 83 of the Inmarsat plc annual report which does not form part of this report. The going concern of the Company is dependent on the going concern of the Group. Additionally, the Company is reliant on the Group's financing facilities.

At the date of signing of these financial statements the Directors have considered all the factors impacting the Company's and Group's business, including downside sensitivities. The Directors therefore have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Company's financial statements.

Basis of accounting
The preparation of the consolidated financial statements in conformity with IFRS requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the Balance Sheet dates and the reported amounts of revenue and expenses during the reported period. Although these estimates are based on management's best estimate of the amounts, events or actions, the actual results ultimately may differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

In addition, the following Standards and Interpretations, as adopted by the EU, are effective for the first time in the current financial year and have been adopted by the Group with no significant impact on its consolidated results or financial position:

- IFRS 10 – Consolidated Financial Statements
- IFRS 11 – Joint Arrangements
- IFRS 12 – Disclosures of Interests in Other Entities
- IAS 27 (revised) – Separate Financial Statements (2011)
- IAS 28 (revised) – Investments in Associates and Joint Ventures (2011)
- IAS 32 (amended) – Financial Instruments

Inmarsat Solutions Global Limited
Notes to the Financial Statements (continued)
For the year ended 31 December 2014

1. Principal accounting policies (continued)

- IAS 36 (amended) – Impairment of Assets
- IAS 39 (amended) – Financial Instruments
- IFRIC 21 – Levies (effective for financial years beginning on or after 1 January 2014)

At the date of approval of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements, were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

- IAS 19 (amended) – Employee Benefits
- IFRS 10 (amended) – Consolidated Financial Statements
- IFRS 11 (amended) – Joint Arrangements
- IFRS 15 – Revenue from Contracts with Customers

The Directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the Company.

Currency of accounting and foreign currencies
The functional and presentation currency of the Company is the US Dollar, as the majority of operational transactions are denominated in US Dollars. The shares issued by the Company are denominated in Pounds Sterling and are translated to US Dollars at the exchange rate at the date of the issue.

The exchange rate between the US Dollar and Pounds Sterling as at 31 December 2014 was US$1.56/£1.00 (2013: US$1.66/£1.00).

Revenue recognition
The Company provides its customers, primarily in the European market, with telecommunications services that are typically usage based, determined on metered bases such as the number of dedicated circuits or data lines provided or leased, data units transmitted, or minutes used. Revenue is recognised at the time service is provided to customers. Revenue is subject to final determination and settlement with these carriers. For the year ended 31 December 2014, approximately 50% (2013: 58%) of the Company's sales were to customers located in the United Kingdom, the same country where the Company is domiciled.

Revenue generated from sales of communications equipment is recognised when the risks and rewards of ownership are transferred to the purchaser. Revenue related to service agreements is recognised as the services are performed.

The Company acts as a sales agent for related Group companies, providing sales representation services in its local market. The Company earns a commission on the sales it generates.

Employee benefits
Wages, salaries, social security contributions, accumulating annual leave, bonuses and non-monetary benefits are accrued in the year in which the associated services are performed by the employees of the Company.

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits when it has demonstrably committed to either terminate the employment of current employees or to provide termination benefits, as a result of an offer made to encourage voluntary redundancy.

The Company has defined contribution pension plans covering substantially all of its employees whereby the Company matches a portion of employee contributions to the plan.

Inmarsat Solutions Global Limited
Notes to the Financial Statements (continued)
For the year ended 31 December 2014

1. Principal accounting policies (continued)

Financial instruments

Investments are recognized and derecognized on the trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned. Investments are initially measured at fair value plus transaction costs except for those financial assets classified as fair value through profit or loss which are initially measured at fair value.

All financial instruments are classified into one of five categories: held-for-trading, held-to-maturity investments, loans and receivables, available-for-sale financial assets or other financial liabilities. In subsequent periods, loans and receivables, held-to-maturity investments and other financial liabilities are measured at amortized cost; held-for-trading financial assets and liabilities are measured at fair value and changes in fair value are recognized in net earnings, and available-for-sale financial instruments are measured at fair value with changes in fair value recorded in other comprehensive earnings (loss) until the instrument is derecognized or impaired.

The Company classifies its financial assets and liabilities as follows:

- Cash and cash equivalents are classified as held-for-trading financial assets. These assets are measured at fair value and changes in fair value are recognized in earnings.
- Trade and other receivables are classified as loans and receivables and are measured at amortized cost using the effective interest method less any impairment, which is generally the amount on initial recognition.
- Accounts payable and accruals are classified as other financial liabilities and are measured at amortized cost, which is generally the amount on initial recognition.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Income Statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax

Deferred income tax is provided, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary deductible differences or tax loss carry forwards can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Development costs

Research expenditure is expensed when incurred. Development expenditure is expensed when incurred unless it meets criteria for capitalisation. Development costs are only capitalised once the technical feasibility and commercial viability of a business case has been demonstrated and they can be measured reliably. Capitalised development costs are amortised on a straight-line basis over their expected useful economic life.

1. Principal accounting policies (continued)

Property, plant and equipment
Expenditures for space segment, computer hardware, and other equipment assets include both external and internal direct costs. Internal costs, comprising primarily staff costs, are only capitalised when they are directly attributable to the construction of an asset. Property, plant and equipment are stated at historic cost less accumulated depreciation and impairment losses.

Depreciation
Depreciation is calculated to write off the historical cost less residual values, if any, of fixed assets, except land, over the expected useful lives of the assets concerned. The Group selects its depreciation rates and residual values carefully and reviews them annually to take account of any changes in circumstances. When setting useful economic lives, the principal factors taken into account are the expected rate of technological developments, expected market requirements for the equipment and the intensity at which the assets are expected to be used.

Intangible assets
Intangible assets comprise goodwill, patents, licences, and software.

Intangible assets arise from separate purchases or can be internally-generated. Internally-generated intangible assets are recognised only if all the following conditions are met:

- an asset is created that can be identified;
- it is probable that the asset created will generate future economic benefits; and
- the development cost of the asset can be reliably measured.

Intangible assets with a finite useful life are amortised over the life of the asset and the amortisation period and method are reviewed each financial year. Intangible assets with an indefinite useful life are reviewed annually for impairment.

Gains and losses on disposals of tangible and intangible assets
Gains and losses on disposals are determined by comparing net proceeds with the carrying amount. These are included in the income statement.

Impairment of non-financial assets, including goodwill
At each balance sheet date, the Company reviews the carrying amount of assets that are subject to amortisation and depreciation to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, an impairment review is conducted. Intangible assets with an indefinite life are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

For the purpose of testing for impairment, the Company has identified only one Cash Generating Unit ("CGU"). The impairment review comprises a comparison of the carrying amount of the fixed asset or intangible asset with its recoverable amount, which is the higher of fair value less costs to sell and value in use. Fair value less costs to sell is calculated by reference to the amount at which the asset could be disposed of. Value in use is calculated by discounting the expected future cash flows obtainable as a result of the asset's continued use, including those resulting from its ultimate disposal, at a market-based discount rate on a pre-tax basis. Goodwill is tested by comparing the carrying amount of the CGU with its value in use.

An impairment loss is recognised in the Income Statement whenever the carrying amount of an asset exceeds its recoverable amount. The carrying amount will only be increased where an impairment loss recognised in a previous period for an asset other than goodwill either no longer exists or has decreased, up to the amount that it would have been had the original impairment not occurred. Any impairment to goodwill recognised in a previous period is not reversed.

1. Principal accounting policies (continued)

Trade receivables
Trade receivables are stated at their nominal value and reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are recognised in other operating costs when there is objective evidence that trade receivables are impaired. Larger accounts are specifically reviewed to assess a customer's ability to make payments.

Cash and cash equivalents
Cash and cash equivalents, measured at fair value, includes cash in hand, deposits held on call with banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings as current liabilities on the Balance Sheet.

2. Financial and capital risk management

Financial risk factors
The Company's debt financing is currently all intercompany and so is not exposed to all the same financial risks associated with external borrowings, namely the effects of changes in debt market prices, credit risks, liquidity risks and interest rates, however, the Company is heavily reliant on the success and viability of the Inmarsat plc group. The Company does not have in place its own risk management programme. Instead it falls under the Inmarsat plc group's risk management programme that seeks to limit the adverse effects on the financial performance of the Group as a whole.

The Board of Directors of Inmarsat plc (the ultimate parent company) has delegated to a sub-committee, the Treasury Review Committee, the responsibility for setting the risk management policies applied by the Group and therefore the Company. The policies are implemented by the treasury department which receives regular reports from the Group's operating companies to enable prompt identification of financial risks so that appropriate actions may be taken. The treasury department has a policy and procedures manual that sets out specific guidelines for managing foreign exchange risk, interest rate risk and credit risk. The Group or Company's management does not hold or issue derivative financial instruments for speculative or trading purposes.

(a) Market risk
(i) Foreign exchange risk
The Company is not exposed to significant foreign exchange risk.

(ii) Price risk
The Company is not exposed to significant equity securities price risk or commodity price risk.

(b) Interest rate risk
Given the Company has no significant variable interest-bearing assets (except cash and cash equivalents and amounts due from Group companies), income and operating cash flows are substantially independent of changes in market interest rates.

(c) Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Financial instruments that potentially subject the Company to a concentration of credit risk consist of cash and cash equivalents, trade and other receivables and amounts due from fellow Group companies. The credit risk on cash and cash equivalents is limited because the counterparties are highly rated financial institutions.

2. Financial and capital risk management (continued)

The maximum exposure to credit risk is:

(US$ in millions)	As at 31 December 2014	As at 31 December 2013
Cash and cash equivalents	0.5	0.6
Trade and other receivables	1.2	0.2
Amounts due from fellow Group companies	9.3	5.3
Total credit risk	**11.0**	**6.1**

(d) Liquidity risk

The Company is exposed to liquidity risk with respect to its contractual obligations resulting in financial liabilities. This risk is managed by the Group along with other risks faced by the Group. Prudent liquidity risk management implies maintaining sufficient cash and short-term deposits and the availability of funding through and an adequate amount of committed credit facilities.

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Capital risk management

The Company's objective when managing its capital is to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company continually evaluates sources of capital and may repurchase, refinance, exchange or retire current or future borrowings and/or debt securities from time to time in private or open-market transactions, or by any other means permitted by the terms and conditions of borrowing facilities and debt securities.

No changes were made to the Company's objectives, policies or processes for managing capital in the years ended 31 December 2014 and 2013.

The table below shows the capital structure of the Company as at 31 December:

(US$ in millions)	As at 31 December 2014	As at 31 December 2013
As per Balance Sheet		
Cash and cash equivalents	0.5	0.6
Shareholders' equity	3.1	5.4
Capital	**3.6**	**6.0**

3. Net interest payable

(US$ in millions)	2014	2013
Interest receivable on amounts due from Group undertakings	0.3	-
Total interest receivable and similar income	**0.3**	-
Interest payable on amounts due to Group undertakings	(0.4)	-
Total interest payable and similar charges	**(0.4)**	-
Net interest payable and similar charges	**(0.1)**	-

4. Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after charging the following items:

(US$ in millions)	Note	2014	2013
Cost of inventories recognised as expense		0.1	0.5
Operating lease rentals – land and buildings		0.1	0.1
Depreciation of property, plant and equipment	8	0.3	0.3
Amortisation of intangible assets	7	0.9	-
Foreign exchange gain		(0.1)	-

Directors' remuneration
None of the Directors received any emoluments in respect of their services to the Company in the years ended 31 December 2014 and 2013.

Auditor's remuneration
The Auditor's remuneration incurred for the audit of the Company amounted to US$0.1m (2013: US$0.1m).

5. Employee benefit costs

(US$ in millions)	2014	2013
Wages and salaries	2.4	3.9
Social security costs	0.5	0.5
Defined contribution pension plan costs	0.1	0.2
Total employee benefit costs	**3.0**	**4.6**

The average monthly number of people (excluding Directors) employed during the year was as follows:

	2014	2013
Sales, marketing and administration	27	33

6. Income tax

Income tax (credit)/expense recognised in the Income Statement:

(US$ in millions)	2014	2013
Current tax credit:		
Current period	(0.8)	(1.2)
Total current income tax credit	**(0.8)**	**(1.2)**
Deferred tax expense:		
Current period	0.5	1.0
Total deferred income tax expense	**0.5**	**1.0**
Total income tax credit	**(0.3)**	**(0.2)**

Reconciliation of effective tax rate:

(US$ in millions)	2014	2013
Loss before tax	(2.4)	(2.6)
Income tax at 21.49% (2013: 23.25%)	(0.5)	(0.6)
Effects of:		
Impact of decrease in applicable deferred tax rate	(0.1)	0.4
Non-deductible income items	0.3	-
Total income tax credit	**(0.3)**	**(0.2)**

Deferred tax

(US$ in millions)	2014	2013
Deferred income tax assets	1.8	2.3

The deferred tax asset recognised represents the benefit of the timing differences between the accounting and tax bases associated with fixed assets and patents.

The Company also has tax losses of US$2.1m (2013: US$2.1m). The deferred tax asset in respect to those losses of US$0.4m (2013: US$0.4m) is not recognised because it is not probable that the benefit will be realised.

7. Intangible assets

(US$ in millions)	Software	Patents, licences	Goodwill	Total
Cost				
Balance as of 1 January 2013	1.0	1.2	8.9	11.1
Transferred to assets held for sale	(1.0)	(1.2)	-	(2.2)
Balance as of 31 December 2013	**-**	**-**	**8.9**	**8.9**
Additions	1.3	-	-	1.3
Balance as of 31 December 2014	**1.3**	**-**	**8.9**	**10.2**
Accumulated amortisation and impairment losses				
Balance as of 1 January 2013	(0.8)	(1.2)	(8.9)	(10.9)
Transferred to assets held for sale	0.8	1.2	-	2.0
Balance as of 31 December 2013	**-**	**-**	**(8.9)**	**(8.9)**
Amortisation expense	(0.9)	-	-	(0.9)
Balance as of 31 December 2014	**(0.9)**	**-**	**(8.9)**	**(9.8)**
Net book amount 31 December 2013	**-**	**-**	**-**	**-**
Net book amount 31 December 2014	**0.4**	**-**	**-**	**0.4**

The software capitalised relates to internal-use software, internally developed customer interface software and externally acquired software licences and is being amortised on a 30% declining balance basis.

Patents and licences reflect the cost of acquiring the right to transmit radio signals in a given licensed area and software licences. Patents, licences and software are carried at cost less accumulated amortisation. These have been amortised on a straight-line basis over the shorter of the duration of the licence term or 10 years.

Goodwill represents the excess of consideration paid on the acquisition over the fair value of the identifiable assets, liabilities and contingent liabilities acquired at the date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses.

Inmarsat Solutions Global Limited
Notes to the Financial Statements (continued)
For the year ended 31 December 2014

8. Property, plant and equipment

(US$ in millions)	Space Segment equipment	Computer hardware	Other equipment	Total
Cost				
Balance as of 1 January 2013	4.6	0.5	11.9	17.0
Additions	-	-	0.4	0.4
Transferred to assets held for sale	(4.6)	(0.5)	(12.1)	(17.2)
Balance as of 31 December 2013	**-**	**-**	**0.2**	**0.2**
Additions	-	0.3	0.5	0.8
Balance as of 31 December 2014	**-**	**0.3**	**0.7**	**1.0**
Accumulated depreciation				
Balance as of 1 January 2013	(4.6)	(0.5)	(9.1)	(14.2)
Depreciation expense	-	-	(0.3)	(0.3)
Transferred to assets held for sale	4.6	0.5	9.3	14.4
Balance as of 31 December 2013	**-**	**-**	**(0.1)**	**(0.1)**
Depreciation expense	-	(0.1)	(0.2)	(0.3)
Balance as of 31 December 2014	**-**	**(0.1)**	**(0.3)**	**(0.4)**
Net book amount 31 December 2013	**-**	**-**	**0.1**	**0.1**
Net book amount 31 December 2014	**-**	**0.2**	**0.4**	**0.6**

Depreciation rates assigned to significant tangible fixed assets are:

Space segment equipment	-	10 years straight-line
Computer hardware	-	30% per annum reducing balance
Other equipment	-	20% per annum reducing balance

9. Cash and cash equivalents

(US$ in millions)	As at 31 December 2014	As at 31 December 2013
Cash at bank and in hand	0.5	0.6
	0.5	**0.6**

10. Trade and other receivables

(US$ in millions)	Note	As at 31 December 2014	As at 31 December 2013
Current:			
Trade receivables		1.0	-
Other receivables and accrued income		0.2	0.2
Amounts due from Group companies	15	18.6	5.3
Prepayments		0.3	0.4
		20.1	**5.9**

The Directors consider the carrying value of trade and other receivables to approximate their fair value.

11. Trade and other payables

(US$ in millions)	Note	As at 31 December 2014	As at 31 December 2013
Current:			
Trade payables		0.1	-
Other taxation and social security		-	0.1
Accruals		1.3	2.2
Amounts due to Group companies	15	7.1	4.2
		8.5	**6.5**

The Directors consider the carrying value of trade and other payables to approximate their fair value.

12. Acquisitions and Disposals

Disposal groups held for sale

On 1 August 2013, the Group announced a strategic partnership with RigNet, Inc ("RigNet"), a global provider of managed remote telecommunications solutions to the oil and gas industry, to offer Global Xpress ("GX") and L-band services to the energy sector. Under the terms of the agreement, RigNet became a GX distribution partner and entered into a five-year GX capacity pre-purchase agreement. In connection with the agreement, the Group agreed to sell the majority of its retail energy business to RigNet. On 3 February 2014, following regulatory and other approvals, the Group announced completion of the sale of the Company effective 31 January 2014. The sale included the Group's microwave and WiMAX networks in the US Gulf of Mexico, VSAT interest in the United Kingdom, the United States and Canada, telecommunications systems integration business operating worldwide and retail L-band energy satcoms business.

The assets and liabilities transferred to RigNet as part of the transaction are presented at fair value as part of assets held for sale and liabilities directly associated with assets held for sale on the face of the Balance Sheet. The major classes of assets and liabilities comprising the disposal group held for sale at 31 December 2013 are as follows:

(US$ in millions)	Note	As at 31 December 2013
Intangible assets	7	0.2
Fixed assets	8	2.8
Inventories		0.2
Trade and other receivables		1.0
Total assets classified as held for sale		**4.2**
Trade and other payables		(1.2)
Total liabilities directly associated with assets held for sale		**(1.2)**
Net assets of disposal group		**3.0**

Acquisition of Globe Wireless

Effective from 1 January 2014, the Group acquired the mobile satellite communications business and substantially all of the related assets of Globe Wireless LLC, for cash consideration of $45.2m. Globe Wireless is a leading provider of value-added maritime communications services to the shipping market. The acquisition of Globe Wireless will benefit Inmarsat's Maritime operating segment, with operating synergies and revenue growth expected from the acquisition. The UK-related assets were immaterial on acquisition.

Inmarsat Solutions Global Limited
Notes to the Financial Statements (continued)
For the year ended 31 December 2014

13. Share capital

	As at 31 December 2014	As at 31 December 2013
Allotted, called up and fully paid		
10,000 (2013: 10,000) ordinary shares of £0.01 each	$188	$188
1 (2013: 1) ordinary shares of £1.88 each	$3	$3
11,001,842 (2013: 11,001,842) ordinary shares of £1 each	$16,899,997	$16,899,997
	$17,900,188	$17,900,188

14. Cash used in operations

Reconciliation of loss for the year to net cash outflow from operations:

(US$ in millions)	2014	2013
Loss for the year	(2.1)	(2.4)
Adjustments for:		
Income tax credit	(0.3)	(0.2)
Interest receivable	(0.3)	-
Interest payable	0.4	-
Depreciation and amortisation	1.2	0.3
Deferred taxes	0.5	-
Charge to OCI	(0.2)	-
Movement in net working capital:		
(Increase)/decrease in trade and other receivables	(9.2)	1.0
Increase/(decrease) in trade and other payables	2.2	(15.8)
Decrease in net assets held for sale	3.0	-
Cash used in operations	**(4.8)**	**(17.1)**

15. Related party transactions

The Company's parent undertaking is Inmarsat Solutions Limited and ultimate controlling party is Inmarsat plc, both incorporated in the United Kingdom and registered in England and Wales. The largest and smallest groups into which the results of the Company are consolidated are headed by Inmarsat plc and Inmarsat Investments Limited, respectively. Copies of the Inmarsat plc consolidated financial statements can be obtained from the Company Secretary at 99 City Road, London EC1Y 1AX or obtained from the website (www.inmarsat.com).

The table below sets out transactions with related parties, being fellow subsidiary companies of the Group:

(US$ in millions)	2014	2013
Transactions with Group companies:		
Revenue	5.3	7.7
Cost of sales	0.4	0.1
Operating expenses	0.2	0.5
Other net trading	3.4	4.7
Notes receivable issued	(5.6)	(0.8)
Notes payable received	12.4	-

15. Related party transactions (continued)

The table below sets out balances with related parties, being fellow subsidiary companies of the Group:

(US$ in millions)	As at 31 December 2014	As at 31 December 2013
Outstanding balances with Moskovsky Teleport:		
Receivable from fellow Group companies	-	0.7
Outstanding balances with Inmarsat Solutions (Canada) Inc.:		
Receivable from fellow Group companies	-	0.8
Amounts due to fellow Group companies	(6.2)	(1.3)
Outstanding balances with Stratos Offshore Services Company:		
Amounts due to fellow Group companies	-	(1.0)
Outstanding balances with NewWave Broadband Limited:		
Amounts due to fellow Group companies	(1.9)	(1.5)
Outstanding balances with Segovia Inc.:		
Amounts due to fellow Group companies	-	(0.4)
Outstanding balances with Inmarsat Solutions B.V.:		
Receivable from fellow Group companies	0.4	0.5
Outstanding balances with Inmarsat Global Ltd.:		
Receivable from fellow Group companies	2.8	2.0
Outstanding balances with Inmarsat Australia Pty Ltd.:		
Receivable from fellow Group companies	0.6	-
Outstanding balances with Inmarsat Solutions (US) Inc.:		
Receivable from fellow Group companies	7.1	-
Outstanding balances with Globe Wireless:		
Receivable from fellow Group companies	0.3	-
Outstanding balances with other Group companies:		
Receivable from fellow Group companies	0.2	1.3

16. Operating lease commitments

The Company has no future aggregate minimum lease payments under non-cancellable operating property leases (2013: none).

The Company has the following purchase commitments, relating to future obligations to purchase space segment capacity:

(US$ in millions)	2014	2013
Within one year	0.8	2.6
In two to five years	-	0.6
	0.8	**3.2**

Inmarsat Solutions Global Limited
Notes to the Financial Statements (continued)
For the year ended 31 December 2014

17. Financial instruments

The following table sets out the categorisation of financial assets and liabilities in terms of IAS 39:

	Loans and receivables	
(US$ in millions)	As at 31 December 2014	As at 31 December 2013
Assets as per Balance Sheet:		
Trade and other receivables[a]	19.8	5.5
Cash and cash equivalents	0.5	0.6
	20.3	**6.1**

(a) Consists of trade receivables, other receivables, amounts due from fellow Group companies and long-term receivables per note 9.

Trade and other receivables are stated at amortised cost using the effective-interest method, subject to reduction for allowances for estimated irrecoverable amounts. The fair value of trade and other receivables approximate their carrying values.

	Other financial liabilities	
(US$ in millions)	As at 31 December 2014	As at 31 December 2013
Liabilities as per Balance Sheet:		
Trade and other payables[a]	7.2	4.2
Accruals	1.3	2.2
	8.5	**6.4**

(a) Consists of trade payables, other payables, amounts due to fellow Group companies and long-term receivables per note 10.

All trade payables are classified as current and are due within one year. Trade and other payables are stated at amortised cost using the effective interest method. The fair value of trade and other payables approximate their carrying values.

18. Events after the balance sheet date

Subsequent to 31 December 2014 there have been no other material events which would affect the information reflected in the financial statements of the Company.