

**GROUP STRATEGIC REPORT, REPORT OF THE DIRECTOR AND  
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017  
FOR  
TIGER COMMUNICATIONS (HOLDINGS) LIMITED**

THURSDAY



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**TIGER COMMUNICATIONS (HOLDINGS) LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**DIRECTOR:** S R McCallum

**SECRETARY:** S R McCallum

**REGISTERED OFFICE:** 77 - 79 Christchurch Road  
Ringwood  
Hampshire  
BH24 1DH

**REGISTERED NUMBER:** 09128904 (England and Wales)

**AUDITORS:** Wilkins Kennedy LLP  
Chartered Accountants  
Statutory Auditor  
Gladstone House  
77-79 High Street  
Egham  
Surrey  
TW20 9HY

## TIGER COMMUNICATIONS (HOLDINGS) LIMITED

### GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

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The director presents his strategic report of the company and the group for the year ended 31 December 2017.

#### REVIEW OF BUSINESS

Tiger is pleased to announce a successful 2017 trading year and the continuing success of our software solution 'Tiger Prism', a business analytics and intelligence tool for Unified Communications (UC).

Prism has been developed to manage large quantities of communications data, incorporates fast analytics for a detailed insight into costs, quality metrics, bandwidth and user adoption of UC. Customers and partners are able to zoom into big data sets and quickly drill down to the lowest level of detail from datasets containing billions of records. Prism incorporates smart dashboards, widgets and an industry leading analytics engine which can be used to give business context to an organisations UC infrastructure, helping drive successful business outcomes.

Prism has been exceptionally well received by our customers, partners and industry analysts and has led to continued growth in our Cloud based Software as a Service (SaaS) offering.

Sales through our European division, although not as strong as expected, are well positioned for the future.

Work is underway on our next generation software, which will focus heavily on our Platform as a Service architecture (PaaS).

#### KEY PERFORMANCE INDICATORS

The business has 3 key performance indicators which we measure

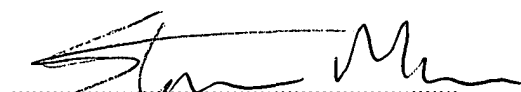
1. Customer Maintenance Contracts (annual break / fix)
2. Customer Managed Service Contracts (pay as you use)
3. New System sales

Business across all 3 KPI metrics has been stable, with steady growth in most areas.

#### PRINCIPAL RISKS AND UNCERTAINTIES

The UC Markets are rapidly changing. The adoption of Voice over IP and Internet Telephony has gained majority hold in mature markets. Cloud Telephony services are being deployed in favour of on premise solutions. Our market sees significant mergers and acquisition taking place as our product solutions evolve to embrace these new technologies and market opportunities.

#### ON BEHALF OF THE BOARD:



S R McCallum - Director

Date: 22/3/18

**TIGER COMMUNICATIONS (HOLDINGS) LIMITED**

**REPORT OF THE DIRECTOR  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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The director presents his report with the financial statements of the company and the group for the year ended 31 December 2017.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2017.

**DIRECTOR**

S R McCallum held office during the whole of the period from 1 January 2017 to the date of this report.

**STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

The director is responsible for preparing the Group Strategic Report, the Report of the Director 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

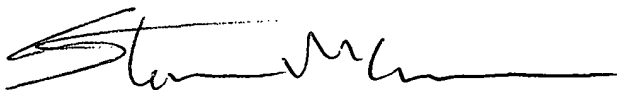
**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**AUDITORS**

The auditors, Wilkins Kennedy LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



S R McCallum - Director

Date: 22/3/18

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TIGER COMMUNICATIONS (HOLDINGS) LIMITED

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### Opinion

We have audited the financial statements of Tiger Communications (Holdings) Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2017 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the group and of the parent company's affairs as at 31 December 2017 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The director is responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Director have been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
TIGER COMMUNICATIONS (HOLDINGS) LIMITED**

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**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Director.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of director**

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the group and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the group or the or to cease operations, or has no realistic alternative but to do so.

**Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**Use of our report**

This report is made solely to the parent company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent company's members those matters we are required to state in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Wilkins Kennedy LLP*

Paul Creasey (Senior Statutory Auditor)  
for and on behalf of Wilkins Kennedy LLP  
Chartered Accountants  
Statutory Auditor  
Gladstone House  
77-79 High Street  
Egham  
Surrey  
TW20 9HY

Date: 23 March 2018

**TIGER COMMUNICATIONS (HOLDINGS) LIMITED**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	2017 £	2016 £
<b>TURNOVER</b>	3	<b>3,745,499</b>	<b>3,487,404</b>
Cost of sales		<u>(159,222)</u>	<u>(111,704)</u>
<b>GROSS PROFIT</b>		<b>3,586,277</b>	<b>3,375,700</b>
Administrative expenses		<u>(3,687,774)</u>	<u>(3,697,338)</u>
		(101,497)	(321,638)
Other operating income		<u>-</u>	<u>158,803</u>
<b>OPERATING LOSS</b>	5	<b>(101,497)</b>	<b>(162,835)</b>
Interest receivable and similar income		<u>198</u>	<u>466</u>
		(101,299)	(162,369)
Interest payable and similar expenses	7	<u>(8,904)</u>	<u>(6,852)</u>
<b>LOSS BEFORE TAXATION</b>		<b>(110,203)</b>	<b>(169,221)</b>
Tax on loss	8	<u>85,406</u>	<u>76,225</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		<b>(24,797)</b>	<b>(92,996)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Foreign currency translation		(15,312)	(49,913)
Income tax relating to other comprehensive income		<u>-</u>	<u>-</u>
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX</b>		<b><u>(15,312)</u></b>	<b><u>(49,913)</u></b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b><u>(40,109)</u></b>	<b><u>(142,909)</u></b>

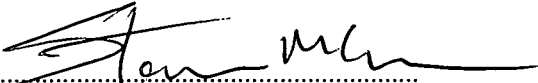
The notes form part of these financial statements

**TIGER COMMUNICATIONS (HOLDINGS) LIMITED (REGISTERED NUMBER: 09128904)**

**CONSOLIDATED BALANCE SHEET  
31 DECEMBER 2017**

	Notes	2017 £	2016 £
<b>FIXED ASSETS</b>			
Intangible assets	10	4,110,355	4,907,736
Tangible assets	11	164,045	177,342
Investments	12	-	-
		<u>4,274,400</u>	<u>5,085,078</u>
<b>CURRENT ASSETS</b>			
Stocks	13	32,639	40,805
Debtors	14	722,487	689,096
Cash at bank		<u>340,841</u>	<u>424,871</u>
		1,095,967	1,154,772
<b>CREDITORS</b>			
Amounts falling due within one year	15	<u>(1,456,337)</u>	<u>(2,131,416)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(360,370)</u>	<u>(976,644)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		3,914,030	4,108,434
<b>CREDITORS</b>			
Amounts falling due after more than one year	16	(278,553)	(347,442)
<b>PROVISIONS FOR LIABILITIES</b>	21	<u>(588,598)</u>	<u>(674,004)</u>
<b>NET ASSETS</b>		<u>3,046,879</u>	<u>3,086,988</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	22	75,500	75,500
Share premium	23	3,799,170	3,799,170
Retained earnings	23	<u>(827,791)</u>	<u>(787,682)</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>3,046,879</u>	<u>3,086,988</u>

The financial statements were approved by the director on 22/3/18 and were signed by:

  
S R McCallum - Director

The notes form part of these financial statements

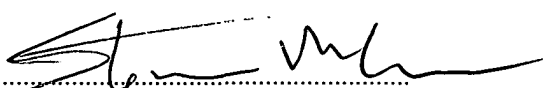


**TIGER COMMUNICATIONS (HOLDINGS) LIMITED (REGISTERED NUMBER: 09128904)**

**COMPANY BALANCE SHEET  
31 DECEMBER 2017**

	Notes	2017 £	2016 £
<b>FIXED ASSETS</b>			
Intangible assets	10	-	-
Tangible assets	11	-	-
Investments	12	<u>3,874,670</u>	<u>3,874,670</u>
		<u>3,874,670</u>	<u>3,874,670</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>3,874,670</u>	<u>3,874,670</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	22	75,500	75,500
Share premium	23	<u>3,799,170</u>	<u>3,799,170</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>3,874,670</u>	<u>3,874,670</u>
Company's profit for the financial year		<u>-</u>	<u>-</u>

The financial statements were approved by the director on 22/3/18 and were signed by:

  
S.R. McCallum - Director

The notes form part of these financial statements

**TIGER COMMUNICATIONS (HOLDINGS) LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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	Called up share capital £	Retained earnings £	Share premium £	Total equity £
<b>Balance at 1 January 2016</b>	75,500	(644,773)	3,799,170	3,229,897
<b>Changes in equity</b>				
Total comprehensive income	<u>-</u>	<u>(142,909)</u>	<u>-</u>	<u>(142,909)</u>
<b>Balance at 31 December 2016</b>	<u>75,500</u>	<u>(787,682)</u>	<u>3,799,170</u>	<u>3,086,988</u>
<b>Changes in equity</b>				
Total comprehensive income	<u>-</u>	<u>(40,109)</u>	<u>-</u>	<u>(40,109)</u>
<b>Balance at 31 December 2017</b>	<u>75,500</u>	<u>(827,791)</u>	<u>3,799,170</u>	<u>3,046,879</u>

The notes form part of these financial statements

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**TIGER COMMUNICATIONS (HOLDINGS) LIMITED**  
**COMPANY STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
<b>Balance at 1 January 2016</b>	75,500	-	3,799,170	3,874,670
<b>Changes in equity</b>	_____	_____	_____	_____
<b>Balance at 31 December 2016</b>	<u>75,500</u>	<u>-</u>	<u>3,799,170</u>	<u>3,874,670</u>
<b>Changes in equity</b>	_____	_____	_____	_____
<b>Balance at 31 December 2017</b>	<u><u>75,500</u></u>	<u><u>-</u></u>	<u><u>3,799,170</u></u>	<u><u>3,874,670</u></u>

The notes form part of these financial statements

**TIGER COMMUNICATIONS (HOLDINGS) LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	2017 £	2016 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	1,393,357	1,391,762
Interest paid		(3,575)	(4,877)
Interest element of hire purchase payments paid		(5,329)	(1,975)
Tax paid		(72)	53,168
<b>Net cash from operating activities</b>		<b>1,384,381</b>	<b>1,438,078</b>
<b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets		(429,569)	(443,261)
Purchase of tangible fixed assets		(11,308)	(72,297)
Sale of tangible fixed assets		3,000	13,297
Interest received		198	466
<b>Net cash from investing activities</b>		<b>(437,679)</b>	<b>(501,795)</b>
<b>Cash flows from financing activities</b>			
Loan repayments in year		(42,706)	(41,452)
Capital repayments in year		(15,339)	(18,658)
Amount withdrawn by directors		(972,687)	(492,953)
<b>Net cash from financing activities</b>		<b>(1,030,732)</b>	<b>(553,063)</b>
<b>(Decrease)/increase in cash and cash equivalents</b>		<b>(84,030)</b>	<b>383,220</b>
<b>Cash and cash equivalents at beginning of year</b>	2	<b>424,871</b>	<b>41,651</b>
<b>Cash and cash equivalents at end of year</b>	2	<b>340,841</b>	<b>424,871</b>

The notes form part of these financial statements

**TIGER COMMUNICATIONS (HOLDINGS) LIMITED**

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2017	2016
	£	£
Loss before taxation	(110,203)	(169,221)
Depreciation charges	1,272,781	1,379,469
Loss/(profit) on disposal of fixed assets	2,766	(780)
Movement in foreign currency reserve	(15,312)	(49,913)
Finance costs	8,904	6,852
Finance income	(198)	(466)
	<u>1,158,738</u>	<u>1,165,941</u>
Decrease in stocks	8,166	5,398
Increase in trade and other debtors	(33,843)	(117,858)
Increase in trade and other creditors	<u>260,296</u>	<u>338,281</u>
<b>Cash generated from operations</b>	<u><b>1,393,357</b></u>	<u><b>1,391,762</b></u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 December 2017**

	31.12.17	1.1.17
	£	£
Cash and cash equivalents	<u><b>340,841</b></u>	<u><b>424,871</b></u>

**Year ended 31 December 2016**

	31.12.16	1.1.16
	£	£
Cash and cash equivalents	<u><b>424,871</b></u>	<u><b>41,651</b></u>

The notes form part of these financial statements

**TIGER COMMUNICATIONS (HOLDINGS) LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**1. STATUTORY INFORMATION**

Tiger Communications (Holdings) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparation**

These financial statements have been presented in accordance with the Financial reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historic cost convention.

The financial statements are presented in sterling (£) which is also the functional currency for the company.

**Going concern**

After reviewing the Group's forecasts and projections and taking into account the economic conditions and possible changes in trading performance, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing its financial statements.

**Basis of consolidation**

The Group consolidated financial statements include the financial statements of the Company and all of its subsidiary undertakings together with the Group's share of the results of associates made up to 31 December 2017.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates and value added tax.

Turnover is attributable to the design and supply of computer based telecommunications systems and business intelligence for unified communications. Systems income is recognised at the point of delivery. Managed service and support contract income are recognised evenly over the period of the contract.

**Business combinations and goodwill**

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of the business combination is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquiree plus costs directly attributable to the business combination.

Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets and liabilities is recognised as goodwill. If the net fair value of the identifiable assets and liabilities exceeds the cost of the business combination the excess is recognised separately on the face of the consolidated statement of financial position immediately below goodwill.

**TIGER COMMUNICATIONS (HOLDINGS) LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**2. ACCOUNTING POLICIES - continued**

**Intangible assets**

Intangible assets acquired separately from a business are capitalised at cost. Intangible assets acquired as part of an acquisition of a business are capitalised separately from goodwill if the fair value can be measured reliably on initial recognition. Intangible assets acquired as part of an acquisition are not recognised where they arise from legal or other contractual rights, and where there is no history of exchange transactions.

Intangible assets, excluding development costs, created within the business are not capitalised and expenditure is charged against profits in the year in which it is incurred.

Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment. Intangible assets are amortised on a straight line basis over their estimated useful lives. The carrying value of intangible assets is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

The useful economic lives of intangible assets are as follows:

Goodwill - 10 years

Development costs - 3 years

Customer contracts and customer relationships - 10 years

If there are indicators that the residual value or useful life of an intangible asset has changed since the most recent annual reporting period previous estimates shall be reviewed and, if current expectations differ the residual value, amortisation method or useful life shall be amended. Changes in the expected useful life or the expected pattern of consumption of benefit shall be accounted for as a change in accounting estimate.

**Research and development**

Development expenditure is recognised as an intangible asset when all of the following criteria are met:

- It is technically feasible to complete the intangible asset so that it will be available for use or sale;
- Management intends to complete the intangible asset and use or sell it;
- There is an ability to use or sell the intangible asset;
- It can be demonstrated how the intangible asset will generate probable future economic benefits; adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
- The expenditure attributable to the intangible asset during its development can be reliably measured.

All other research and development expenditure is written off as incurred.

**TIGER COMMUNICATIONS (HOLDINGS) LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**2. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- 15 % on reducing balance
Motor vehicles	- 25% on reducing balance

Tangible fixed assets are stated at cost less depreciation and impairment losses.

At each reporting date, tangible fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is any indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit and loss.

If an impairment loss is subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment is recognised immediately in profit or loss.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against future taxable profits or against the reversal of deferred tax liabilities.

Deferred tax relating to a non-depreciable asset that is measured using the revaluation model, or to investment properties measured at fair value, is measured using the tax rates and allowances that apply to the sale of the asset.

In a business combination, a deferred tax liability or asset is recognised for the additional tax that will be paid or avoided in respect of that difference. The amount that is attributable to goodwill is adjusted by the amount of the deferred tax recognised.

Deferred tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.



**TIGER COMMUNICATIONS (HOLDINGS) LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**2. ACCOUNTING POLICIES - continued**

**Trade and other payables**

Trade and other payables are measured at their transaction price unless the arrangement constitutes a financing transaction in which case the transaction is measured at present value of future payments discounted at prevailing market rate of interest. Other financial liabilities are initially measured at fair value net of their transaction costs. They are subsequently measured at amortised cost using the effective interest method.

**Trade and other receivables**

Trade and other receivables are measured at transaction price less any impairment unless the arrangement constitutes a financing transaction in which case the transaction is measured at the present value of future receipts discounted at the prevailing market rate of interest. Loans are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method less any impairment.

**Dividends**

Dividend distributions payable to equity shareholders are included in "accruals" when the dividends are approved in general meeting prior to the balance sheet date.

**Employee benefits**

Short term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

**Derivative financial statements**

Derivative financial statements are recognised at fair value using a valuation technique with any gains or losses being reported in the statement of comprehensive income. Non basic financial instruments are recognised at fair value in the balance sheet under the appropriate heading and any fair value movements are recognised in the profit and loss account.

**Equity**

Equity comprises of the following:

- "Share capital" represents the nominal value of equity shares.
- "Retained earnings" represents retained profits.
- "Share premium" represents the excess paid on initial purchase of equity shares.

**TIGER COMMUNICATIONS (HOLDINGS) LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**2. ACCOUNTING POLICIES - continued**

**Judgements and key sources of estimation uncertainty**

The preparation of financial statements requires management to make judgements, estimates and assumptions about the carrying values of the assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 a continuing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects current and future periods. The key judgements and sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

**Impairment of goodwill and other intangibles**

The company tests annually whether goodwill and other intangibles have suffered any impairment in accordance with the accounting policy stated. The recoverable amounts have been determined based on value-in-use calculations.

**Capitalisation of research and development**

The group capitalises a portion of the research and development annual expense. This is based on management's judgement that these relate to expenses incurred to produce or substantially improve products or systems, rather than pure and applied research costs.

**3. TURNOVER**

The turnover and loss before taxation are attributable to the one principal activity of the group.

An analysis of turnover by geographical market is given below:

	2017 £	2016 £
United Kingdom	3,123,053	2,928,926
Europe	530,398	472,768
United States of America	18,400	65,584
Asia	57,343	20,126
Africa	16,305	-
	<u>3,745,499</u>	<u>3,487,404</u>

**4. EMPLOYEES AND DIRECTORS**

	2017 £	2016 £
Wages and salaries	1,459,345	1,397,431
Social security costs	274,594	239,997
Other pension costs	70,577	92,979
	<u>1,804,516</u>	<u>1,730,407</u>

**TIGER COMMUNICATIONS (HOLDINGS) LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**4. EMPLOYEES AND DIRECTORS - continued**

The average monthly number of employees during the year was as follows:

	2017	2016
Sales	9	6
Engineering & training	18	17
Development	8	10
Finance & administration	5	6
Directors	<u>1</u>	<u>2</u>
	<u>41</u>	<u>41</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 41 (2016 - 41).

	2017	2016
	£	£
Directors' remuneration	95,870	54,961
Directors' pension contributions to money purchase schemes	<u>-</u>	<u>22,140</u>

**5. OPERATING LOSS**

The operating loss is stated after charging/(crediting):

	2017	2016
	£	£
Other operating leases	54,880	74,043
Rent	69,431	62,467
Depreciation - owned assets	17,884	5,609
Depreciation - assets on hire purchase contracts	27,947	20,490
Loss/(profit) on disposal of fixed assets	2,766	(780)
Goodwill amortisation	308,647	308,648
Customer relationships and contracts amortisation	435,808	435,808
Development costs amortisation	482,495	608,932
Auditors' remuneration	19,400	18,900
Auditors' remuneration for non audit work	1,700	5,096
Foreign exchange differences	<u>37</u>	<u>(30,454)</u>

**6. EXCEPTIONAL ITEMS**

	2017	2016
	£	£
Exceptional items	<u>-</u>	<u>158,058</u>

**TIGER COMMUNICATIONS (HOLDINGS) LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**7. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2017 £	2016 £
Bank interest	-	29
Bank loan interest	3,575	4,848
Hire purchase	<u>5,329</u>	<u>1,975</u>
	<u><b>8,904</b></u>	<u><b>6,852</b></u>

**8. TAXATION**

**Analysis of the tax credit**

The tax credit on the loss for the year was as follows:

	2017 £	2016 £
Current tax:		
UK corporation tax	-	73
Deferred tax	<u><b>(85,406)</b></u>	<u><b>(76,298)</b></u>
Tax on loss	<u><b>(85,406)</b></u>	<u><b>(76,225)</b></u>

**Reconciliation of total tax credit included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2017 £	2016 £
Loss before tax	<u><b>(110,203)</b></u>	<u><b>(169,221)</b></u>
Loss multiplied by the standard rate of corporation tax in the UK of 19.250% (2016 - 20%)	<u><b>(21,214)</b></u>	<u><b>(33,844)</b></u>
Effects of:		
Expenses not deductible for tax purposes	18,443	10,886
Depreciation in excess of capital allowances	1,271	-
Utilisation of tax losses	<u><b>(10,925)</b></u>	<u><b>(1,304)</b></u>
Carry forward losses	661	-
Carry forward foreign losses	22,750	29,823
R&D deductions, tax creditors and adjustments	<u><b>(96,392)</b></u>	<u><b>(81,786)</b></u>
Total tax credit	<u><b>(85,406)</b></u>	<u><b>(76,225)</b></u>

**Tax effects relating to effects of other comprehensive income**

	Gross £	2017 Tax £	Net £
Foreign currency translation	<u><b>(15,312)</b></u>	<u><b>-</b></u>	<u><b>(15,312)</b></u>

**TIGER COMMUNICATIONS (HOLDINGS) LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**8. TAXATION - continued**

	Gross £	2016 Tax £	Net £
Foreign currency translation	<u>(49,913)</u>	<u>-</u>	<u>(49,913)</u>

**9. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME**

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

The parent company's profit for the financial year was £nil (2016: £nil).

**10. INTANGIBLE FIXED ASSETS**

**Group**

	Goodwill £	Customer relationships and contracts £	Development costs £	Totals £
<b>COST</b>				
At 1 January 2017	1,934,338	4,358,079	1,989,810	8,282,227
Additions	<u>-</u>	<u>-</u>	<u>429,569</u>	<u>429,569</u>
At 31 December 2017	<u>1,934,338</u>	<u>4,358,079</u>	<u>2,419,379</u>	<u>8,711,796</u>
<b>AMORTISATION</b>				
At 1 January 2017	745,908	1,053,197	1,575,386	3,374,491
Amortisation for year	<u>308,647</u>	<u>435,808</u>	<u>482,495</u>	<u>1,226,950</u>
At 31 December 2017	<u>1,054,555</u>	<u>1,489,005</u>	<u>2,057,881</u>	<u>4,601,441</u>
<b>NET BOOK VALUE</b>				
At 31 December 2017	<u>879,783</u>	<u>2,869,074</u>	<u>361,498</u>	<u>4,110,355</u>
At 31 December 2016	<u>1,188,430</u>	<u>3,304,882</u>	<u>414,424</u>	<u>4,907,736</u>

The remaining amortisation period is 3 years, 7 years and 1 year for goodwill, customer relationships and contracts and development costs respectively.

**Company**

The company had no intangible assets as at 31 December 2017 or 31 December 2016.

**TIGER COMMUNICATIONS (HOLDINGS) LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**11. TANGIBLE FIXED ASSETS**

**Group**

	<b>Plant and machinery £</b>	<b>Motor vehicles £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>				
At 1 January 2017	35,737	155,630	1,164	192,531
Additions	724	37,564	-	38,288
Disposals	-	(9,000)	-	(9,000)
Exchange differences	-	-	42	42
At 31 December 2017	<u>36,461</u>	<u>184,194</u>	<u>1,206</u>	<u>221,861</u>
<b>DEPRECIATION</b>				
At 1 January 2017	9,678	4,702	809	15,189
Charge for year	4,017	41,814	-	45,831
Eliminated on disposal	-	(3,234)	-	(3,234)
Exchange differences	-	-	30	30
At 31 December 2017	<u>13,695</u>	<u>43,282</u>	<u>839</u>	<u>57,816</u>
<b>NET BOOK VALUE</b>				
At 31 December 2017	<u>22,766</u>	<u>140,912</u>	<u>367</u>	<u>164,045</u>
At 31 December 2016	<u>26,059</u>	<u>150,928</u>	<u>355</u>	<u>177,342</u>

**Company**

The company had no tangible assets at 31 December 2017 or 31 December 2016.

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	<b>Motor vehicles £</b>
<b>COST</b>	
At 1 January 2017	164,282
Additions	37,565
At 31 December 2017	<u>201,847</u>
<b>DEPRECIATION</b>	
At 1 January 2017	41,730
Charge for year	27,947
At 31 December 2017	<u>69,677</u>
<b>NET BOOK VALUE</b>	
At 31 December 2017	<u>132,170</u>
At 31 December 2016	<u>122,552</u>

**TIGER COMMUNICATIONS (HOLDINGS) LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**12. FIXED ASSET INVESTMENTS**

The group or the company investments at the balance sheet date in the share capital of related undertaking companies include the following:

<b>Company</b>	<b>Country of Incorporation and operation</b>	<b>Ownership and class of share held</b>	<b>Principal activities</b>
Group Tiger Limited	England & Wales	100%	Intermediate holding company
Tiger Communications Plc	England & Wales	100%	Software development
Tiger Communications SAS	France	100%	Sales
Tiger Communications (Holdings) Europe Limited	England & Wales	100%	Holding company
Tiger Software Limited	England & Wales	100%	Dormant

**13. STOCKS**

	<b>Group</b>	
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Stocks	<b><u>32,639</u></b>	<b><u>40,805</u></b>

Stocks recognised in cost of sales during the year as an expense was £151,056 (2016: £106,306)

An impairment loss of £nil (2016: £nil) was recognised in cost of sales against stock during the year due to slow moving and obsolete stock.

**14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>	
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Trade debtors	<b>650,991</b>	608,216
Other debtors	<b>4,894</b>	17,984
Tax recoverable	<b>20,716</b>	21,168
Prepayments and accrued income	<b><u>45,886</u></b>	<b><u>41,728</u></b>
	<b><u>722,487</u></b>	<b><u>689,096</u></b>

**TIGER COMMUNICATIONS (HOLDINGS) LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>	
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts (see note 17)	<b>44,034</b>	42,844
Hire purchase contracts (see note 18)	<b>18,798</b>	16,225
Trade creditors	<b>11,789</b>	40,259
Social security and other taxes	<b>74,682</b>	104,372
VAT	<b>181,559</b>	193,858
Other creditors	<b>301,982</b>	9,897
Directors' current accounts	<b>124,457</b>	1,097,143
Accruals and deferred income	<b>699,036</b>	626,818
	<b><u>1,456,337</u></b>	<b><u>2,131,416</u></b>

**16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>	
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Bank loans (see note 17)	<b>56,559</b>	100,455
Hire purchase contracts (see note 18)	<b>56,131</b>	47,063
Other creditors	<b>737</b>	-
Accruals and deferred income	<b>165,126</b>	199,924
	<b><u>278,553</u></b>	<b><u>347,442</u></b>

**17. LOANS**

An analysis of the maturity of loans is given below:

	<b>Group</b>	
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year or on demand:		
Bank loans	<b><u>44,034</u></b>	<b><u>42,844</u></b>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<b><u>56,559</u></b>	<b><u>100,455</u></b>



**TIGER COMMUNICATIONS (HOLDINGS) LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**18. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

**Group**

	<b>Hire purchase contracts</b>	
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Gross obligations repayable:		
Within one year	<b>22,308</b>	19,978
Between one and five years	<b><u>56,915</u></b>	<u>50,340</u>
	<b><u>79,223</u></b>	<u>70,318</u>
Finance charges repayable:		
Within one year	<b>3,510</b>	3,753
Between one and five years	<b><u>784</u></b>	<u>3,277</u>
	<b><u>4,294</u></b>	<u>7,030</u>
Net obligations repayable:		
Within one year	<b>18,798</b>	16,225
Between one and five years	<b><u>56,131</u></b>	<u>47,063</u>
	<b><u>74,929</u></b>	<u>63,288</u>

**Group**

	<b>Non-cancellable operating leases</b>	
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Within one year	<b>114,844</b>	83,873
Between one and five years	<b><u>37,743</u></b>	<u>91,679</u>
	<b><u>152,587</u></b>	<u>175,552</u>

**TIGER COMMUNICATIONS (HOLDINGS) LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**19. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>Group</b>	
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Bank loans	<b>100,593</b>	143,299
Hire purchase contracts	<b>74,929</b>	63,288
	<b><u>175,522</u></b>	<b><u>206,587</u></b>

Hire purchase creditors are secured on the assets to which they relate.

Santander UK Plc holds a fixed and floating charge over the assets of the group as security for the bank loan.

**20. FINANCIAL INSTRUMENTS**

**GROUP**

The Group has the following financial instruments:

	<b>Note</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
Financial assets at fair value through profit or loss		-	-
Financial assets that are debt instruments measured at amortised cost.			
- Trade receivables	14	650,991	608,216
- Other receivables	14	<u>4,894</u>	<u>17,984</u>
		<b><u>655,885</u></b>	<b><u>626,200</u></b>
Financial assets that are equity instruments measured at cost less impairment		-	-
Financial liabilities measured at amortised cost			
- Bank loans and overdrafts	17	100,593	143,336
- Trade creditors	15	11,789	40,259
- Other creditors	15	302,719	9,987
- Directors' current account	15	124,456	1,097,143
- Hire purchase contracts	18	74,929	63,288
- Accruals and deferred income	15-16	<u>864,162</u>	<u>826,742</u>
		<b><u>1,478,648</u></b>	<b><u>2,180,665</u></b>

**TIGER COMMUNICATIONS (HOLDINGS) LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**21. PROVISIONS FOR LIABILITIES**

	<b>Group</b>	
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Deferred tax	<u><b>588,598</b></u>	<u><b>674,004</b></u>
<b>Group</b>		
		<b>Deferred tax</b>
		<b>£</b>
Balance at 1 January 2017		<b>674,004</b>
Credit to Statement of Comprehensive Income during year		<u><b>(85,406)</b></u>
Balance at 31 December 2017		<u><b>588,598</b></u>

**22. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			<b>2017</b>	<b>2016</b>
Number:	Class:	Nominal value:	<b>£</b>	<b>£</b>
75,500	Ordinary Share Capital	75500	<u><b>75,500</b></u>	<u><b>75,500</b></u>

**23. RESERVES**

<b>Group</b>			
	<b>Retained earnings</b>	<b>Share premium</b>	<b>Totals</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 1 January 2017	<b>(787,682)</b>	<b>3,799,170</b>	<b>3,011,488</b>
Deficit for the year	<b>(24,797)</b>		<b>(24,797)</b>
Foreign currency translation	<b>(15,312)</b>	<b>-</b>	<b>(15,312)</b>
At 31 December 2017	<u><b>(827,791)</b></u>	<u><b>3,799,170</b></u>	<u><b>2,971,379</b></u>
<b>Company</b>			
	<b>Retained earnings</b>	<b>Share premium</b>	<b>Totals</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 1 January 2017	<b>-</b>	<b>3,799,170</b>	<b>3,799,170</b>
Profit for the year	<b>-</b>		<b>-</b>
At 31 December 2017	<u><b>-</b></u>	<u><b>3,799,170</b></u>	<u><b>3,799,170</b></u>

**TIGER COMMUNICATIONS (HOLDINGS) LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**24. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to the director existed during the years ended 31 December 2017 and 31 December 2016:

	2017	2016
	£	£
Balance outstanding at start of year	496,609	655,906
Amounts advanced	-	38,896
Amounts repaid	(372,153)	(198,193)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>124,456</u>	<u>496,609</u>

Loans involving directors are interest free and are repayable on demand.

**25. RELATED PARTY DISCLOSURES**

**Transactions with key management personnel**

In the period the group paid rent in respect of 77-79 Christchurch Road, Ringwood, Hants a building which is owned by the shareholders. The amount paid to the shareholders during the period was £37,500 (2016: £30,000).

At the year end, the group owed the shareholder, the estate of B P Hoadley, £295,534 (2016 - £600,534). During the year, repayments of £305,000 (2016 - £333,656) were made. The loan with the shareholder is provided free of interest.

**Directors' emoluments**

	2017	2016
	£	£
Aggregate emoluments	<u>95,870</u>	<u>77,101</u>

Key management personnel comprises the board of directors only.

**26. ULTIMATE CONTROLLING PARTY**

During the year the ultimate control of the company rested with the estate of B P Hoadley by virtue of its ownership of 66.66% of the issued ordinary share capital.

On 7 March 2018 the company was acquired by Tiger Communications (Holdings) No.2 Limited which is wholly owned by Mr S R MacCallum.