

H.I.G. Europe-Aircom I Limited

Report and Financial Statements

Year Ended

30 June 2012

Company Number 07429841

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H.I.G. Europe-Aircom I Limited

**Report and financial statements
for the year ended 30 June 2012**

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Directors

A Busby
P Canning
J Hughes
A Welch
P Dost

Registered office

Cassini Court, Randalls Research Park, Randalls Way, Leatherhead, Surrey, KT22 7TW

Company number

07429841

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

H.I.G. Europe-Aircom I Limited

Report of the directors for the year ended 30 June 2012

The directors present their report together with the audited financial statements for the year ended 30 June 2012

Results and dividends

The profit and loss account is set out on page 6 and shows the loss for the year

No dividend was paid or declared during the year (2011 - £Nil)

Business review and principal activities

The company is a holding company to the AIRCOM Group. The group is a leading independent provider of end-to-end software products and consulting services designed to plan, manage and optimise mobile and internet protocol networks. Core capabilities include

- Radio access network and core planning
- Transmission network planning
- Performance engineering and optimisation
- Configuration management
- Vendor evaluation and management
- Drive test analysis
- Handset, field and lab testing

Key performance indicators ("KPIs")

The board monitors progress on the overall company strategy and the individual strategic elements by reference to the KPIs of the trading businesses, which are

- Gross margin
- Research and development investment as a percentage of revenues
- Pre-exceptional EBITDA profitability as a percentage of revenues
- Days Sales Outstanding (debtors divided by sales and multiplied by 365 days)

Principal risk and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. Risks are formally reviewed by the board of directors and appropriate processes put in place to monitor and mitigate them. If more than one event occurs, it is possible that the overall effect of such events would compound the possible adverse effects on the company.

The key business risk affecting the company is interest risk. The company does not hedge its interest rate exposure and any upward revisions of rates would have a negative impact on the profit result.

H.I.G. Europe-Aircom I Limited

Report of the directors for the year ended 30 June 2012 (*continued*)

Directors

The directors of the company during the year were

D Paton (resigned 21 December 2012)
A Welch (appointed 29 September 2011)
A Busby
P Canning
J Hughes
P Dost (appointed 15 May 2013)

Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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,
- 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 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.

H.I.G. Europe-Aircom I Limited

Report of the directors for the year ended 30 June 2012 (*continued*)

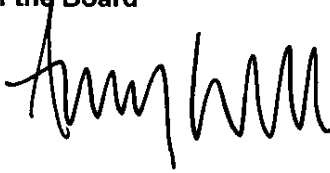
Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

The auditors, BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting, in accordance with section 485 of the Companies Act 2006.

On behalf of the Board

A Welch



Director

4 July 2013

H.I.G. Europe-Aircom I Limited

Independent auditor's report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF H.I.G EUROPE-AIRCOM 1 LIMITED

We have audited the financial statements of H I G Europe-Aircom 1 Limited for the year ended 30 June 2012 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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 auditors

As explained more fully in the statement of directors' responsibilities, 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Basis for qualified opinion on financial statements

The company has not prepared group financial statements, which is contrary to the provisions of the Companies Act 2006 and the requirements of FRS 2 'Accounting for subsidiary undertakings' (as disclosed in note 1).

Qualified opinion on financial statements

In our opinion, except for the possible effects of matters described in the Basis for qualified opinion paragraph, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 June 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

Notwithstanding our qualified opinion regarding the lack of group financial statements, 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.

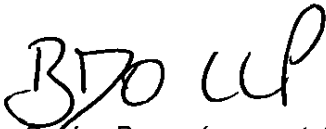
H.I.G. Europe-Aircom I Limited

Profit and loss account
for the year ended 30 June 2012

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



*Sophia Bevan (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London*

4 July 2013

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

H.I.G. Europe-Aircom I Limited

Profit and loss account for the year ended 30 June 2012

	Note	Year ended 30 June 2012 £'000	8 months ended 30 June 2011 £'000
Administrative expenses		24	45
Operating loss	4	(24)	(45)
Interest payable and similar charges	5	(1,209)	(382)
Loss on ordinary activities before taxation		(1,233)	(427)
Taxation on loss from ordinary activities	6	-	-
Loss for the financial year		(1,233)	(427)

All activities relate to continuing operations

The company had no recognised gains or losses during the year other than those reflected in the above profit and loss account and therefore no separate statement of total recognised gains and losses has been presented

The notes on pages 8 to 14 form part of these financial statements

H.I.G. Europe-Aircom I Limited

Balance sheet at 30 June 2012

Company number 07429841	Note	2012 £'000	2012 £'000	2011 £'000	2011 £'000
Fixed assets					
Investments	7		1,000		1,000
Current assets					
Debtors	8	9,759		9,820	
Creditors: amounts falling due within one year	9	226		140	
Net current assets			9,533		9,680
Total assets less current liabilities			10,533		10,680
Creditors: amounts falling due after more than one year	10		11,192		10,107
Net (liabilities)/assets			(660)		573
Capital and reserves					
Called up share capital	11		1		1
Share premium account	12		999		999
Profit and loss account	12		(1,660)		(427)
Shareholders' (deficit)/funds			(660)		573

The financial statements were approved by the Board of Directors and authorised for issue on 4 July 2013


A Welch
Director

The notes on pages 8 to 14 form part of these financial statements

H.I.G. Europe-Aircom I Limited

Notes forming part of the financial statements for the year ended 30 June 2012

1 Accounting policies

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

Going Concern

The directors believe that it is appropriate to prepare the financial statements on the going concern basis due to the expected returns from its operating subsidiaries including the Symena and Aircom businesses

Consolidation

The company is a wholly-owned subsidiary of H I G Europe-Aircom I Limited, a company incorporated in the United Kingdom, and is included in the consolidated financial statements of H I G Europe-Aircom Sarl, an intermediate parent company, which are available from the registered office address (refer note 14) The company has taken advantage of the exemption from preparing consolidated accounts under the Companies Act 2006 and the requirements of FRS 2 "Accounting for subsidiary undertakings" This requires the parent company consolidated financial statements, containing the results of the company, to be prepared before the deadline for filing these accounts Although as at the date of these accounts, those accounts had not yet been filed, the Directors consider this approach to be appropriate in the circumstances

Cash flow and Related Parties

The company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 The company is also exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the H I G Europe-Aircom Sarl Group (the "Group") or investees of H I G Europe-Aircom Sarl

Fixed asset investments

Fixed asset investments are included in the balance sheet at cost less any provision for impairment

2 Employees

The company has no employees

3 Directors

Aggregate emoluments paid to the directors in 2012 were £Nil (2011 - £Nil) The directors receive emoluments from AIRCOM International Limited for the group as a whole Details of their emoluments can be found in the financial statements of AIRCOM International Limited

H.I.G. Europe-Aircom I Limited

Notes forming part of the financial statements
for the year ended 30 June 2012 (*continued*)

4 Operating profit

	Year ended 30 June 2012 £'000	8 months ended 30 June 2011 £'000
This has been arrived at after charging		
Auditors' remuneration		
Paid to auditors of the company		
- fees for the audit of the company	-	9
- non-audit services	9	3
	<u> </u>	<u> </u>

Fees paid to the auditors for non-audit services relate to valuation services. The audit fees for 2012 are borne by another Group company.

5 Interest payable and similar charges

	Year ended 30 June 2012 £'000	8 months Ended 30 June 2011 £'000
Loan note interest (see note 10)	1,086	382
Other interest	123	-
	<u> </u>	<u> </u>
	1,209	382
	<u> </u>	<u> </u>

H.I.G. Europe-Aircom I Limited

Notes forming part of the financial statements for the year ended 30 June 2012 (continued)

6 Taxation on profit from ordinary activities

	Year ended 30 June 2012 £'000	8 months ended 30 June 2011 £'000
<i>Current tax</i>		
UK corporation tax on profit for the year	-	-
	<hr/>	<hr/>
Tax on profit on ordinary activities	-	-
	<hr/>	<hr/>

The tax assessed for the year is lower than the standard rate of corporation tax in the UK The differences are explained below

	Year ended 30 June 2012 £'000	8 months ended 30 June 2011 £'000
Loss on ordinary activities before tax	(1,233)	(427)
	<hr/>	<hr/>
Loss on ordinary activities at the standard rate of corporation tax in the UK of 25.5% (2011 - 28%)	(314)	(109)
Effects of		
Expenses not deductible for tax purposes	2	-
Unutilised losses carried forward	4	-
Non-deductible interest payable	308	109
	<hr/>	<hr/>
Current tax charge for year	-	-
	<hr/>	<hr/>

7 Investments

	Subsidiary undertakings £'000
<i>Cost and net book value</i>	
At 1 July 2011 and 30 June 2012	1,000
	<hr/>

H.I.G. Europe-Aircom I Limited

Notes forming part of the financial statements for the year ended 30 June 2012 (continued)

7 Investments (continued)

Details of investments in which the company holds more than 20% of the nominal value of any class of share capital are as follows

Name of company	Country of incorporation	Share class	Proportion of voting rights and equity shares held	Nature of business
Aircom Global Operations Limited	United Kingdom	Ordinary	100%	Holding company
AIRCOM International (Austria) Holdings GmbH*	Austria	Ordinary	100%	Holding company
SYMENA Software und Consulting GmbH*	Austria	Ordinary	100%	Software and consultancy
AIRCOM Jersey 1 Limited*	Jersey	Ordinary	100%	Holding company
Advent Aircom Luxembourg SARL*	Luxembourg	Ordinary	100%	Holding company
AIRCOM Jersey 2 Limited*	Jersey	Ordinary	100%	Holding company
AIRCOM UK 1 Limited*	United Kingdom	Ordinary	100%	Holding company
AIRCOM Jersey 3 Limited*	Jersey	Ordinary	100%	Holding company
AIRCOM Jersey 4 Limited*	Jersey	Ordinary	100%	Holding company
AIRCOM International Limited*	United Kingdom	Ordinary	100%	Software and consultancy
AIRCOM International (Africa) (PTY) Ltd*	South Africa	Ordinary	100%	Software and consultancy
AIRCOM International, Inc*	USA	Ordinary	100%	Software and consultancy
AIRCOM International (Pte) Limited*	Singapore	Ordinary	100%	Software and consultancy
AIRCOM International (India) Private Limited*	India	Ordinary	100%	Software and consultancy
AIRCOM MEA FZ-LLC*	Dubai	Ordinary	100%	Software and consultancy
AIRCOM International America Latina Ltd*	Brazil	Ordinary	100%	Software and consultancy
AI Scandinavia AB*	Sweden	Ordinary	100%	Software and consultancy
AHWS Europe Limited*	United Kingdom	Ordinary	100%	Dormant company
AIRCOM Contractor Services*	United Kingdom	Ordinary	100%	Software and consultancy
AIRCOM International Corporation Limited*	Taiwan	Ordinary	100%	Software and consultancy
AIRCOM International S A S*	France	Ordinary	100%	Software and consultancy
AIRCOM International Inc*	Philippines	Ordinary	100%	Software and consultancy
AIRCOM International Pty Limited*	Australia	Ordinary	100%	Software and consultancy
AIRCOM International SRL (a limited responsibility company)*	Italy	Ordinary	100%	Software and consultancy
AIRCOM International SA*	Belgium	Ordinary	100%	Software and consultancy
AIRCOM Telecommunications Limited*	Nigeria	Ordinary	100%	Software and consultancy
AIRCOM International Pakistan (Private) Limited*	Pakistan	Ordinary	100%	Software and consultancy

* Held indirectly through H I G Europe-Aircom II Limited

H.I.G. Europe-Aircom I Limited

Notes forming part of the financial statements
for the year ended 30 June 2012 (*continued*)

8 Debtors

	2012 £'000	2011 £'000
Amounts owed by parent undertakings	35	35
Amounts owed by subsidiary undertakings	9,724	9,750
Other debtors	-	35
	<u>9,759</u>	<u>9,820</u>

Amounts owed by parent and subsidiary undertakings are unsecured, interest free and repayable on demand

9 Creditors: amounts falling due within one year

	2012 £'000	2011 £'000
Amounts owed to subsidiary undertakings	226	140
	<u>226</u>	<u>140</u>

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

10 Creditors: amounts falling due after more than one year

	2012 £'000	2011 £'000
Amounts owed to parent undertakings	11,192	10,107
	<u>11,192</u>	<u>10,107</u>

Amounts owed to parent undertakings (H I G Europe-Aircom S a r l) are unsecured loan notes, due for repayment in 2021 and bear interest on the capital amounts at 10.25% per annum. During the year, interest of £1,086,000 (2011 - £382,000) has been accrued and is included in the balance. The cumulative interest accrued at 30 June 2012 is £1,468,000 (2011 - £382,000).

H.I.G. Europe-Aircom I Limited

Notes forming part of the financial statements
for the year ended 30 June 2012 (*continued*)

11 Share capital

	Allotted, called up and fully paid			
	2012 Number	2011 Number	2012 £'000	2011 £'000
Ordinary 'A' shares of £0.01 each	85,000	85,000	1	1
Ordinary 'B' shares of £0.01 each	6,000	6,000	-	-
Ordinary 'C' shares of £0.01 each	3,050	3,050	-	-
C1 Ordinary shares of £0.01 each	3,150	3,500	-	-
Deferred shares of £0.01 each	850	-	-	-
	<u>98,050</u>	<u>97,550</u>	<u>1</u>	<u>1</u>

12 Reserves

	Share premium account £'000	Profit and loss account £'000
At 1 July 2012	999	(427)
Loss for the financial year	-	(1,233)
	<u>999</u>	<u>(1,660)</u>
At 30 June 2012		

13 Reconciliation of movement in shareholders' funds

	Year ended 30 June 2012 £'000	8 months ended 30 June 2011 £'000
Capital received from share issue	-	1,000
Loss for the financial year	(1,233)	(427)
	<u>573</u>	<u>-</u>
Opening shareholders' funds		
	<u>(660)</u>	<u>573</u>
Closing shareholders' (deficit)/funds		

H.I.G. Europe-Aircom I Limited

**Notes forming part of the financial statements
for the year ended 30 June 2012 (*continued*)**

14 Ultimate parent company

The immediate parent undertaking is H I G Europe-Aircom S a r l, a company incorporated in Luxembourg. In the opinion of the directors, the company's ultimate parent undertaking is H I G Europe-Aircom Limited, a company incorporated in the Cayman Islands, which, in turn, is ultimately controlled by H I G Europe Capital Partners, L P.

The largest and smallest group in which the company's results are consolidated is headed by H I G Europe-Aircom Sarl, a company incorporated in Luxembourg. Copies of the consolidated financial statements can be obtained from the company secretary at 5, rue Guillaume Kroll - BP 2501, L-1025 Luxembourg.