

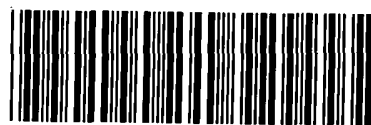
Unaudited Financial Statements

Sirin Labs (UK) Limited (formerly Sirin Mobile Technologies Limited)

For the Year Ended 31 December 2016

Registered number: 09660792

WEDNESDAY



L6HTVXY8

LD2

25/10/2017

#61

COMPANIES HOUSE

Sirin Labs (UK) Limited

Company Information

Director M Hogege (appointed 10 January 2017)

Registered number 09660792

Registered office 1st Floor, 11 Bruton Street
Mayfair
London
W1J 6PY

Contents

	Page
Director's report	1 - 2
Statement of comprehensive income	3
Statement of financial position	4
Statement of changes in equity	5
Notes to the financial statements	6 - 14

Sirin Labs (UK) Limited

Director's Report

For the Year Ended 31 December 2016

The director presents his report and the unaudited financial statements for the year ended 31 December 2016.

The company changed its name from Sirin Mobile Technologies Limited to Sirin Labs (UK) Limited on 6 June 2016.

Director's responsibilities statement

The director is responsible for preparing the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Director

The directors who served during the year were:

G A Clayton-Jones (resigned 26 September 2016)

B D T Guillon (appointed 26 September 2016, resigned 11 January 2017)

Strategic Report

The company has taken advantage of the exemption under section 414B of the Companies Act 2006 from the requirement to prepare a strategic report.

Small companies note

In preparing this report, the director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Sirin Labs (UK) Limited

Director's Report (continued)

For the Year Ended 31 December 2016

This report was approved by the board on **23 OCTOBER 2017** and signed on its behalf.

M Hogg
Director

A handwritten signature in black ink, appearing to be 'M Hogg', written over a diagonal line.

Statement of Comprehensive Income

For the Year Ended 31 December 2016

	Note	Year ended 2016 £	Period ended 2015 £
Turnover	4	734,388	-
Cost of sales		(341,131)	-
Gross profit		393,257	-
Distribution costs		(2,577)	-
Administrative expenses		(2,495,194)	-
Operating loss	5	(2,104,514)	-
Interest receivable and similar income	7	356	-
Interest payable and expenses	8	(121)	-
Loss before tax		(2,104,279)	-
Loss for the year		(2,104,279)	-

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2016 (2015: £NIL).

The notes on pages 6 to 14 form part of these financial statements.

Statement of Financial Position

As at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	9	228,573	-
		<u>228,573</u>	<u>-</u>
Current assets			
Stocks	10	166,595	-
Debtors: amounts falling due within one year	11	309,016	1,000
Cash at bank and in hand	12	104,530	-
		<u>580,141</u>	<u>1,000</u>
Creditors: amounts falling due within one year	13	(2,911,993)	-
Net current (liabilities)/assets		<u>(2,331,852)</u>	<u>1,000</u>
Total assets less current liabilities		<u>(2,103,279)</u>	<u>1,000</u>
Net (liabilities)/assets		<u>(2,103,279)</u>	<u>1,000</u>
Capital and reserves			
Called up share capital	14	1,000	1,000
Profit and loss account	15	(2,104,279)	-
		<u>(2,103,279)</u>	<u>1,000</u>

The director considers that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

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

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
23 OCTOBER 2017.

M Hogg
Director

The notes on pages 6 to 14 form part of these financial statements.

Sirin Labs (UK) Limited

Statement of Changes in Equity

For the Year Ended 31 December 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016	1,000	-	1,000
Comprehensive income for the year			
Loss for the year	-	(2,104,279)	(2,104,279)
Total comprehensive income for the year	-	(2,104,279)	(2,104,279)
At 31 December 2016	1,000	(2,104,279)	(2,103,279)

Statement of Changes in Equity

For the Period Ended 31 December 2015

	Called up share capital	Total equity
	£	£
Other comprehensive income for the period	-	-
Total comprehensive income for the period	-	-
Shares issued during the period	1,000	1,000
At 31 December 2015	1,000	1,000

The notes on pages 6 to 14 form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2016

1. General information

The principal activity of the company is that of selling mobile phones.

The company is a private company limited by shares incorporated in the United Kingdom. Its registered office is 1st Floor, 11 Bruton Street, Mayfair, London, W1J 6PY.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 section 1A relating to small entities, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in GBP.

The preparation of the financial statements in compliance with FRS 102 1A requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The company has chosen to adopt the small entities regime.

The company is part of a group by virtue of being a subsidiary of its immediate parent Sirin Labs AG, a company incorporated in Switzerland. Sirin Labs AG qualifies as small since its ultimate parent Sirin S.a.r.l, a company incorporated in Luxembourg also qualifies as small by meeting the conditions outlined in section 382 of the Companies Act 2006.

These financial statements present information about the company as an individual undertaking.

2.2 Going concern

As at 31 December 2016 the balance sheet is showing net liabilities of £2,103,279. The director has reviewed the nature of the business and considered the support available from the parent in assessing the going concern. The director considers it appropriate to adopt the going concern basis for preparing the financial statements on this basis.

Notes to the Financial Statements

For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.3 Revenue

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Short-term leasehold property	-	33% Straight line
Fixtures and fittings	-	33% Straight line
Office equipment	-	33% Straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

Notes to the Financial Statements

For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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.

Notes to the Financial Statements

For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.10 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.11 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

2.13 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of financial position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of financial position date.

2.14 Interest Income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

Notes to the Financial Statements

For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.15 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

2.16 Cash flow

The company has taken advantage of the exemption in FRS 102 from the requirement to produce a cash flow statement on the grounds that it is a small company.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Estimates and judgments are continuously evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

There were no material judgment or estimates in the preparation of these financial statements.

4. Turnover

All turnover arose within the United Kingdom.

5. Operating loss

The operating loss is stated after charging:

	Year ended 2016 £	Period ended 2015 £
Depreciation of tangible fixed assets	59,001	-
Exchange differences	16,425	-
	<u>75,426</u>	<u>-</u>

6. Employees

The average monthly number of employees, including directors, during the year was 10 (2015 - 1).

Sirin Labs (UK) Limited

Notes to the Financial Statements

For the Year Ended 31 December 2016

7. Interest receivable

	2016 £	2015 £
Other interest receivable	356	-

8. Interest payable and similar charges

	2016 £	2015 £
Bank interest payable	121	-

9. Tangible fixed assets

	Short-term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost				
Additions	189,016	2,407	96,151	287,574
At 31 December 2016	189,016	2,407	96,151	287,574
Depreciation				
Charge for the period on owned assets	42,050	651	16,300	59,001
At 31 December 2016	42,050	651	16,300	59,001
Net book value				
At 31 December 2016	146,966	1,756	79,851	228,573
At 31 December 2015	-	-	-	-

10. Stocks

	2016 £	2015 £
Finished goods and goods for resale	166,595	-

Notes to the Financial Statements

For the Year Ended 31 December 2016

11. Debtors

	2016 £	2015 £
Trade debtors	109,565	-
Amounts owed by group undertakings	-	1,000
Other debtors	146,579	-
Prepayments and accrued income	52,872	-
	<u>309,016</u>	<u>1,000</u>

12. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	<u>104,530</u>	<u>-</u>

13. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	1,183,538	-
Amounts owed to group undertakings	1,688,197	-
Other taxation and social security	12,517	-
Other creditors	10,953	-
Accruals and deferred income	16,788	-
	<u>2,911,993</u>	<u>-</u>

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

Sirin Labs (UK) Limited

Notes to the Financial Statements

For the Year Ended 31 December 2016

14. Share capital

	2016 £	2015 £
Shares classified as equity		
Allotted, called up and unpaid		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

15. Reserves

Called-up Share capital - represents the nominal value of shares that have been issued.

Profit and loss account - includes all current year profits and losses.

16. Commitments under operating leases

At 31 December 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Not later than 1 year	132,572	-
Later than 1 year and not later than 5 years	400,000	-
Later than 5 years	924,384	-
	<u>1,456,956</u>	<u>-</u>

17. Related party transactions

The company has taken advantage of the exemption allowed by FRS102 Section 33 'Related Party Disclosures' not to disclose transactions with other wholly owned group companies.

Notes to the Financial Statements

For the Year Ended 31 December 2016

18. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Sirin Labs AG (formerly Sirin Mobile Technologies AG), a company incorporated in Switzerland whose registered office is Muhlenalstrasse 2, 8200 Schaffhausen, Switzerland.

The ultimate parent undertaking at 31 December 2016 was Sirin S.a.r.l, a company incorporated and registered in Luxembourg.

The smallest and the largest group in which the results of the company are consolidated as at 31 December 2016 is that headed by Sirin S.a.r.l. The consolidated financial statements are available to the public and may be obtained from 1 Rue Nicolas Simmer, L-2538 Luxembourg.

The directors consider the ultimate controlling party at 31 December 2016 was Mr R. Kenges by virtue of his majority shareholding in Sirin S.a.r.l.