

Company Registration No. 07456831 (England and Wales)

**COMPATEL LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**138162-B-2021**



**COMPATEL LIMITED**

**COMPANY INFORMATION**

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<b>Directors</b>	A H Heath R Orton W Hawes M Soldin	(Appointed 13 September 2021)  (Appointed 10 November 2021)
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<b>Company number</b>	07456831
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<b>Registered office</b>	85 Great Portland Street First Floor London W1W 7LT
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<b>Accountants</b>	Suntera Accounting & Tax Limited PO Box 227 Peveril Buildings Peveril Square Douglas Isle of Man IM99 1RZ
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**COMPATEL LIMITED****CONTENTS**

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## **COMPATEL LIMITED**

### **STRATEGIC REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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The directors present the strategic report for the year ended 31 December 2021.

#### **Fair review of the business**

The principal activity of the company continued to be that of an investment company and provisions of telecommunication services. The company maintained its trading both with its group undertakings and external parties. The company holds various investments to enhance its global presence.

#### **Company overview**

In 2021, Compatel Ltd saw the continuation of its strategy of expansion in terms of local presence, network coverage and licences.

Compatel Ltd has a continued business presence in the USA with a dedicated office and licence application. In other regions, the company has completed detail market research and is working on go-to-market strategies, looking to further strengthen its position on a global level.

In terms of staff, the Compatel Ltd team has remained unchanged, as hiring plans came second to the main goal of driving new partnerships and technology-oriented projects as part of expansion plans.

Besides its core focus on the expansion of SMS-based communication services in 2021, Compatel Limited was focused on expanding Voice connectivity using owned local numbers in all countries where the business entity holds a telecoms licence, which remains an ongoing project.

#### **Compatel Brand**

In the telecoms business, Compatel brand is well established and recognised by both mobile network operators and enterprises. It is associated with excellence in connectivity, technical performance, and enterprise-grade level of service. The brand has grown as a result of both coordinated marketing activities (mainly events and web presence), joined with the consistent improvement of service quality that Compatel provides.

#### **Technology**

Compatel's core technology is a cloud-based SMS messaging and voice communications platform that processes, and forwards messages and calls sent/initiated by enterprise clients to subscribers of mobile network operators. The platform is powered by proprietary hardware located in several geographically redundant data centres, running proprietary software optimised for enterprise SMS and voice traffic. The entire infrastructure is maintained and upgraded by in-house teams of developers, integration and support experts, and customer support is available free of charge 24/7 and in several major languages.

#### **Principal risks and uncertainties**

*Main risks to which the company is exposed are credit risk and currency risk.*

#### **Credit risk**

The company's credit risk is primarily attributable to its principal assets, being cash balances, trade and other receivables. The company regularly monitors and reports on aged trade receivables. Where trade receivables are considered to be uncollectable, that amount of receivables is written off to profit and loss statement as a loss of current period. The credit risk on cash balances is considered limited because the counterparties are banks with high credit ratings.

#### **Currency risk**

The company's reporting currency is the euro. However, in everyday business the company operates in foreign currencies and is exposed to currency fluctuations. Fluctuations in value between the euro and these currencies may affect the company's revenues, costs and operating profits.

**COMPATEL LIMITED**

**STRATEGIC REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Key performance indicators**

The key performance indicators relate to sales and gross profit margin and are set out below:

	<b>2021</b>	<b>2020</b>
	<b>€</b>	<b>€</b>
Sales	43,340,975	38,038,659
Gross profit margin	2,676,650	152,919
Gross profit margin %	6.18%	0.40%

On behalf of the board



A H Heath

Director

22/09/22

## **COMPATEL LIMITED**

### **DIRECTORS' REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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The directors present their annual report and financial statements for the year ended 31 December 2021.

#### **Principal activities**

The principal activity of the company continued to be that of an investment company and the provider of telecommunication services.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

A H Heath	
R Orton	(Appointed 13 September 2021)
W Hawes	
M Soldin	(Appointed 10 November 2021)

#### **Results and dividends**

The results for the year are set out on page 6.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

#### **Future developments**

Mobile Operator connectivity expansion, most notably for SMS and Voice communication services, remains the key goal for Compatel, with an emphasis on acquiring telecoms licences from local regulatory bodies.

Through upcoming business periods, Compatel Limited will be looking to broaden its global connectivity, without specific regional targets. Compatel will look to add to an already broad service portfolio with the Internet of Things being the key development focus.

The company will look to build on the local growth in existing markets with new subsidiaries and staff being added to support rising business objectives and technological expansion.

The directors will continue to monitor the impact of the United Kingdom's exit from the European Union. At present, the directors do not anticipate any material impact on Compatel's business.

#### **Statement of directors' responsibilities**

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). 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.

**COMPATEL LIMITED**

**DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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On behalf of the board



A H Heath

Director

Date: 22/09/22



SUNTERA  
GLOBAL

## COMPATEL LIMITED

### REPORT TO THE DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY ACCOUNTS OF COMPATEL LIMITED

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In order to assist you to fulfil your duties under the relevant Companies Act, we have prepared for your approval the financial statements of Compatel Limited for the year ended 31 December 2021 set out on pages 6 to 18 from the company's accounting records and from information and explanations you have given us.

As a member of the Institute of Chartered Accountants in England and Wales (ICAEW) Practice Assurance Scheme, we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Compatel Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Compatel Limited and state those matters that we have agreed to state to the Board of Directors of Compatel Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Compatel Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Compatel Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Compatel Limited. You consider that Compatel Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Compatel Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

*Suntera Accounting & Tax Limited*

Suntera Accounting & Tax Limited

22/09/22

Suntera Accounting & Tax Limited, a company registered in the Isle of Man (001316V)

at Peveril Buildings, Peveril Square, Douglas, Isle of Man, IM99 1RZ is a member of the ICAEW Practice Assurance Scheme and a member of Russell

Bedford International - a global network of independent professional services firms. A member of the Suntera Global group of companies.



**COMPATEL LIMITED****PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2021**

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		<b>2021</b>	<b>2020</b>
	<b>Notes</b>	<b>€</b>	<b>€</b>
<b>Turnover</b>	<b>3</b>	43,340,975	38,038,659
Cost of sales		(40,664,325)	(37,885,740)
<b>Gross profit</b>		<u>2,676,650</u>	<u>152,919</u>
Administrative expenses		(242,431)	(59,291)
<b>Operating profit</b>		<u>2,434,219</u>	<u>93,628</u>
Interest receivable and similar income		10,420	8,820
Interest payable and similar expenses		(23,659)	(19,211)
<b>Profit before taxation</b>		<u>2,420,980</u>	<u>83,237</u>
Tax on profit	<b>5</b>	-	(13,918)
<b>Profit for the financial year</b>		<u><u>2,420,980</u></u>	<u><u>69,319</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

**COMPATEL LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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	<b>2021</b>	<b>2020</b>
	<b>€</b>	<b>€</b>
<b>Profit for the year</b>	2,420,980	69,319
<b>Other comprehensive income</b>	-	-
<b>Total comprehensive income for the year</b>	<u>2,420,980</u>	<u>69,319</u>

**COMPATEL LIMITED**

**BALANCE SHEET**

**AS AT 31 DECEMBER 2021**


	Notes	2021 €	€	2020 €	€
<b>Fixed assets</b>					
Investments	7		816,384		816,377
<b>Current assets</b>					
Debtors	9	12,725,417		11,632,853	
Cash at bank and in hand		58,320		41,225	
		<u>12,783,737</u>		<u>11,674,078</u>	
<b>Creditors: amounts falling due within one year</b>	10	<u>(9,499,954)</u>		<u>(10,825,186)</u>	
<b>Net current assets</b>			<u>3,283,783</u>		<u>848,892</u>
<b>Total assets less current liabilities</b>			<u><u>4,100,167</u></u>		<u><u>1,665,269</u></u>
<b>Capital and reserves</b>					
Called up share capital	11		233		233
Profit and loss reserves			<u>4,099,934</u>		<u>1,665,036</u>
<b>Total equity</b>			<u><u>4,100,167</u></u>		<u><u>1,665,269</u></u>

For the financial year ended 31 December 2021 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The financial statements were approved by the board of directors and authorised for issue on 22/09/22 and are signed on its behalf by:



A H Heath  
Director

Company Registration No. 07456831

**COMPATEL LIMITED****STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 31 DECEMBER 2021**

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	<b>Share capital</b>	<b>Profit and loss reserves</b>	<b>Total</b>
	<b>€</b>	<b>€</b>	<b>€</b>
<b>Balance at 1 January 2020</b>	233	1,595,717	1,595,950
<b>Year ended 31 December 2020:</b>			
Profit and total comprehensive income for the year	-	69,319	69,319
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2020</b>	233	1,665,036	1,665,269
<b>Year ended 31 December 2021:</b>			
Profit and total comprehensive income for the year	-	2,420,980	2,420,980
Other movements	-	13,918	13,918
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2021</b>	<u>233</u>	<u>4,099,934</u>	<u>4,100,167</u>

**COMPATEL LIMITED**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

		2021		2020	
	Notes	€	€	€	€
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	14	30,341		(297,974)	
Interest paid		(23,659)		(19,211)	
Income taxes (paid)/refunded		-		9,687	
<b>Net cash inflow/(outflow) from operating activities</b>		6,682		(307,498)	
<b>Investing activities</b>					
Interest received		10,420		8,820	
<b>Net cash generated from investing activities</b>		10,413		8,820	
<b>Net increase/(decrease) in cash and cash equivalents</b>		17,095		(298,678)	
Cash and cash equivalents at beginning of year		41,225		339,903	
<b>Cash and cash equivalents at end of year</b>		58,320		41,225	

## COMPATEL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies

##### Company information

Compatel Limited is a private company limited by shares incorporated in England and Wales. The registered office is 85 Great Portland Street, First Floor, London, W1W 7LT.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in euros, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest €.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Compatel Limited is a wholly owned subsidiary of Infobip Limited and the results of Compatel Limited are included in the consolidated financial statements of Infobip Limited which are available from 5th Floor, 35-38 New Bridge Street, London, United Kingdom EC4V 6BW.

#### 1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts and volume rebates.

#### 1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	Straight line basis over 1 year
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

**COMPATEL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1 Accounting policies**

**(Continued)**

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

**1.5 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.6 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

**COMPATEL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1 Accounting policies**

**(Continued)**

**Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end 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 cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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

**Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

**Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, other loans and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.



**COMPATEL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1 Accounting policies**

**(Continued)**

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

**1.7 Equity Instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

**1.8 Derivatives**

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

**1.9 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

**Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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 reporting end date.

**Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**1.10 Foreign exchange**

Monetary assets and liabilities denominated in foreign currencies are translated into Euros at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

**COMPATEL LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021****2 Judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Provisions against receivables**

Using information available at the balance sheet date, the Directors make judgements based on experience regarding the level of provision required to account for potentially uncollectible receivables.

**3 Turnover and other revenue**

An analysis of the company's turnover is as follows:

	2021	2020
	€	€
<b>Turnover analysed by geographical market</b>		
UK	43,175,221	35,404,613
EU	165,754	2,634,046
	<u>43,340,975</u>	<u>38,038,659</u>

**4 Employees**

There were no persons engaged by the company under a contract of employment in the current or prior year.

**5 Taxation**

	2021	2020
	€	€
<b>Current tax</b>		
UK corporation tax on profits for the current period	<u>-</u>	<u>13,918</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2021	2020
	€	€
Profit before taxation	<u>2,420,980</u>	<u>83,237</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	459,986	15,815
Other tax adjustments	<u>(459,986)</u>	<u>(1,897)</u>
Taxation charge for the year	<u>-</u>	<u>13,918</u>

**COMPATEL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**6 Tangible fixed assets**

	Fixtures, fittings & equipment €
<b>Cost</b>	
At 1 January 2021 and 31 December 2021	72,982
<b>Depreciation and impairment</b>	
At 1 January 2021 and 31 December 2021	72,982
<b>Carrying amount</b>	
At 31 December 2021	-
At 31 December 2020	-

**7 Fixed asset investments**

	Notes	2021 €	2020 €
Investments in subsidiaries	8	816,384	816,377

The company has not designated any financial assets that are not classified as financial assets at fair value through profit or loss.

**Movements in fixed asset investments**

	Shares in group undertakings €
<b>Cost or valuation</b>	
At 1 January 2021	816,377
Additions	7
At 31 December 2021	816,384
<b>Carrying amount</b>	
At 31 December 2021	816,384
At 31 December 2020	816,377

**8 Subsidiaries**

These financial statements are separate company financial statements for Compatel Limited.

Details of the company's subsidiaries at 31 December 2021 are as follows:

**COMPATEL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**8 Subsidiaries**

**(Continued)**

Name of undertaking	Registered office	Class of shares held	% Held	
			Direct	Indirect
Compatel Africa (Pty) Ltd	South Africa	Ordinary	100.00	-
Compatel Chile Limitada	Chile	Ordinary	99.00	1.00
Compatel Colombia SAS	Colombia	Ordinary	100.00	-
Compatel Communications RO s.r.l.	Romania	Ordinary	100.00	-
Compatel d.o.o.	Serbia	Ordinary	100.00	-
Compatel India Private Limited	India	Ordinary	100.00	-
Compatel Informatica Ltda	Brazil	Ordinary	100.00	-
Compatel Kenya Limited	Kenya	Ordinary	100.00	-
Compatel LLC	USA	Ordinary	100.00	-
Compatel Nigeria Limited	Nigeria	Ordinary	100.00	-
Compatel Peru S.A.C.	Peru	Ordinary	50.00	50.00
Compatel s.r.o.	Czech Republic	Ordinary	100.00	-
Compatel Shpk.	Albania	Ordinary	100.00	-
Compatel Telekomunikasyon Hizmetleri LTD STI	Turkey	Ordinary	100.00	-
Compatel Ukraine	Ukraine	Ordinary	100.00	-
MX-COMPATEL, S.A. de C.V.	Mexico	Ordinary	98.00	2.00

**9 Debtors**

	2021	2020
	€	€
<b>Amounts falling due within one year:</b>		
Trade debtors	42,449	52,965
Corporation tax recoverable	28,922	28,922
Amounts owed by group undertakings	11,119,523	3,647,166
Other debtors	515,836	516,838
Prepayments and accrued income	1,018,687	7,386,962
	<u>12,725,417</u>	<u>11,632,853</u>

**10 Creditors: amounts falling due within one year**

	2021	2020
	€	€
Trade creditors	4,384,869	5,779,797
Amounts owed to group undertakings	1,799,000	1,731,910
Corporation tax	-	13,918
Other creditors	5,377	7,849
Accruals and deferred income	3,310,708	3,291,712
	<u>9,499,954</u>	<u>10,825,186</u>

**COMPATEL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**11 Share capital**  
**Ordinary share capital**

	<b>2021</b>	<b>2020</b>
	<b>€</b>	<b>€</b>
<b>Issued and fully paid</b>		
200 ordinary shares	233	233
	<u>233</u>	<u>233</u>

The ordinary shares have a par value of £1 each.

**12 Related party transactions**

**Transactions with related parties**

There were no related party transactions in the current or prior year other than those transactions with fellow group members.

**13 Ultimate controlling party**

The parent company is Infobip Limited, a company registered in England and Wales (2020: Infobip Limited).

The company has been consolidated into the financial statements of Infobip Limited which are available from its registered office on 5th Floor, 35-38 New Bridge Street, London, United Kingdom, EC4V 6BW.

The ultimate controlling party is S Kutic (2020: S Kutic).

**14 Cash generated from/(absorbed by) operations**

	<b>2021</b>	<b>2020</b>
	<b>€</b>	<b>€</b>
Profit for the year after tax	2,420,980	69,319
<b>Adjustments for:</b>		
Taxation charged	-	13,918
Finance costs	23,659	19,211
Investment income	(10,420)	(8,820)
<b>Movements in working capital:</b>		
(Increase)/decrease in debtors	(1,092,564)	1,803,571
Decrease in creditors	(1,311,314)	(2,195,173)
<b>Cash generated from/(absorbed by) operations</b>	<u>30,341</u>	<u>(297,974)</u>

**15 Analysis of changes in net funds**

	<b>1 January 2021</b>	<b>Cash flows</b>	<b>31 December 2021</b>
	<b>€</b>	<b>€</b>	<b>€</b>
Cash at bank and in hand	41,225	17,095	58,320

**COMPATEL LIMITED****DETAILED TRADING AND PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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	2021	2020
	€	€
<b>Turnover</b>		
Sales	43,340,975	38,038,659
<b>Cost of sales</b>		
Cost of sales	40,664,325	37,885,740
	<u>(40,664,325)</u>	<u>(37,885,740)</u>
<b>Gross profit</b>	<u>2,676,650</u>	<u>152,919</u>
<b>Administrative expenses</b>		
Rent	1,100	1,202
Other expenses and HR	55,225	22,478
Intellectual and other services	62,333	68,165
Accountancy	23,625	42,229
Bank charges	9,167	5,900
Bad and doubtful debts	405	-
Profit or loss on foreign exchange	90,576	(80,683)
	<u>(242,431)</u>	<u>(59,291)</u>
<b>Operating profit</b>	<u>2,434,219</u>	<u>93,628</u>
<b>Interest receivable and similar income</b>		
Other interest received	10,420	8,820
	<u>10,420</u>	<u>8,820</u>
<b>Interest payable and similar expenses</b>		
Loan interest paid	(23,659)	(19,211)
	<u>(23,659)</u>	<u>(19,211)</u>
<b>Profit before taxation</b>	<u><u>2,420,980</u></u>	<u><u>83,237</u></u>

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