

KORE SOFTWARE LIMITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

**KORE SOFTWARE LIMITED**

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**KORE SOFTWARE LIMITED**

**COMPANY INFORMATION**

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<b>Directors</b>	M Sebal S Marks S Lynn T Cusolle
<b>Company secretary</b>	S Marks
<b>Registered number</b>	10435920
<b>Registered office</b>	16 Great Queen Street Covent Garden London United Kingdom WC2B 5AH
<b>Independent auditors</b>	Blick Rothenberg Audit LLP Chartered Accountants & Statutory Auditor 16 Great Queen Street Covent Garden London WC2B 5AH

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**KORE SOFTWARE LIMITED****BALANCE SHEET  
AS AT 31 DECEMBER 2020**

		2020	As restated 2019
	Note	£	£
<b>Fixed assets</b>			
Tangible fixed assets	4	1,278	672
<b>Current assets</b>			
Debtors: amounts falling due within one year	5	520,752	302,286
Cash at bank and in hand		561,166	88,703
		<u>1,081,918</u>	<u>390,989</u>
Creditors: amounts falling due within one year	6	(1,132,488)	(495,594)
<b>Net current liabilities</b>		<u>(50,570)</u>	<u>(104,605)</u>
<b>Total assets less current liabilities</b>		<u>(49,292)</u>	<u>(103,933)</u>
<b>Net liabilities</b>		<u>(49,292)</u>	<u>(103,933)</u>
<b>Capital and reserves</b>			
Called up share capital	7	1	1
Profit and loss account		(49,293)	(103,934)
<b>Total equity</b>		<u>(49,292)</u>	<u>(103,933)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006 and in accordance with Section 1A of Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the profit and loss account in accordance with 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 by :

**S Marks**

Director

Date: 21 April 2022

The notes on pages 4 to 12 form part of these financial statements.

# KORE SOFTWARE LIMITED

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

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	Called up share capital	Profit and loss account	Total equity
	£	£	£
<b>At 1 July 2018 (as previously stated)</b>	<b>1</b>	<b>(80,157)</b>	<b>(80,156)</b>
Prior year adjustment	-	(39,656)	(39,656)
	<u>1</u>	<u>(119,813)</u>	<u>(119,812)</u>
<b>Comprehensive income for the period</b>			
Profit for the period	-	15,879	15,879
	<u>1</u>	<u>(136,936)</u>	<u>(136,935)</u>
<b>At 1 January 2020 (as previously stated)</b>	<b>1</b>	<b>(136,936)</b>	<b>(136,935)</b>
Prior year adjustment (Note 8)	-	33,002	33,002
	<u>1</u>	<u>(103,934)</u>	<u>(103,933)</u>
<b>Comprehensive income for the year</b>			
Profit for the year	-	54,641	54,641
	<u>1</u>	<u>(49,293)</u>	<u>(49,292)</u>
<b>At 31 December 2020</b>	<b>1</b>	<b>(49,293)</b>	<b>(49,292)</b>

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# KORE SOFTWARE LIMITED

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

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### 1. General information

Kore Software Limited is a private company limited by shares incorporated in England and Wales. The address of its registered office is 16 Great Queen Street, Covent Garden, London, WC2B 5AH.

The prior year financial statements were in respect of the period from 1 July 2018 to 31 December 2019 to align the year end of the company with that of the wider group. Therefore the comparative amounts presented in the financial statements are not entirely comparable.

The financial statements are presented in Sterling (£).

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

#### 2.2 Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence and meet its liabilities as they fall due for the

foreseeable future, being a period of at least twelve months from the date these financial statements were approved. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

#### 2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue 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 revenue is recognised:

##### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract 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.

# KORE SOFTWARE LIMITED

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

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### 2. Accounting policies (continued)

#### 2.4 Tangible fixed assets (continued)

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:

Computer equipment	-	33%
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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 profit or loss.

#### 2.5 Financial instruments

The company has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument.

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.

The company's policies for its major classes of financial assets and financial liabilities are set out below.

##### Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances and intercompany working capital balances are initially recognised at transaction price, 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

##### Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans and loans from fellow group companies 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

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

# KORE SOFTWARE LIMITED

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

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### 2. Accounting policies (continued)

#### Financial instruments (continued)

##### Impairment of financial assets

Financial assets 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 profit and loss account.

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

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the 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.

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 and financial liabilities

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

##### Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet 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.

### 2.6 Cash

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.

### 2.7 Share capital

Ordinary shares classified as equity.



# KORE SOFTWARE LIMITED

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

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### 2. Accounting policies (continued)

#### 2.8 Foreign currency translation

##### Functional and presentation currency

The company's functional and presentational currency is Sterling (£).

##### 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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

#### 2.9 Operating leases

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

#### 2.10 Finance costs

Finance costs are charged to profit or loss 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.

#### 2.11 Pensions

##### Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

# KORE SOFTWARE LIMITED

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

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### 2. Accounting policies (continued)

#### 2.12 Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, 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.

Current tax is the amount of income tax payable in respect of taxable profit for the year or prior years.

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

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

#### 2.13 Prior period restatement

The directors have deemed it necessary for a prior period restatement in relation to a change in accounting policy (refer to note 8).

### 3. Employees

The average monthly number of employees, including directors, during the year was 7 (2019 - 7).

# KORE SOFTWARE LIMITED

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

### 4. Tangible fixed assets

	Computer equipment £
<b>Cost</b>	
At 1 January 2020	1,966
Additions	1,250
	<hr/>
At 31 December 2020	3,216
	<hr/>
<b>Depreciation</b>	
At 1 January 2020	1,294
Charge for the year	644
	<hr/>
At 31 December 2020	1,938
	<hr/>
<b>Net book value</b>	
At 31 December 2020	<hr/> <hr/> 1,278
At 31 December 2019	<hr/> <hr/> 672

### 5. Debtors

	2020 £	As restated 2019 £
Trade debtors	277,789	137,950
Amounts owed by group undertakings	5,993	5,992
Other debtors	236,970	158,344
	<hr/>	<hr/>
	<hr/> <hr/> 520,752	<hr/> <hr/> 302,286

# KORE SOFTWARE LIMITED

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

### 6. Creditors: amounts falling due within one year

	2020	As restated 2019
	£	£
Trade creditors	3,736	-
Amounts owed to group undertakings	433,388	222,911
Corporation tax	2,321	-
Other taxation and social security	9,073	10,972
Other creditors	943	-
Accruals and deferred income	683,027	261,711
	<u>1,132,488</u>	<u>495,594</u>

### 7. Share capital

	2020	2019
	£	£
<b>Allotted, called up and fully paid</b>		
1 (2019 - 1) Ordinary share of £1	<u>1</u>	<u>1</u>

# KORE SOFTWARE LIMITED

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

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### 8. Prior period adjustment

Subsequent to the signing of the financial statements for the period ended 31 December 2019, the directors updated a number of their accounting policies and this resulted in a material restatement to the previously reported financial statements. The accounting policy changes have been summarised below:

1. Revenue recognition in respect of service contracts has been updated, previously a portion of revenue was recognised at the point of the customer signing the service contract. Management have now concluded that all revenue should be spread equally over the life of the contract in order to recognise revenue in the period in which it is earned.

2. Commission to sale employees was previously expensed at the point the customer signed the service contract. Management have now concluded that the commission should be spread equally over the expected life of the customer (which is deemed to be 5 years). This results in expensing the commission over the expected period that the benefit will be received from the customer.

3. Salary and wages relating to time spent on service contracts were previously expensed at the time of service and now management have concluded that the portion relating to the initial set up of the customer should be recognised over the life of the contract as this set up time is for the benefit of the whole contract period.

The prior period adjustment results in an increase in profit for the period ended 31 December 2019 of £72,658 and the total impact on retained earnings for the period ended 31 December 2019 is £33,002. The full impact the prior year adjustment has had on the company financial statements for the period ended 31 December 2019 is stated below:

	<b>As previously stated as at 31 December 2019 £</b>	<b>Adjustment £</b>	<b>As restated as at 31 December 2019 £</b>
Other debtors	19,092	139,252	158,344
Deferred revenue	(155,461)	(106,250)	(261,711)
Retained earnings	80,157	39,656	119,813
Sales	(545,912)	(29,760)	(575,672)
Administrative expenses	604,434	(42,898)	561,536

### 9. Related party transactions

The company has taken advantage of the exemption contained in FRS 102 section 33 "Related Party Disclosures" from disclosing transactions with entities which are a wholly owned part of the group.

### 10. Parent undertaking

The smallest group for which consolidated financial statements are drawn up is headed by Kore Intermediate Holdings, Inc. whose registered office is 259 West 30th Street, 16th Floor, New York, NY 10001, United States of America.

# KORE SOFTWARE LIMITED

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

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### 11. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2020 was unqualified.

The audit report was signed on 22 April 2022 by H Powell (senior statutory auditor) on behalf of Blick Rothenberg Audit LLP.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.