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Registered number: 07038450

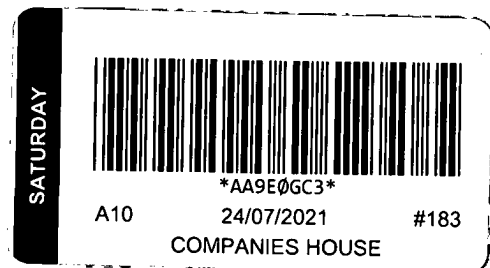
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**SIMOCO WIRELESS SOLUTIONS LIMITED**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 OCTOBER 2020**



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**SIMOCO WIRELESS SOLUTIONS LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	P Burridge M Norfield P Williams I Carr A Woodhall P Thomas (resigned 15 September 2020)
<b>Company secretary</b>	P Williams
<b>Registered number</b>	07038450
<b>Registered office</b>	Field House Uttoxeter Old Road Derby DE1 1NH
<b>Independent auditors</b>	Smith Cooper Audit Limited Chartered Accountants & Statutory Auditors 158 Edmund Street Birmingham B3 2HB
<b>Bankers</b>	HSBC Bank Plc 4th Floor City Point 29 King Street Leeds LS1 2HL

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**SIMOCO WIRELESS SOLUTIONS LIMITED**

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## SIMOCO WIRELESS SOLUTIONS LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 31 OCTOBER 2020

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#### Introduction

The directors, in preparing this strategic report, have complied with s414C of the Companies Act 2006.

#### Principal activity

The principal activity of the Company is that of a holding company.

#### Business review

On 15 September 2020 the parent of the Company; TTG Global Limited was acquired by TTG Global Solutions Limited and the Group was reorganised.

As a result of this reorganisation the following significant impacts on the Company have occurred:

- The ultimate parent company of Simoco Wireless Solutions Limited is now TTG Global Solutions Limited.
- £22.3m of the Company's investor loan notes were forgiven and £500,000 were repaid.
- The repayment and release of the investor loan notes enabled the Capital Contribution reserve of £2,643,000 to be transferred to the P&L account. The loan notes were delisted from The International Stock Exchange in the Channel Islands.
- £5,386,000 of the intercompany balance owed by Simoco Wireless Solutions Limited to a number of its fellow subsidiaries was forgiven.
- £18,220,000 of the intercompany balance owed by a number of its fellow subsidiaries to Simoco Wireless Solutions Limited was forgiven. £16,119,000 of this has already been provided for in 2018-19, hence a net write-off of £2,101,000.
- Simoco Wireless Solutions Limited sold the Derby property to TTG Properties (Derby) Limited, a fellow subsidiary at its net book value.
- The shares that were held by executives in Red-M Wireless Limited were reacquired by Simoco Wireless Solutions Limited for £12, making Red-M Wireless Limited a wholly owned subsidiary.
- As part of the reorganisation one of the subsidiaries of Simoco Wireless Solutions Limited sold its trading subsidiaries to the new holding company TTG Global Solutions Limited; Red-M Wireless Limited sold directly or indirectly Affini Technology Limited, Simoco EMEA Limited and Simoco Wireless Solutions pty Limited to TTG Global Solutions Limited. Following these sales Simoco Wireless Solutions Limited no longer has any trading subsidiaries.

The Company's balance sheet is set out on page 11. The Directors consider that the financial position of the Company is satisfactory. The results for the Company show a pre-tax profit of £24,288,000 (2019: loss of £27,053,000) and profit after tax of £24,260,000 (2019: loss of £27,053,000).

On 30 January 2020 the spread of novel coronavirus (COVID-19) was declared a public health emergency by the World Health Organisation. The COVID-19 pandemic does not impact the Company as the only trading of the Company is intergroup. The Impacts of COVID-19 on the Group are disclosed in the accounts of TTG Global Solutions Limited.

The directors of the business are satisfied with the development, performance and position of the company.

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## **SIMOCO WIRELESS SOLUTIONS LIMITED**

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### **STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2020**

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The financial statements have been prepared on a going concern basis as explained on page 14 of the financial statements.

The TTG Global Solutions Limited group, referred to herein as "the Group", of which the Company is a part, is a global provider of critical communications solutions. The Group is a telecommunications group providing telecommunication services to a number of sectors internationally. The three main trading companies of the group are Simoco EMEA Limited, Simoco Wireless Solutions Pty Limited and Affini Technology Limited.

The cash position of the Group shows a positive position with cash of £3.5m at the end of the year (2019: £1.3m). The Group has adequate funding facilities in place to fulfil the needs and requirements of the Group.

#### **Financial key performance indicators**

As the Company does not trade the Directors do not consider any KPI's to be relevant for the Company.

#### **Principal risks and uncertainties**

The principal risks and uncertainties of the Company are:

- The carrying value of its investments and debtors

#### **Significant events affecting the company since the balance sheet date**

There have been no significant events affecting the Company since the year end.

#### **Going concern**

The company is part of the TTG Global Solutions Limited group and the Group's business activities, together with the factors likely to affect its future development and position are set out in the business review, which forms part of the directors' report, in the Group's financial statements. The Strategic report of the Group financial statements also describes the financial position of the Group; its cash flows, liquidity position and borrowing facilities; the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; its exposure to credit risk and liquidity risk and the impact and potential risks around COVID-19.

The Company has procedures in place for reviewing future performance including budgeted and forecast trading and profitability. These forecasts include reasonable assumptions and predictions over trading; they take a prudent view of the costs of the business.

The Group has cash resources of £3.5m and banking facilities in place to enable the Group and Company to continue in operational existence for the 12 months from the signing of the accounts. The Directors believe that their forecasts, which take into account the anticipated impacts of COVID-19, give a reasonable expectation to assume that the company has adequate resources to continue in existence for the 12 months from the signing of the accounts.

#### **Future developments**

The Directors do not anticipate any factors likely to significantly impact the business in the coming 12 months.

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**SIMOCO WIRELESS SOLUTIONS LIMITED**

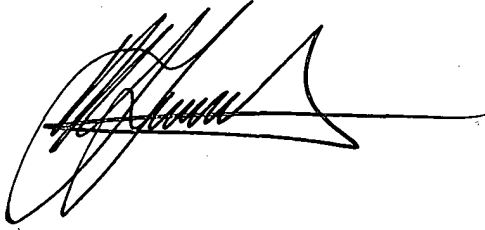
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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 OCTOBER 2020**

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This report was approved by the board on 21 July 2021 and signed on its behalf.

**M Norfield**  
Director

A handwritten signature in black ink, consisting of a large, stylized 'M' followed by a series of horizontal strokes and a final upward curve.

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## **SIMOCO WIRELESS SOLUTIONS LIMITED**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2020**

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

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Strategic report, the Directors' 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the 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 for the Company's financial statements and then apply them consistently;
- make judgments 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 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 to 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.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £24,260,000 (2019 - loss £27,053,000).

The directors do not propose a dividend for the year (2019: £nil). There have been no dividends proposed since the year end.

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## SIMOCO WIRELESS SOLUTIONS LIMITED

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2020

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#### **Financial risk management objectives and policies**

The Company's activities expose it to a number of financial risks including credit risk, interest rate risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the Company's policies approved by the Board of Directors, which provide written principles on the use of financial derivatives to manage these risks. The Company does not use derivative financial instruments for speculative purposes. The Company has a robust set of internal controls and risk management systems in relation to financial reporting, with the underlying records being maintained by individuals with adequate levels of role segregation, with these records and management accounts being reviewed by senior financial executives. The management accounts together with supporting reports are presented and reviewed by the Board on a monthly basis.

#### ***Cash flow risk***

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and requirements for capital expenditure. Controls are in place to limit these risks by managing the level of foreign currency balances held and the linking of capital expenditure to future income streams.

#### ***Credit risk***

The Company's principal financial assets are bank balances and cash, investments, intercompany receivables and other receivables.

The Company's credit risk is primarily attributable to its intercompany receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The Company has historically had little experience of intercompany receivables going bad, however as noted in the Strategic Report amounts have been provided in the current and comparative year.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

#### ***Liquidity risk***

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses a mixture of long-term and short-term debt finance. Interest rate risk is managed through the use of long and short term agreements over rates of interest.

#### ***Interest rate risk***

The company's expose it primarily to the financial risks of changes in interest rates which are managed through long-term agreements or at fixed rates to limit uncertainty of cash flows.

#### **Directors' indemnity**

The Company has made qualifying third-party indemnity provisions for the benefits of its Directors which were in place though out the year and remain in force at the date of this report. It is also for the benefit of all the Directors of all the other companies in the Group.



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**SIMOCO WIRELESS SOLUTIONS LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 OCTOBER 2020**

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**Directors**

The directors who served during the year were:

P Burridge  
M Norfield  
P Williams  
I Carr  
A Woodhall  
P Thomas (resigned 15 September 2020)

**Future developments**

See Strategic report.

**Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Post balance sheet events**

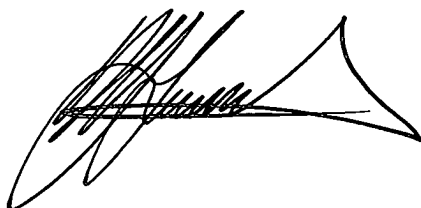
There have been no significant events affecting the Company since the year end.

**Auditors**

The auditors, Smith Cooper Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 21 July 2021 and signed on its behalf.

**M Norfield**  
Director

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

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## **SIMOCO WIRELESS SOLUTIONS LIMITED**

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### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIMOCO WIRELESS SOLUTIONS LIMITED**

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#### **Opinion**

We have audited the financial statements of Simoco Wireless Solutions Limited (the 'Company') for the year ended 31 October 2020, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, 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' (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 October 2020 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company'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.

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## **SIMOCO WIRELESS SOLUTIONS LIMITED**

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### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIMOCO WIRELESS SOLUTIONS LIMITED (CONTINUED)**

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#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon. 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.

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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 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 or the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

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## SIMOCO WIRELESS SOLUTIONS LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIMOCO WIRELESS SOLUTIONS LIMITED (CONTINUED)

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#### Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 4, 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.

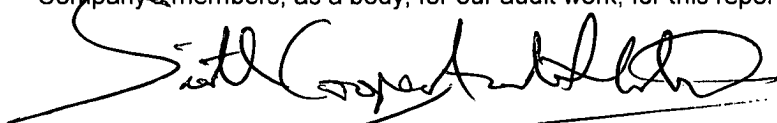
#### Auditors' responsibilities for the audit of the financial statements

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 Auditors' 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.

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 Auditors' 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 Auditors' 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.



Stephen Newman (Senior statutory auditor)

for and on behalf of  
**Smith Cooper Audit Limited**

Chartered Accountants  
Statutory Auditors

158 Edmund Street  
Birmingham  
B3 2HB

21 July 2021

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**SIMOCO WIRELESS SOLUTIONS LIMITED**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 OCTOBER 2020**

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	Note	2020 £000	2019 £000
Administrative expenses		(469)	(619)
Exceptional administrative expenses	11	25,581	(26,319)
Other operating income	4	14	-
<b>Operating profit/(loss)</b>		<b>25,126</b>	<b>(26,938)</b>
Interest receivable and similar income	8	-	800
Interest payable and expenses	9	(838)	(915)
<b>Profit/(loss) before tax</b>		<b>24,288</b>	<b>(27,053)</b>
Tax on profit/(loss)	10	(28)	-
<b>Profit/(loss) for the financial year</b>		<b>24,260</b>	<b>(27,053)</b>

There was no other comprehensive income for 2020 (2019 - £nil).

The notes on pages 13 to 28 form part of these financial statements.

**SIMOCO WIRELESS SOLUTIONS LIMITED**  
**REGISTERED NUMBER: 07038450**

**BALANCE SHEET**  
**AS AT 31 OCTOBER 2020**

	Note	2020 £000	2019 £000
<b>Fixed assets</b>			
Tangible assets	12	2	1,098
Investments	13	-	-
		<u>2</u>	<u>1,098</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	14	1,593	5,257
Cash at bank and in hand	15	37	37
		<u>1,630</u>	<u>5,294</u>
Creditors: amounts falling due within one year	16	(727)	(7,669)
<b>Net current assets/(liabilities)</b>		<u>903</u>	<u>(2,375)</u>
<b>Total assets less current liabilities</b>		<u>905</u>	<u>(1,277)</u>
Creditors: amounts falling due after more than one year	17	(477)	(22,555)
<b>Net assets/(liabilities)</b>		<u><u>428</u></u>	<u><u>(23,832)</u></u>
<b>Capital and reserves</b>			
Called up share capital	20	-	-
Capital contribution	21	-	2,643
Profit and loss account	21	428	(26,475)
		<u><u>428</u></u>	<u><u>(23,832)</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**P Williams**  
Director

Date: 21 July 2021

The notes on pages 13 to 28 form part of these financial statements.

**SIMOCO WIRELESS SOLUTIONS LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 OCTOBER 2020**

	Called up share capital £000	Other reserves £000	Profit and loss account £000	Total equity £000
<b>At 1 November 2018</b>	-	2,643	578	3,221
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(27,053)	(27,053)
<b>At 1 November 2019</b>	-	2,643	(26,475)	(23,832)
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	24,260	24,260
Transfer to/from profit and loss account	-	(2,643)	2,643	-
<b>At 31 October 2020</b>	-	-	428	428

The notes on pages 13 to 28 form part of these financial statements.

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## SIMOCO WIRELESS SOLUTIONS LIMITED

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

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#### 1. General information

Simoco Wireless Solutions Limited is a private limited company, limited by shares incorporated in England, United Kingdom. The address of the registered office is given in the company information of these financial statements. The Company's registration number is 07038450. The nature of the Company's operations and its principal activities are described in the Strategic report.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

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

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

The functional currency of the Company is considered to be pounds Sterling because that is the currency of the primary economic environment in which the Company operates. All amounts have been rounded to the nearest thousand.

The Company is itself a subsidiary company and is exempt from the requirement to prepare consolidated accounts by virtue of section 400 of the Companies Act 2006. The financial statements present information about the Company as an individual undertaking and not about the group of which it was a part.

The following principal accounting policies have been applied:

##### 2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of TTG Global Solutions Limited as at 31 October 2020 and these financial statements may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.



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## SIMOCO WIRELESS SOLUTIONS LIMITED

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

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## 2. Accounting policies (continued)

### 2.3 Going concern

The company is part of the TTG Global Solutions Limited group and the Group's business activities, together with the factors likely to affect its future development and position are set out in the business review, which forms part of the directors' report, in the Group's financial statements. The Strategic report of the Group financial statements also describes the financial position of the Group; its cash flows, liquidity position and borrowing facilities; the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; its exposure to credit risk and liquidity risk and the impact and potential risks around COVID-19.

The Company has procedures in place for reviewing future performance including budgeted and forecast trading and profitability. These forecasts include reasonable assumptions and predictions over trading; they take a prudent view of the costs of the business.

The Group has cash resources of £3.5m and banking facilities in place to enable the Group and Company to continue in operational existence for the 12 months from the signing of the accounts. The Directors believe that their forecasts, which take into account the anticipated impacts of COVID-19, give a reasonable expectation to assume that the company has adequate resources to continue in existence for the 12 months from the signing of the accounts.

### 2.4 Foreign currency translation

#### Functional and presentation currency

The Company's functional and presentational currency is GBP.

#### Transactions and balances

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

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

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

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

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## **SIMOCO WIRELESS SOLUTIONS LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020**

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#### **2. Accounting policies (continued)**

##### **2.5 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of comprehensive income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

##### **2.6 Interest income**

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

##### **2.7 Finance costs**

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

##### **2.8 Borrowing costs**

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

##### **2.9 Pensions**

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

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

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## SIMOCO WIRELESS SOLUTIONS LIMITED

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

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## 2. Accounting policies (continued)

### 2.10 Taxation

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

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

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

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

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

### 2.11 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

### 2.12 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

Freehold property	-	2%
Plant and machinery	-	20%

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

Freehold land is not depreciated.

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## SIMOCO WIRELESS SOLUTIONS LIMITED

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

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## 2. Accounting policies (continued)

### 2.13 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

### 2.14 Debtors

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

### 2.15 Cash and cash equivalents

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

### 2.16 Creditors

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

### 2.17 Financial instruments

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

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

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

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

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## SIMOCO WIRELESS SOLUTIONS LIMITED

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

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#### 2. Accounting policies (continued)

##### 2.17 Financial instruments (continued)

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

##### **Critical judgements in applying the Company's accounting policies**

The treatment of the loan interest waiver and its related capital contribution reserve is the main critical judgement. The accounting for the loan interest waiver was recorded in prior years. However, the directors continue to monitor any deviation to the implied interest rate and impact on the amortisation of the capital contribution reserve.

##### **Key source of estimation uncertainty in applying the Company's accounting policies**

The impairment assessment on the carrying value of investments and the carrying value of the intercompany receivables are the key source of estimation uncertainty that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Investments, including balances receivable from other group companies, are tested for impairment by considering the cash flows that the underlying business assets will generate over the lifetime that they are owned or upon their sale. In testing for impairment, the Directors have assumed that the underlying assets are held and will generate profits and cash for the Group for 5 years and then are sold at a conservative multiple of profitability. These assumptions represent sources of estimation uncertainty and are material to the carrying value of the investment. In the event that either trading is lower than expectation or the eventual proceeds on sale are lower, then an impairment might be required.

The Directors estimate based on forecasts undertaken, the extent to which they believe the investments will generate profits or sales proceeds and hence the likely proceeds received by the Company on these investments in the coming years, and this is then compared against the carrying value of the investment; with any shortfall leading to an impairment against the investment. As a result of the estimations and forecasts undertaken by the directors during the comparative year an impairment of £10,200,000 was provided against the Company's investments. During the current year trading subsidiaries as disclosed in the Strategic Report were sold to the new ultimate parent company TTG Global Solutions Limited. The company's remaining investment in subsidiaries are all dormant.

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**SIMOCO WIRELESS SOLUTIONS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2020**

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**3. Judgments in applying accounting policies (continued)**

Likewise, in the case of intercompany receivables the Directors estimate based on forecasts undertaken, the extent to which they believe the entity owing amounts will generate sufficient profits to enable it to repay all or some of the outstanding amounts; to the extent there is a shortfall a provision will be made. During the current year following a Group reorganisation the Company has, as noted in the Strategic Report, provided for £2,101,000 of the intercompany receivables.

**4. Other operating income**

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Government grants receivable	<b>14</b>	-
	<b>14</b>	-

**5. Auditors' remuneration**

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	<b>3</b>	20
Fees payable to the Company's auditor for other non audit services	<b>1</b>	5

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**SIMOCO WIRELESS SOLUTIONS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2020**

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**6. Employees**

Staff costs, including directors' remuneration, were as follows:

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Wages and salaries	<b>533</b>	<b>636</b>
Social security costs	<b>62</b>	<b>78</b>
Cost of defined contribution scheme	<b>11</b>	<b>10</b>
	<b>606</b>	<b>724</b>

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

	<b>2020</b>	<b>2019</b>
	<b>No.</b>	<b>No.</b>
Management and supervision	<b>6</b>	<b>6</b>
Other employees	<b>3</b>	<b>3</b>
	<b>9</b>	<b>9</b>

**7. Directors' remuneration**

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Directors' emoluments	<b>440</b>	<b>542</b>
Company contributions to defined contribution pension schemes	<b>8</b>	<b>8</b>
	<b>448</b>	<b>550</b>

During the year retirement benefits were accruing to 2 directors (2019 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £167,000 (2019 - £248,000).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £5,000 (2019 - £5,000).

Each director received emoluments from the Company, with the exception of I Carr and A Woodhall. I Carr and A Woodhall are Directors of other Group undertakings and their emoluments are disclosed in the annual report of Simoco EMEA Limited, a fellow subsidiary.

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**SIMOCO WIRELESS SOLUTIONS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2020**

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**8. Interest receivable**

	<b>2020</b>	<i>2019</i>
	<b>£000</b>	<i>£000</i>
Interest receivable intercompany	-	800
	<u>-</u>	<u>800</u>
	<u>-</u>	<u>800</u>

**9. Interest payable and similar expenses**

	<b>2020</b>	<i>2019</i>
	<b>£000</b>	<i>£000</i>
Bank interest payable	26	22
Interest payable other	37	41
Interest payable intercompany	-	212
Unwinding discount on creditors falling due after more than 1 year	775	640
	<u>838</u>	<u>915</u>
	<u>838</u>	<u>915</u>

**10. Taxation**

	<b>2020</b>	<i>2019</i>
	<b>£000</b>	<i>£000</i>
<b>Corporation tax</b>		
Adjustments in respect of previous periods	28	-
<b>Total current tax</b>	<u>28</u>	<u>-</u>
<b>Deferred tax</b>		
<b>Total deferred tax</b>	<u>-</u>	<u>-</u>
<b>Taxation on profit on ordinary activities</b>	<u>28</u>	<u>-</u>
	<u>28</u>	<u>-</u>



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**SIMOCO WIRELESS SOLUTIONS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2020**

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**10. Taxation (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2019 - *higher than*) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £000	2019 £000
Profit/(loss) on ordinary activities before tax	24,288	(27,053)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	4,615	(5,140)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	(4,834)	5,036
Capital allowances for year in excess of depreciation	2	-
Adjustments to tax charge in respect of prior periods	28	-
Short term timing difference leading to a (decrease) in taxation	(24)	-
Movement in unrecognised deferred tax	241	104
<b>Total tax charge for the year</b>	<b>28</b>	<b>-</b>

**Factors that may affect future tax charges**

There are no factors that may affect future tax charges. There is no expiry date for unused tax losses/credits and timing differences.

**11. Exceptional items**

	2020 £000	2019 £000
Provisions against amounts due from Group undertakings	(2,101)	(16,119)
Release of amounts due to Group undertakings	5,386	-
Forgiveness of loan notes	22,296	-
Amounts written off investments	-	(10,200)
	<b>25,581</b>	<b>(26,319)</b>

As part of a Group restructure amounts due to and from Group undertakings were charged / (credited) to the Statement of comprehensive income. In addition during the year loan notes in the amount of £22,296,000 were forgiven (see note 18).

**SIMOCO WIRELESS SOLUTIONS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
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**12. Tangible fixed assets**

	Freehold property £000	Plant and machinery £000	Total £000
<b>Cost or valuation</b>			
At 1 November 2019	1,100	78	1,178
Disposals	(1,100)	-	(1,100)
At 31 October 2020	-	78	78
<b>Depreciation</b>			
At 1 November 2019	7	73	80
Charge for the year on owned assets	17	3	20
Disposals	(24)	-	(24)
At 31 October 2020	-	76	76
<b>Net book value</b>			
At 31 October 2020	-	2	2
At 31 October 2019	1,093	5	1,098

During the year the property was sold at carrying value to fellow Group subsidiary TTG Properties (Derby) Limited.

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**SIMOCO WIRELESS SOLUTIONS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2020**

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**13. Fixed asset investments**

	Investments in subsidiary companies £000
At 1 November 2019	24,746
Disposals	(24,746)
At 31 October 2020	-
At 1 November 2019	24,746
Impairment on disposals	(24,746)
At 31 October 2020	-

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Principal activity</b>	<b>Holding</b>
Red-M Wireless Limited	Holding company	100%
TTG Global Group Limited	Holding company	100%
Team Simoco Limited	Dormant	100%
TTG Limited	Dormant	100%
AirRadio Limited	Holding company	100%
C&C Technology Limited	Dormant	100%
TTG Global Holdings Limited	Dormant	100%

During the year the shares held by executives in Red-M Wireless Limited were reacquired by Simoco Wireless Solutions Limited for £12, making Red-M Wireless a wholly owned subsidiary.

At the year-end Red-M Wireless Limited owned directly or indirectly the remaining subsidiaries disclosed above. The investment is in ordinary share capital.

The companies listed above have their registered office at Field House, Uttoxeter Old Road, Derby, DE1 1NH.

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**SIMOCO WIRELESS SOLUTIONS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2020**

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**14. Debtors**

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Amounts owed by group undertakings	<b>1,443</b>	<b>5,099</b>
Other debtors	<b>36</b>	<b>14</b>
Prepayments and accrued income	<b>114</b>	<b>144</b>
	<b>1,593</b>	<b>5,257</b>

Amounts owed by group undertakings are non-interest bearing (2019 - 4%), unsecured and repayable on demand.

**15. Cash and cash equivalents**

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Cash at bank and in hand	<b>37</b>	<b>37</b>
Less: bank overdrafts	<b>(331)</b>	<b>(1,172)</b>
	<b>(294)</b>	<b>(1,135)</b>

**16. Creditors: Amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Bank overdrafts	<b>331</b>	<b>1,172</b>
Bank loans	<b>-</b>	<b>114</b>
Trade creditors	<b>37</b>	<b>11</b>
Amounts owed to group undertakings	<b>164</b>	<b>6,119</b>
Accruals and deferred income	<b>195</b>	<b>253</b>
	<b>727</b>	<b>7,669</b>

Amounts owed by group undertakings are non-interest bearing (2019 - 4%), unsecured and repayable on demand.

Bank loans and overdrafts are secured against the assets of the Company.

**SIMOCO WIRELESS SOLUTIONS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2020**

**17. Creditors: Amounts falling due after more than one year**

	<b>2020 £000</b>	<b>2019 £000</b>
Bank loans	-	96
Other loans	477	22,459
	<u>477</u>	<u>22,555</u>

**18. Loans**

Analysis of the maturity of loans is given below:

	<b>2020 £000</b>	<b>2019 £000</b>
<b>Amounts falling due within one year</b>		
Bank loans	-	114
	<u>-</u>	<u>114</u>
<b>Amounts falling due 1-2 years</b>		
Bank loans	-	96
Other loans	-	22,459
	<u>-</u>	<u>22,555</u>
<b>Amounts falling due 2-5 years</b>		
Other loans	477	-
	<u>477</u>	<u>-</u>
	<u>477</u>	<u>22,669</u>

During the year the Barrington House Nominees Limited loan notes have been forgiven and the balance repaid. The amount forgiven was £22,296,000 including the unwinding of the discount given, calculated under FRS 102, as a result of the interest rate on these loan notes being reduced to 0%.

Other loans outstanding at the balance sheet date represent unsecured management loan notes which were non-interest bearing from the date of Group restructure in September 2020, previously these loan notes were interest bearing at 10%.

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**SIMOCO WIRELESS SOLUTIONS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2020**

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**19. Deferred taxation**

The Company has deferred tax losses of £418,000 (2019 - £177,000) unrecognised at the balance sheet date.

**20. Share capital**

	2020 £	2019 £
<b>Allotted, called up and fully paid</b>		
1 (2019 - 1) Ordinary share of £1.00	1	1
	<u>1</u>	<u>1</u>

**21. Reserves**

**Capital contribution**

The capital contribution reserve, reflects the discount given, calculated under FRS 102 as a result of Barrington House Nominees Limited reducing the interest on the loan notes to 0%. The unwinding of this discount is shown as interest payable, further details of which are shown in note 9. The loan notes were forgiven during the year and having recognised the full unwinding of this loan the reserve has been allocated to the profit and loss account reserves.

**Profit and loss account**

The profit and loss reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

**22. Contingent liabilities**

The Company has entered into an unlimited cross-party bank guarantee between itself and certain of its fellow subsidiary companies. The resultant guarantee amounts to £1,596,000 as at 31 October 2020 (2019 - £210,000) and is secured against the assets of the Group.

**23. Pension commitments**

The group operates defined contribution schemes. During the year, the Company made contributions to defined contribution schemes of £11,000 (2019 - £10,000). There were no amounts outstanding to defined contribution schemes at the balance sheet date.

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## SIMOCO WIRELESS SOLUTIONS LIMITED

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

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#### 24. Related party transactions

The Company has taken advantage of the exemption under Section 33 of FRS 102, Related Party Disclosures, not to disclose transactions with other wholly owned entities that are part of TTG Global Solutions Limited group, whose financial statements are publicly available.

At the balance sheet date Red-M Wireless Limited was a wholly owned subsidiary of the Company. For the comparative period the Company owned 84% of the issued share capital of Red-M Wireless Limited, related party transactions with this entity have been disclosed. During the comparative period the company paid £133,000 of interest at the rate of 4%. As at the comparative year end the balance payable was £3,455,000. As noted in the Directors report the 16% of shares, held in Red-M Wireless Limited, were acquired by Simoco Wireless Solutions Limited for £12.

See note 18 for further details on management loan notes.

#### 25. Controlling party

The immediate parent undertaking is TTG Global Limited, which is registered in England, United Kingdom, and the ultimate parent undertaking following the Group restructure during the year is TTG Global Solutions Limited, which is registered in England, United Kingdom. The smallest and largest group in which the results of the Company are consolidated is that headed by TTG Global Solutions Limited, which is the only entity that prepares consolidated financial statements. The registered office for the immediate parent company and ultimate parent company is Field House, Uttoxeter Old Road, Derby, DE1 1NH. The consolidated financial statements of TTG Global Solutions Limited are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ. The directors consider that there is no ultimate controlling party.