

Company Registration No. 07733317 (England and Wales)

ROUTE MOBILE (UK) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

ROUTE MOBILE (UK) LIMITED

COMPANY INFORMATION

Directors	Mr Rajdipkumar Gupta Mr Sandipkumar Gupta Mr Ramachandran Sivathanu	(Appointed 14 October 2020)
Company number	07733317	
Registered office	183-189 The Vale Acton London W3 7RW	
Auditor	Reddy Siddiqui LLP 183-189 The Vale Acton London W3 7RW	

ROUTE MOBILE (UK) LIMITED

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ROUTE MOBILE (UK) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2021

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

Fair review of the business

The Company's revenues increased by 98% from £49 million in the fiscal year ended 31 March 2020 to £97 million in the fiscal year ended 31 March 2021.

The Company is in continuous process of expanding in existing and newer markets through direct and indirect channels. In the past, the Company has achieved success by pursuing similar strategy.

Principal risks and uncertainties

There are a number of potential risks and uncertainties, which could have a material impact on the company's long-term performance and could cause actual results to differ materially from expected results.

Liquidity risk

The Company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. External funding facilities are managed to ensure that both short-term and longer-term funding is available to provide short-term flexibility whilst providing sufficient funding to the company's forecast working capital requirements.

Credit risk

The Company extends credit to customers of various durations depending on customer creditworthiness and industry custom and practice for the product or service. In the event that a customer proves unable to meet payments when they fall due, the company will suffer adverse consequences. To manage this, the company continually monitors credit terms to ensure that no single customer is granted credit inappropriate to its credit risk.

Competitor risk

The Company operates in a highly competitive market with rapidly changing product and pricing innovations. We are subject to the threat of our competitors launching new products in our markets (including updating product lines) before we make corresponding updates and development to our own product range. This could render our products and services out-of-date and could result in loss of market share. To reduce this risk, we undertake new product development and maintain strong supplier relationships to ensure that we have products at various stages of the life cycle.

Competitor risk also manifests itself in price pressures which are usually experienced in more mature markets. This results not only in downward pressure on our gross margins but also in the risk that our products are not considered to represent value for money. The company therefore monitors market prices on an ongoing basis.

Acquisition integration execution

The Company actively pursues inorganic opportunities both in terms of geographical expansion, consolidation in existing markets and adding new product line to its existing product portfolio. The Board acknowledges that there is a risk of operational disturbance in the course of integrating the acquired businesses with existing operations. The Company mitigates this risk by careful planning and rigorous due diligence.

ROUTE MOBILE (UK) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Development and performance

The company has developed its business to such extent that it has been recognized as "Tier 1 in International A2P messaging provider" by the annual survey conducted by ROCCO for 2021.

MNOs have particularly voted Route Mobile for being strong in key areas - Pricing model, Global reach, Enabler, NPS & Performance+ categories.

MNOs have complimented Route Mobile for being trustworthy, reliable and having good performance.

On behalf of the board



Mr Sandipkumar Gupta
Director

14 May 2021

ROUTE MOBILE (UK) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

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

Principal activities

The principal activity of the company continued to be engaged in the business of inter alia providing technology services for mobile communications with a focus on messaging.

Results and dividends

The results for the year are set out on page 9.

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

Directors

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

Mr Rajdipkumar Gupta

Mr Sandipkumar Gupta

Mr Ramachandran Sivathanu

(Appointed 14 October 2020)

Auditor

The auditor, Reddy Siddiqui LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Energy and carbon report

As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Going Concern

The impact on the Company arising from the uncertainty of the recent COVID-19 outbreak has been considered by the Directors:

- Management have considered updated financial forecasts. Based upon the information available, the Directors consider that the Company has sufficient liquidity to continue in business for at least the next 12 months as a going concern.
- The Directors have reviewed the assets of the business and do not believe there to be any impairments arising as a result of the pandemic.
- To date, there has been no material impact on the Company arising from the Covid-19 outbreak and the Directors continue to monitor the situation very closely. In addition, the Directors do not believe there will be any impact on the Company arising from the UK's exit from the European Union.
- In assessing the recoverability of receivables including unbilled receivables, the Company has considered internal and external information up to the date of these financial statements including credit reports and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on the current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

The impact of the global health pandemic and Brexit may be different from the estimate as at the date of these financial statements and the Company will closely monitor any material changes to future economic conditions and respond accordingly.

ROUTE MOBILE (UK) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

On behalf of the board



Mr Sandipkumar Gupta
Director

14 May 2021

ROUTE MOBILE (UK) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ROUTE MOBILE (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ROUTE MOBILE (UK) LIMITED

Opinion

We have audited the financial statements of Route Mobile (UK) Limited (the 'company') for the year ended 31 March 2021 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its profit 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company 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.

The impact of macro-economic uncertainty on our audit

As part of our audit of the financial statements we are required to obtain an understanding of all relevant uncertainties, including those due to the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits are subject to assessing, reviewing and challenging the reasonableness of estimates made by the directors along with the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's prospects and performance.

Covid-19 and Brexit are currently the most significant economic events currently faced by the UK, and as at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We have applied a standardised approach in response to these uncertainties when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company associated with these particular events.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

ROUTE MOBILE (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ROUTE MOBILE (UK) LIMITED

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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, 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are 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 directors determine is 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 an auditor's report 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.

ROUTE MOBILE (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ROUTE MOBILE (UK) LIMITED

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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 company's members those matters we are required to state to them 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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Omar Siddiqui (Senior Statutory Auditor)
For and on behalf of Reddy Siddiqui LLP

14 May 2021

Chartered Accountants
Statutory Auditor

183-189 The Vale
Acton
London
W3 7RW

ROUTE MOBILE (UK) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Turnover	3	97,086,414	49,003,937
Cost of sales		(86,938,952)	(43,675,219)
Gross profit		<u>10,147,462</u>	<u>5,328,718</u>
Administrative expenses		(4,804,108)	(2,285,083)
Other operating income		3,375,458	282,131
Operating profit	4	<u>8,718,812</u>	<u>3,325,766</u>
Interest receivable and similar income	6	1,575,580	2,033,792
Interest payable and similar expenses	7	(228,993)	(242,642)
Profit before taxation		<u>10,065,399</u>	<u>5,116,916</u>
Tax on profit	8	(867,151)	417,481
Profit for the financial year		<u><u>9,198,248</u></u>	<u><u>5,534,397</u></u>

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

ROUTE MOBILE (UK) LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Profit for the year	9,198,248	5,534,397
Other comprehensive income	-	-
Total comprehensive income for the year	<u>9,198,248</u>	<u>5,534,397</u>

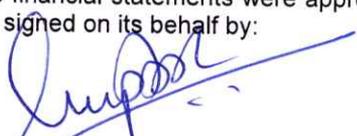
ROUTE MOBILE (UK) LIMITED

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	11		158,169		280,511
Investments	12		17,367,312		17,173,165
			<u>17,525,481</u>		<u>17,453,676</u>
Current assets					
Debtors	15	38,700,720		25,418,247	
Investments	16	463,978		500,183	
Cash at bank and in hand		5,853,975		1,815,060	
			<u>45,018,673</u>	<u>27,733,490</u>	
Creditors: amounts falling due within one year	17	<u>(31,773,361)</u>		<u>(25,970,253)</u>	
Net current assets			<u>13,245,312</u>		<u>1,763,237</u>
Total assets less current liabilities			<u>30,770,793</u>		<u>19,216,913</u>
Creditors: amounts falling due after more than one year	18		(10,391,498)		(8,012,758)
Provisions for liabilities					
Deferred tax liability	20	29,430		52,538	
			<u>(29,430)</u>	<u>(52,538)</u>	
Net assets			<u>20,349,865</u>		<u>11,151,617</u>
Capital and reserves					
Called up share capital	22		20,000		20,000
Profit and loss reserves			20,329,865		11,131,617
Total equity			<u>20,349,865</u>		<u>11,151,617</u>

The financial statements were approved by the board of directors and authorised for issue on 14 May 2021 and are signed on its behalf by:


Mr Sandipkumar Gupta
Director

Company Registration No. 07733317

ROUTE MOBILE (UK) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 April 2019		20,000	6,342,220	6,362,220
Year ended 31 March 2020:				
Profit and total comprehensive income for the year		-	5,534,397	5,534,397
Dividends	9	-	(745,000)	(745,000)
Balance at 31 March 2020		20,000	11,131,617	11,151,617
Year ended 31 March 2021:				
Profit and total comprehensive income for the year		-	9,198,248	9,198,248
Balance at 31 March 2021		20,000	20,329,865	20,349,865

ROUTE MOBILE (UK) LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021		2020	
		£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	26		(377,701)		(6,784,193)
Interest paid			(228,993)		(242,642)
Income taxes refunded			379,735		495,016
Net cash outflow from operating activities			<u>(226,959)</u>		<u>(6,531,819)</u>
Investing activities					
Purchase of tangible fixed assets		(373)		(351,636)	
Proceeds on disposal of subsidiaries		(199,379)		(469,911)	
Receipts from associates		13,416		(13,287)	
Proceeds on disposal of investments		-		6,728,728	
Receipts arising from loans made		(8,184)		1,291	
Interest received		6,283		89,194	
Dividends received		2,039,166		1,474,432	
Net cash generated from investing activities			<u>1,850,929</u>		<u>7,458,811</u>
Financing activities					
Repayment of borrowings		2,378,564		8,012,758	
Repayment of bank loans		176		(6,006,786)	
Dividends paid		-		(745,000)	
Net cash generated from financing activities			<u>2,378,740</u>		<u>1,260,972</u>
Net increase in cash and cash equivalents			<u>4,002,710</u>		<u>2,187,964</u>
Cash and cash equivalents at beginning of year			2,315,243		127,279
Cash and cash equivalents at end of year			<u><u>6,317,953</u></u>		<u><u>2,315,243</u></u>
Relating to:					
Cash at bank and in hand			5,853,975		1,815,060
Short term deposits included in current asset investments			463,978		500,183

ROUTE MOBILE (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

Route Mobile (UK) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 183-189 The Vale, Acton, London, W3 7RW.

1.1 Accounting convention

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

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 401 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Route Mobile (UK) Limited is a wholly owned subsidiary of Route Mobile Limited and the results of Route Mobile (UK) Limited are included in the consolidated financial statements of Route Mobile Limited which are available from 4th Dimension, 3rd Floor, Mind Space, Mumbai 400 064, India.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

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

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

ROUTE MOBILE (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

The company recognises revenue from sale of services based on the usage of Short Message Services (SMS). The revenue is recognised when the company's services are used based on the specific terms of the contract with customers.

Income from services is recognised when the service is rendered in terms of the agreements/arrangements with parties.

Amounts received or billed in advance for services to be performed in future are recorded as advances from customers / advance billing.

Liquidated damages and penalties are accounted as per the contract terms wherever there is a delayed delivery attributable to the company and when there is a reasonable certainty with which the same can be estimated.

Profit on sale of investments is recorded on transfer of title from the company and is determined as the difference between the sale price and carrying value of the investment.

Dividend are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

Interest income for all debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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

Software	straight line over 3 years
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1.5 Tangible fixed assets

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

ROUTE MOBILE (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

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

Fixtures, fittings & equipment	straight line over 3 to 5 years
Computer equipment	straight line over 3 to 5 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Fixed asset investments

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

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

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

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

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

ROUTE MOBILE (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.8 Cash and cash equivalents

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

1.9 Financial instruments

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

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

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

Basic financial assets

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

Other financial assets

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

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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

Derecognition of financial assets

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

ROUTE MOBILE (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Classification of financial liabilities

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

Basic financial liabilities

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

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

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

Other financial liabilities

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

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

Derecognition of financial liabilities

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

1.10 Equity instruments

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

1.11 Derivatives

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

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

1.12 Taxation

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

ROUTE MOBILE (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

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

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

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

ROUTE MOBILE (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

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

	2021 £	2020 £
Turnover analysed by class of business		
Revenue	97,086,414	49,003,937

	2021 £	2020 £
Other significant revenue		
Interest income	4,545	91,229
Dividends receivable	1,571,035	1,942,563

	2021 £	2020 £
Turnover analysed by geographical market		
UK	4,799,147	6,304,344
Europe	35,961,621	13,408,767
Rest of the world	56,325,646	29,290,826
	97,086,414	49,003,937

4 Operating profit

	2021 £	2020 £
Operating profit for the year is stated after charging:		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	3,249,862	126,736
Fees payable to the company's auditor for the audit of the company's financial statements	17,550	13,500
Depreciation of owned tangible fixed assets	122,715	84,438
Operating lease charges	2,815	12,488

ROUTE MOBILE (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Administration	2	3

Their aggregate remuneration comprised:

	2021 £	2020 £
Wages and salaries	96,000	64,903
Social security costs	3,814	2,665
Pension costs	1,462	628
	<u>101,276</u>	<u>68,196</u>

6 Interest receivable and similar income

	2021 £	2020 £
Interest income		
Interest on bank deposits	4,545	91,229
Income from fixed asset investments		
Income from shares in group undertakings	1,571,035	1,942,563
Total income	<u>1,575,580</u>	<u>2,033,792</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	<u>4,545</u>	<u>91,229</u>
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ROUTE MOBILE (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

7 Interest payable and similar expenses

	2021	2020
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	-	240,179
Other interest on financial liabilities	222,345	-
	<u>222,345</u>	<u>240,179</u>
Other finance costs:		
Other interest	6,648	2,463
	<u>228,993</u>	<u>242,642</u>

8 Taxation

	2021	2020
	£	£
Current tax		
UK corporation tax on profits for the current period	1,637,038	552,193
Other tax reliefs	(746,779)	(1,020,608)
	<u>890,259</u>	<u>(468,415)</u>
Deferred tax		
Origination and reversal of timing differences	(23,108)	50,934
	<u>867,151</u>	<u>(417,481)</u>

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

	2021	2020
	£	£
Profit before taxation	<u>10,065,399</u>	<u>5,116,916</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	1,912,426	972,214
Permanent capital allowances in excess of depreciation	(208)	(66,978)
Depreciation on assets not qualifying for tax allowances	23,317	16,044
Other non-reversing timing differences	(23,108)	50,935
Dividend income	(298,497)	(369,088)
Foreign tax credit	(746,779)	(1,020,608)
	<u>867,151</u>	<u>(417,481)</u>

ROUTE MOBILE (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

9 Dividends

	2021 £	2020 £
Interim paid	-	745,000

10 Intangible fixed assets

	Software £
Cost	
At 1 April 2020 and 31 March 2021	62,472
Amortisation and impairment	
At 1 April 2020 and 31 March 2021	62,472
Carrying amount	
At 31 March 2021	-
At 31 March 2020	-

11 Tangible fixed assets

	Fixtures, fittings & equipment £	Computer equipment £	Total £
Cost			
At 1 April 2020	8,769	384,379	393,148
Additions	373	-	373
At 31 March 2021	9,142	384,379	393,521
Depreciation and impairment			
At 1 April 2020	5,945	106,692	112,637
Depreciation charged in the year	2,161	120,554	122,715
At 31 March 2021	8,106	227,246	235,352
Carrying amount			
At 31 March 2021	1,036	157,133	158,169
At 31 March 2020	2,824	277,687	280,511

ROUTE MOBILE (UK) LIMITED

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

12 Fixed asset investments

	Notes	2021 £	2020 £
Investments in subsidiaries	13	16,043,783	15,882,143
Loans to subsidiaries	13	1,308,489	1,270,750
Investments in associates		-	2,187
Loans to associates		6,856	18,085
Loans		8,184	-
		<u>17,367,312</u>	<u>17,173,165</u>

Movements in fixed asset investments

	Shares in subsidiaries and associates £	Loans to subsidiaries and associates £	Other loans £	Total £
Cost or valuation				
At 1 April 2020	15,884,330	1,288,835	-	17,173,165
Additions	161,640	26,510	8,184	196,334
Disposals	(2,187)	-	-	(2,187)
At 31 March 2021	<u>16,043,783</u>	<u>1,315,345</u>	<u>8,184</u>	<u>17,367,312</u>
Carrying amount				
At 31 March 2021	<u>16,043,783</u>	<u>1,315,345</u>	<u>8,184</u>	<u>17,367,312</u>
At 31 March 2020	<u>15,884,330</u>	<u>1,288,835</u>	<u>-</u>	<u>17,173,165</u>

13 Subsidiaries

The company has taken advantage of the exemption under section 401 of the Companies Act 2006 not to prepare consolidated accounts.

Route Mobile (UK) Limited is a wholly owned subsidiary of Route Mobile Limited, India and the results of Route Mobile (UK) Limited are included in the consolidated financial statements of Route Mobile Limited which are available from 4th Dimension, 3rd Floor, Mind Space, Mumbai 400 064, India.

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

ROUTE MOBILE (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

13 Subsidiaries

(Continued)

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
365squared Ltd.	Malta	Inter alia providing Technology services for mobile communications with a focus on SMS filtering, analytics and monetisation.	Ordinary	100.00
Route Connect (Kenya) Ltd.	Kenya	Inter alia providing Technology services for mobile communications with a focus on messaging and voice solutions.	Ordinary	100.00
Route Mobile Inc	USA	Any lawful business for which Route Mobile Inc is incorporated under the Virginia Stock Corporation Act.	Ordinary	100.00
Route Mobile Ltd. (Ghana)	Ghana	Inter alia providing technology services for telecommunication solutions.	Ordinary	70.00
Route Mobile (Bangladesh) Limited	Bangladesh	Inter alia providing technology services for mobile communications with a focus on messaging and voice solutions.	Ordinary	99.99
Route Mobile Nepal Pvt. Ltd.	Nepal	Inter alia providing technology services for mobile communications with a focus on messaging and voice solutions.	Ordinary	100.00
Route Mobile Lanka (Private) Limited	Sri Lanka	Inter alia providing technology services for mobile communications with a focus on messaging and voice solutions.	Ordinary	100.00
Route Mobile Malta Limited	Malta	Inter alia providing technology services for mobile communications with a focus on messaging and voice solutions.	Ordinary	100.00
Route Mobile Uganda Limited	Uganda	Inter alia to establish, promote, purchase, set up or connect with any database, network data and information processing centres and bureaus for dissemination of knowledge and information related to c	Ordinary	100.00

ROUTE MOBILE (UK) LIMITED

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

13 Subsidiaries

(Continued)

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Routesms Solutions Zambia Limited	Zambia	Inter alia information and communication i.e wireless telecommunications activities, cloud communication service providers including messaging, voice, e-mail and SMS filtering, analytics and monetiza	Ordinary	99.99
Spectrum Telecom FZ-LLC (deregistered on 9 May 2021)	UAE	Inter alia providing Technology services for mobile communications with a focus on SMS filtering, analytics and monetisation.	Ordinary	100.00

The investments in subsidiaries are all stated at cost.

14 Financial instruments

15 Debtors

Amounts falling due within one year:

	2021 £	2020 £
Trade debtors	8,800,279	5,384,907
Amounts owed by group undertakings	24,578,127	16,095,697
Other debtors	5,201,272	3,771,154
Prepayments and accrued income	121,042	166,489
	<u>38,700,720</u>	<u>25,418,247</u>

16 Current asset investments

	2021 £	2020 £
Other investments	<u>463,978</u>	<u>500,183</u>

ROUTE MOBILE (UK) LIMITED

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

17 Creditors: amounts falling due within one year

	2021 £	2020 £
Payments received on account	111,998	126,097
Trade creditors	17,344,752	5,453,712
Amounts owed to group undertakings	11,104,821	12,984,251
Corporation tax	1,637,038	367,044
Other taxation and social security	46,014	26,106
Other creditors	12,959	5,510,971
Accruals and deferred income	1,515,779	1,502,072
	<u>31,773,361</u>	<u>25,970,253</u>

18 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans and overdrafts	19	176	-
Other borrowings	19	10,391,322	8,012,758
		<u>10,391,498</u>	<u>8,012,758</u>

19 Loans and overdrafts

	2021 £	2020 £
Bank loans	176	-
Loans from group undertakings	10,391,322	8,012,758
	<u>10,391,498</u>	<u>8,012,758</u>
Payable after one year	<u>10,391,498</u>	<u>8,012,758</u>

20 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2021 £	Liabilities 2020 £
Balances:		
Accelerated capital allowances	<u>29,430</u>	<u>52,538</u>

ROUTE MOBILE (UK) LIMITED

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

20	Deferred taxation	(Continued)
	Movements in the year:	2021
		£
	Liability at 1 April 2020	52,538
	Credit to profit or loss	(23,108)
	Liability at 31 March 2021	<u>29,430</u>

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

21	Retirement benefit schemes	2021	2020
	Defined contribution schemes	£	£
	Charge to profit or loss in respect of defined contribution schemes	1,462	628
		<u>1,462</u>	<u>628</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

22	Share capital	2021	2020	2021	2020
	Ordinary share capital issued and fully paid	Number	Number	£	£
	Ordinary shares of £1 each	20,000	20,000	20,000	20,000
		<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>

23	Operating lease commitments	
	Lessee	
	Operating lease payments represent rentals payable by the company for certain of its properties.	

24	Related party transactions	2021	2020
	Remuneration of key management personnel	£	£
	The remuneration of key management personnel is as follows.		
	Aggregate compensation	96,000	56,160
		<u>96,000</u>	<u>56,160</u>

ROUTE MOBILE (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

24 Related party transactions

(Continued)

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Purchase of services		Management charges	
	2021	2020	2021	2020
	£	£	£	£
Entities with control, joint control or significant influence over the company	322,609	2,595,959		
Entities over which the entity has control, joint control or significant influence	2,505,961	7,103,042		
Fellow subsidiaries	1,122,478	3,625,275		
	<u> </u>	<u> </u>		
	Sale of services		Management charges	
	2021	2020	2021	2020
	£	£	£	£
Entities with control, joint control or significant influence over the company	17,075,860	9,303,130	749,171	971,856
Entities over which the entity has control, joint control or significant influence	211,736	392,617	-	-
Fellow subsidiaries	6,275,385	6,706,809	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The following amounts were outstanding at the reporting end date:

	2021	2020
	£	£
Amounts owed to related parties		
Entities with control, joint control or significant influence over the company	1,738,071	3,294,121
Entities over which the entity has control, joint control or significant influence	2,653,339	3,542,458
Fellow subsidiaries	6,713,411	6,147,672
	<u> </u>	<u> </u>

The amount owed to related parties is not secured and is repayable within one year. No interest is payable on the outstanding amount.

ROUTE MOBILE (UK) LIMITED

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

24 Related party transactions (Continued)

The following amounts were outstanding at the reporting end date:

	2021	
Amounts owed by related parties	Balance	£
Entities with control, joint control or significant influence over the company	16,444,025	
Entities over which the entity has control, joint control or significant influence	2,067,857	
Fellow subsidiaries	6,066,245	
	<u> </u>	
	<u> </u>	
	2020	
Amounts owed in previous period	Balance	£
Entities with control, joint control or significant influence over the company	9,009,036	
Entities over which the entity has control, joint control or significant influence	1,802,814	
Fellow subsidiaries	5,283,847	
	<u> </u>	
	<u> </u>	

25 Ultimate controlling party

The parent company is Route Mobile Limited, India.

The company financial statements of Route Mobile (UK) Limited are consolidated into the group accounts of the parent company, Route Mobile Limited, India. These are available at Route Mobile Limited, 4th Dimension, 3rd floor, Mind Space, Malad (West), Mumbai- 400 064, India.

26 Cash absorbed by operations

	2021	2020
	£	£
Profit for the year after tax	9,198,248	5,534,397
Adjustments for:		
Taxation charged/(credited)	867,151	(417,481)
Finance costs	228,993	242,642
Investment income	(1,575,580)	(2,033,792)
Depreciation and impairment of tangible fixed assets	122,715	84,438
Movements in working capital:		
Increase in debtors	(13,752,342)	(8,810,905)
Increase/(decrease) in creditors	4,533,114	(1,383,492)
	<u> </u>	<u> </u>
Cash absorbed by operations	(377,701)	(6,784,193)
	<u> </u>	<u> </u>

ROUTE MOBILE (UK) LIMITED

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

27 Analysis of changes in net debt

	1 April 2020	Cash flows	31 March 2021
	£	£	£
Cash and cash equivalents	2,315,243	4,002,710	6,317,953
Borrowings excluding overdrafts	(8,012,758)	(2,378,740)	(10,391,498)
	<u>(5,697,515)</u>	<u>1,623,970</u>	<u>(4,073,545)</u>

ROUTE MOBILE (UK) LIMITED
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 31 MARCH 2021

ROUTE MOBILE (UK) LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	£	2021 £	£	2020 £
Turnover				
Sales UK		4,799,147		6,304,344
Sales Europe		35,961,621		13,408,767
Sales Rest of the world		56,325,646		29,290,826
		<u>97,086,414</u>		<u>49,003,937</u>
Cost of sales				
<i>Purchases and other direct costs</i>				
Direct costs	86,938,952		43,675,219	
	<u>86,938,952</u>		<u>43,675,219</u>	
Total purchases and other direct costs				
		<u>86,938,952</u>		<u>43,675,219</u>
Total cost of sales		(86,938,952)		(43,675,219)
Gross profit	10.45%	<u>10,147,462</u>	10.87%	<u>5,328,718</u>
Other operating income				
Sundry income	-		124	
Foreign exchange gain/loss	3,375,458		282,007	
		<u>3,375,458</u>		<u>282,131</u>
Administrative expenses				
Wages and salaries	-		8,743	
Social security costs	3,814		2,665	
Staff welfare	21		138	
Staff pension costs defined contribution	1,462		628	
Directors' remuneration	96,000		56,160	
Management charge - group	749,171		971,856	
Rent re operating leases	2,815		12,488	
Computer running costs	26,869		47,630	
Travelling expenses	1,661		18,478	
Professional subscriptions	7,790		7,505	
Legal and professional fees	412,270		301,708	
Consultancy fees	29,007		105,844	
Accountancy	3,850		3,300	
Audit fees	17,550		13,500	
Bank charges	29,879		43,644	
Bad and doubtful debts	17,254		250,072	
Discounts received	(1,707)		(46,768)	
Insurances (not premises)	-		247	
Printing and stationery	27		111	
Advertising	33,221		274,845	
Telecommunications	156		712	
Sundry expenses	421		403	
Depreciation	122,715		84,438	
Profit or loss on foreign exchange	3,249,862		126,736	
		<u>(4,804,108)</u>		<u>(2,285,083)</u>

ROUTE MOBILE (UK) LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

	£	2021 £	£	2020 £
Operating profit		<u>8,718,812</u>		<u>3,325,766</u>
Interest receivable and similar income				
Bank interest received	4,545		91,229	
Dividends receivable from group companies	<u>1,571,035</u>		<u>1,942,563</u>	
		1,575,580		2,033,792
Interest payable and similar expenses				
Bank interest on loans and overdrafts	-		240,179	
Interest on overdue taxation - not financial liabilities	6,648		2,463	
Non bank interest on loans	<u>222,345</u>		<u>-</u>	
		(228,993)		(242,642)
Profit before taxation	10.37%	<u>10,065,399</u>	10.44%	<u>5,116,916</u>