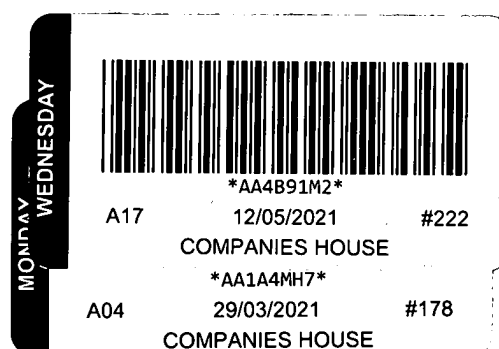


Company Registration No. 05175576

IMIImobile International Limited

Annual Report and Financial Statements

For the year ended 31 March 2020



IMImobile International Limited

Annual Report and Financial Statements for the year ended 31 March 2020

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IMIImobile International Limited

Annual Report and Financial Statements for the year ended 31 March 2020

Officers and professional advisers

Directors

Jayesh Patel
Michael Jefferies

Registered Office

5 St. John's Lane
London
EC1M 4BH
United Kingdom

IMImobile International Limited

Annual Report and Financial Statements for the year ended 31 March 2020

Directors' Report

The directors present their annual report and financial statements for the year ended 31 March 2020.

This report has been prepared taking advantage of the small companies exemption in accordance with s414B 'Strategic report: small companies exemption' of the Companies Act 2006.

Results

The Company's principal activity is that of a holding company.

At 31 March 2020 the Company had net current liabilities of £2,425,079 (2019: £2,425,079). The Company did not actively trade in the year and therefore recorded a result of £nil (2019: £nil) in the year. The full performance of IMImobile International Limited for the year is shown on page 5.

The Directors are not recommending a final dividend for the year (2019: nil). No interim dividend was paid during the year (2019: nil).

The immediate parent undertaking, IMImobile Europe Limited, has confirmed that it will provide financial support to the Company for at least 12 months from the date of these financial statements to enable it to both meet its liabilities as they fall due and to carry on business without a significant curtailment of operations.

Future developments

The Company is part of a wider group which continues to lead the industry in its product, platform and service offerings enabling its clients to communicate and transact with their customers more effectively on mobile devices. The Group's solutions allow customers to use mobile as a channel to create new revenue streams, as a CRM and customer engagement channel, and as a channel to improve business operations.

Following period end, the Group has delivered a resilient performance despite the operational challenges presented by the COVID-19 pandemic. Alongside seeing a steady recovery of client activity in the worst-impacted industry sectors since late May 2020, the Company has been focused on strategic deployments, as existing and new blue-chip clients look to accelerate their adoption of digital communication strategies, that will help drive future revenues.

The Group is at a very exciting stage with technology developments creating momentum in the customer communications sector for more automation and use of digital channels. We continue to have good earnings visibility due to our established client relationships, healthy pipeline of new deployments and high proportion of recurring customer revenues, the directors are confident of the prospects for the year ahead.

The Company continues to monitor the status of Brexit and the Directors do not think it will have a material impact on the Company's operations.

Principal risks and uncertainties

The Company acts as a holding company so depends on support from the Group. Competitive pressures are a continuing risk to the Group, which could result in losing sales to customers. The business manages this risk by providing innovative, 'best in class' services to its customers. The Group is not reliant on any single customer for the success of the business.

Financial risk management objectives and policies

Policies

The Company's financial instruments comprise cash and cash equivalents and items such as trade receivables and trade payables that arise directly from its operations. The main purpose of these financial instruments is to provide finance for the Company's operations.

The Company's operations expose it to a variety of financial risks including liquidity risk, credit risk, interest rate risk and foreign currency exchange rate risk. It is the objective of the Company to minimise these risks where possible by maintaining and operating a robust control environment. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

The Company currently does not use derivative financial instruments to manage its exposure to these risks.

Liquidity risk

As regards liquidity, the Company's policy has throughout the year been to ensure continuity of funding. The Company manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows.

All payables (note 7) are due to be paid within twelve months of the balance sheet date.

IMI Mobile International Limited

Annual Report and Financial Statements for the year ended 31 March 2020

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade receivables. It is the Company's policy to minimise its credit risk exposure by reviewing the recoverability of trade receivables at the balance sheet date and considers any change in the credit quality of the debtor on an individual basis from the date the debtor was created to the date the balance is settled.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date can be found within note 6.

Interest rate risk

Historically the Company has financed its operations through a mix of equity and debt to help minimise its exposure. The Company minimises its risk to interest fluctuations by negotiating a fixed rate of interest on all external debt. At the balance sheet date the Company did not hold any cash and cash equivalents (2019: £nil) and had no external debt.

Currency risk

The Company's policy is to conduct the majority of its sales in UK Pounds Sterling. The Company has a small amount of trading with overseas customers which are settled in foreign currencies. The Company monitors its exposure to currency by regularly reviewing its cash balances and matching these with future and forecast requirements.

The Company at the year-end did not hold any cash at bank amounts in foreign currency (2019: nil).

Financial assets

The Company has no financial assets, other than short-term receivables and cash and cash equivalents.

Directors

The directors who served during the year and to the date of these financial statements were as follows:

Jayesh (Jay) Patel

Michael (Mike) Jefferies

Directors' indemnities

The Company has made qualifying third-party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Directors' responsibilities statement

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 101 "Reduced Disclosure Framework". 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 of the Company for that year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.
- 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.

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.

IMImobile International Limited

Annual Report and Financial Statements for the year ended 31 March 2020

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Board of Directors and signed on behalf of the Board



Mike Jefferies
Director
24 March 2021

IMI Mobile International Limited

Annual Report and Financial Statements for the year ended 31 March 2020

Statement of comprehensive income for the year ended 31 March 2020

	Notes	2020 £	2019 £
Other operating income		-	-
Operating profit and profit before tax		-	-
Tax		-	-
Profit after tax for the year and total comprehensive income		-	-

The results stated above are all derived from continuing operations.

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

IMImobile International Limited

Annual Report and Financial Statements for the year ended 31 March 2020

Statement of financial position as at 31 March 2020

	Notes	2020 £	2019 £
Non- current assets			
Investments in subsidiaries	5	2,603,499	2,603,499
		<u>2,603,499</u>	<u>2,603,499</u>
Current assets			
Trade and other receivables	6	183,801	183,801
		<u>183,801</u>	<u>183,801</u>
Current liabilities			
Trade and other payables	7	(2,608,880)	(2,608,880)
		<u>(2,608,880)</u>	<u>(2,608,880)</u>
Net current liabilities		<u>(2,425,079)</u>	<u>(2,425,079)</u>
Net assets		<u>178,420</u>	<u>178,420</u>
Equity			
Called-up share capital	8	1	1
Retained earnings	8	178,419	178,419
		<u>178,419</u>	<u>178,419</u>
Total equity		<u>178,420</u>	<u>178,420</u>

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

For the year ending 31 March 2020 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

The financial statements of IMImobile International Limited, registered number 05175576, have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and were approved by the Board of Directors and authorised for issue on 24 March 2021.

Signed on behalf of the Board of Directors



Mike Jefferies
Director

IMImobile International Limited

Annual Report and Financial Statements for the year ended 31 March 2020

Statement of changes in equity for the year ended 31 March 2020

	Called-up share capital £	Retained deficit £	Total deficit £
Balance at 1 April 2018	1	178,419	178,420
Total comprehensive result for the year	-	-	-
Balance at 31 March 2019	1	178,419	178,420
Total comprehensive result for the year	-	-	-
Balance at 31 March 2020	1	178,419	178,420

Notes to the financial statements

1. Accounting policies

The Company is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. These financial statements are presented in UK Pounds Sterling because that is the currency of the primary economic environment in which the Company operates. The registered address is shown on page 1 and the principal activity of the business is included in the Directors' report on page 2.

These financial statements are separate financial statements. The company is exempt from the preparation of consolidated financial statements under section 400 of the Companies Act 2006 since it is included in the group financial statements of IMImobile Limited (formerly IMImobile PLC). The group financial statements of IMImobile Limited are available for public use and can be obtained as set out in note 9.

Basis of accounting/statement of compliance

The Company meets the definition of a qualifying entity under FRS 100 (Financial reporting Standard 100) issued by the Financial Reporting Council. The financial statements have therefore been prepared in accordance with FRS 101 'Reduced Disclosure framework' as issued by the Financial Reporting Council.

The Company has prepared financial statements which comply with FRS 101 applicable for periods beginning on or after 1 April 2014 and the significant accounting policies meeting those requirements are described in the relevant notes.

As permitted by FRS 101, exemption from disclosing standards not yet effective has been taken.

The Company has also taken advantage of the exemption from the requirements in IAS 24 'Related party disclosures' to disclose related party transactions entered into between two or more members of the Group where those party to the transaction are wholly owned by a member of the Group and the requirements of IAS 7 'Statement of cash flows' and IFRS 7 'Financial instruments: disclosure'.

The financial statements have been prepared under the historical cost convention and under the going concern assumption.

The principal accounting policies applied in preparation of the Company Financial Statements are set out below.

New standards and interpretations not yet adopted

There are no standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Foreign currencies

The Company financial statements are presented in UK Pounds Sterling ("the presentational currency" and "the functional currency").

Foreign currency transactions are translated into the presentational currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Going concern

At 31 March 2020 the Company had net current liabilities of £2,425,079 (2019: £2,425,079). The Company did not actively trade in the year and therefore recorded a result of £nil (2019: £nil) in the year.

The COVID-19 pandemic has had wide ranging impacts on the Global economy and the potential impact on the Company is considered in the Directors' Report on page 2.

The Company continues to monitor the status of Brexit and the Directors do not think it will have a material impact on the Company's operations.

The immediate parent undertaking, IMImobile Europe Limited, has confirmed that it will provide financial support to the Company for at least 12 months from the date of these financial statements to enable it to both meet its liabilities as they fall due and to carry on business without a significant curtailment of operations.

IMImobile International Limited

Annual Report and Financial Statements for the year ended 31 March 2020

Costs recharged by other companies in the IMImobile Limited (formerly IMImobile PLC) group

The Company is recharged costs borne on its behalf by other group companies. These costs are recharged at an arm's length price.

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less, where appropriate, provisions for impairment.

Impairment of assets

Investments in subsidiaries are tested annually for impairment or more frequently if events or changes in circumstances indicate a potential impairment.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Prior impairments are reviewed for possible reversal at each reporting date.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the income statement.

Financial instruments

Financial assets and financial liabilities are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Classification of financial assets

Trade and other receivables (excluding prepayments) are initially recognised at fair value and subsequently at amortised cost using the effective interest method less any allowance for expected credit losses.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future of cash flows of the investment have been impacted.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company, and arises principally from the Company's trade receivables and contract assets. It is the Company's policy to minimise its credit risk exposure. This includes undertaking careful due diligence of new customers and getting full or part payment in advance of providing services where credit risk is considered higher. The Company regularly reviews existing customers on an individual basis for changes in the credit quality of trade receivables and contract assets from the date the receivable was created to the date the balance is settled.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets and amounts due from related parties. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

To measure the expected credit losses, trade receivables and contract assets have been grouped together based on shared credit risk characteristics and the days past due. The Company has deemed that the contract assets balance has substantially the same risk characteristics as trade receivables and has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The ECL is calculated through assessing the probability of the non-payment of the customer, this probability is then multiplied by the amount of the expected loss arising from default to determine the expected credit loss for

the trade receivables and contract assets. If a balance is confirmed as not be collectable, the gross carrying value of the asset is written off against the associated provision.

Derecognition of financial assets

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

Trade and other payables are measured subsequently at amortised cost using the effective interest method.

Interest expenses and exchange rate gains and losses are recognised in profit or loss. Gains or losses in connection with derecognition are also recognised in profit or loss.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical accounting judgements

Management do not consider there to be any critical accounting judgements.

Key sources of estimation uncertainty

Management do not consider there to be any key sources of estimation uncertainty.

3. Directors' remuneration

The directors are considered to be the same as the key management personnel in the Company.

The directors of the Company are remunerated through the immediate parent undertaking, IMI Mobile Europe Limited. No remuneration is received specific to the Company and it is not practicable to allocate directors remuneration between services to the group and this company. The financial statements of IMI Mobile Europe Limited may be obtained by request from IMI Mobile, 5 St. John's Lane, London, EC1M 4BH.

4. Employee benefits

There were no employees or staff costs borne by the Company in the current and prior year.

IMImobile International Limited

Annual Report and Financial Statements for the year ended 31 March 2020

5. Investments in subsidiaries

	Investments £
Cost	
At 31 March 2019 and 31 March 2020	2,603,499
Impairments	
At 1 April 2019 and 31 March 2020	-
Carrying value	
At 31 March 2019 and 31 March 2020	2,603,499

The companies in which the Company held an interest at the year end are as follows:

Name of entity	Functional currency	Principal activities	% of share class held as at 31 March: 2020 2019		Share class
USA (201 E Markham St, Little Rock, AR 72201, USA)					
IMImobile North America, Inc	USD	Communications software and solutions	100%	100%	Ordinary

6. Trade and other receivables

	2020 £	2019 £
Amounts owed by group undertakings		
- parent undertakings	178,420	178,420
- other group undertakings	5,381	5,381
	<u>183,801</u>	<u>183,801</u>

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

7. Trade and other payables

	2020 £	2019 £
Amounts owed to group undertakings:		
- parent undertakings	2,603,498	2,603,498
- subsidiary undertakings	1	1
Other creditors	5,381	5,381
	<u>2,608,880</u>	<u>2,608,880</u>

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

8. Called-up share capital and reserves

	2020 £	2019 £
Allotted, called-up and fully paid Equity shares:		
10 Ordinary shares of 10p each	1	1

Retained earnings

Retained earnings represents the cumulative earnings of the Company attributable to equity shareholders.

IMImobile International Limited

Annual Report and Financial Statements for the year ended 31 March 2020

9. Ultimate parent undertaking

The Company's immediate parent undertaking is IMImobile Europe Limited, a company incorporated in the United Kingdom. At 31 March 2020 the ultimate parent undertaking and controlling party was IMImobile Limited (formerly IMImobile PLC), a company incorporated in the United Kingdom, which is the parent undertaking of the smallest and largest Group to consolidate these financial statements. The consolidated financial statements of the group may be obtained by request from IMImobile, 5 St. John's Lane, London, EC1M 4BH, the registered address of IMImobile Limited.

10. Post balance sheet event

On 19 February 2021 IMImobile Limited (formerly IMImobile PLC) was acquired by Cisco Systems Holdings UK Limited and therefore from this date the ultimate parent undertaking of the company is considered to be Cisco Systems, Inc.