

Company Registration No. 07456831 (England and Wales)

COMPATEL LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

138162-B-2020



COMPATEL LIMITED

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COMPATEL LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present the strategic report for the year ended 31 December 2020.

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 2020, 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 2020, 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 2020

Key performance indicators

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

	2020	2019
	€	€
Sales	38,038,659	34,022,969
Gross profit margin	152,919	293,146
Gross profit margin %	0.4%	0.9%

On behalf of the board

DocuSigned by:

A H Heath
Director
28/09/21

COMPATEL LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

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

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

W Hawes

R Orton

(Appointed 13 September 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 2020

On behalf of the board

DocuSigned by:

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A H Heath
Director

Date: 28/09/21

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

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 2020 set out on pages 6 to 19 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

28/09/21

COMPATEL LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

		2020	2019
	Notes	€	€
Turnover	3	38,038,659	34,022,969
Cost of sales		(37,885,740)	(33,729,823)
Gross profit		152,919	293,146
Administrative expenses		(59,291)	(221,009)
Other operating income		-	194
Operating profit		93,628	72,331
Interest receivable and similar income		8,820	1,814
Interest payable and similar expenses		(19,211)	(21,584)
Profit before taxation		83,237	52,561
Tax on profit	5	(13,918)	(9,987)
Profit for the financial year		69,319	42,574

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 2020

	2020	2019
	€	€
Profit for the year	69,319	42,574
Other comprehensive income	-	-
Total comprehensive income for the year	<u>69,319</u>	<u>42,574</u>

COMPATEL LIMITED
 BALANCE SHEET
 AS AT 31 DECEMBER 2020

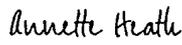
	Notes	2020		2019	
		€	€	€	€
Fixed assets					
Investments	7		816,377		816,377
Current assets					
Debtors	9	11,632,853		13,446,111	
Cash at bank and in hand		41,225		339,903	
		<u>11,674,078</u>		<u>13,786,014</u>	
Creditors: amounts falling due within one year	10	<u>(10,825,186)</u>		<u>(13,006,441)</u>	
Net current assets			848,892		779,573
Total assets less current liabilities			<u>1,665,269</u>		<u>1,595,950</u>
Capital and reserves					
Called up share capital	11		233		233
Profit and loss reserves			1,665,036		1,595,717
Total equity			<u>1,665,269</u>		<u>1,595,950</u>

For the financial year ended 31 December 2020 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 28/09/21 and are signed on its behalf by:

DocuSigned by:

0CCESD7AD7Q141E.....
 A H Heath
 Director

Company Registration No. 07456831

COMPATEL LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Share capital	Profit and loss reserves	Total
	€	€	€
Balance at 1 January 2019	233	1,553,143	1,553,376
Year ended 31 December 2019:			
Profit and total comprehensive income for the year	-	42,574	42,574
Balance at 31 December 2019	<u>233</u>	<u>1,595,717</u>	<u>1,595,950</u>
Year ended 31 December 2020:			
Profit and total comprehensive income for the year	-	69,319	69,319
Balance at 31 December 2020	<u>233</u>	<u>1,665,036</u>	<u>1,665,269</u>

COMPATEL LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020		2019	
		€	€	€	€
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	14		(297,974)		264,201
Interest paid			(19,211)		(21,584)
Income taxes refunded/(paid)			9,687		(21,996)
Net cash (outflow)/inflow from operating activities			(307,498)		220,621
Investing activities					
Interest received		8,820		1,814	
Net cash generated from investing activities			8,820		1,814
Net (decrease)/increase in cash and cash equivalents			(298,678)		222,435
Cash and cash equivalents at beginning of year			339,903		117,468
Cash and cash equivalents at end of year			41,225		339,903

COMPATEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Compatel Limited is a private company limited by shares incorporated in England and Wales. The registered office is 26-28 Bedford Row, London, WC1R 4HE.

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, 86 Jermyn Street, London.

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 2020

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 2020

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.

COMPATEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

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.

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 2020

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:

	2020	2019
	€	€
Turnover analysed by geographical market		
UK	35,404,613	30,982,522
EU	2,634,046	3,040,447
	<u>38,038,659</u>	<u>34,022,969</u>

4 Employees

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

5 Taxation

	2020	2019
	€	€
Current tax		
UK corporation tax on profits for the current period	<u>13,918</u>	<u>9,987</u>

COMPATEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

5 Taxation (Continued)

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:

	2020 €	2019 €
Profit before taxation	83,237	52,561
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	15,815	9,987
Other tax adjustments	(1,897)	-
Taxation charge for the year	13,918	9,987

6 Tangible fixed assets

	Fixtures, fittings & equipment €
Cost	
At 1 January 2020 and 31 December 2020	72,982
Depreciation and impairment	
At 1 January 2020 and 31 December 2020	72,982
Carrying amount	
At 31 December 2020	-
At 31 December 2019	-

7 Fixed asset investments

	Notes	2020 €	2019 €
Investments in subsidiaries	8	816,377	816,377

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

COMPATEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Fixed asset investments (Continued)

Movements in fixed asset investments

	Shares in group undertakings €
Cost or valuation	
At 1 January 2020 & 31 December 2020	816,377
Carrying amount	
At 31 December 2020	<u>816,377</u>
At 31 December 2019	<u>816,377</u>

8 Subsidiaries

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

Details of the company's subsidiaries at 31 December 2020 are as follows:

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

COMPATEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

9 Debtors		
	2020	2019
Amounts falling due within one year:	€	€
Trade debtors	52,965	354,552
Corporation tax recoverable	28,922	38,609
Amounts owed by group undertakings	3,647,166	12,182,833
Other debtors	516,838	525,889
Prepayments and accrued income	7,386,962	344,228
	<u>11,632,853</u>	<u>13,446,111</u>
	<u><u>11,632,853</u></u>	<u><u>13,446,111</u></u>
10 Creditors: amounts falling due within one year		
	2020	2019
	€	€
Trade creditors	5,779,797	6,489,476
Amounts owed to group undertakings	1,731,910	167,298
Corporation tax	13,918	-
Other creditors	7,849	1,761,673
Accruals and deferred income	3,291,712	4,587,994
	<u>10,825,186</u>	<u>13,006,441</u>
	<u><u>10,825,186</u></u>	<u><u>13,006,441</u></u>
11 Share capital		
Ordinary share capital		
	2020	2019
	€	€
Issued and fully paid		
200 ordinary shares	233	233
	<u>233</u>	<u>233</u>
	<u><u>233</u></u>	<u><u>233</u></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.

COMPATEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

13 Ultimate controlling party

The parent company is Infobip Limited, a company registered in England and Wales (2019: Infobip Limited).

The company has been consolidated into the financial statements of Infobip Limited which are available from its registered office on 5th Floor, 86 Jermyn Street, London.

The ultimate controlling party is S Kutic (2019: S Kutic).

14 Cash (absorbed by)/generated from operations

	2020	2019
	€	€
Profit for the year after tax	69,319	42,574
Adjustments for:		
Taxation charged	13,918	9,987
Finance costs	19,211	21,584
Investment income	(8,820)	(1,814)
Movements in working capital:		
Decrease/(increase) in debtors	1,803,571	(5,149,342)
(Decrease)/increase in creditors	(2,195,173)	5,341,212
Cash (absorbed by)/generated from operations	<u>(297,974)</u>	<u>264,201</u>

15 Analysis of changes in net funds

	1 January 2020	Cash flows	31 December 2020
	€	€	€
Cash at bank and in hand	<u>339,903</u>	<u>(298,678)</u>	<u>41,225</u>

COMPATEL LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020		2019	
	€	€	€	€
Turnover				
Sales		38,038,659		34,022,969
Cost of sales				
Cost of sales	37,885,740		33,729,823	
		(37,885,740)		(33,729,823)
Gross profit		152,919		293,146
Other operating income				
Other income		-		194
Administrative expenses				
Rent	1,202		1,154	
Other expenses and HR	22,478		51,365	
Intellectual and other services	68,165		81,576	
Accountancy	42,229		31,356	
Bank charges	5,900		4,831	
Profit or loss on foreign exchange	(80,683)		50,727	
		(59,291)		(221,009)
Operating profit		93,628		72,331
Interest receivable and similar income				
Other interest received	8,820		1,814	
		8,820		1,814
Interest payable and similar expenses				
Loan interest paid	19,211		20,709	
Other finance costs	-		875	
		(19,211)		(21,584)
Profit before taxation		83,237		52,561