

Registered number: 07118962

Concourse Communications UK Limited

Directors' report and financial statements

for the year ended 31 December 2018



Concourse Communications UK Limited

Company Information

Directors

David Hagan
Peter Hovenier

Registered number

07118962

Registered office

5 New Street Square
London
EC4A 3TW

Independent auditors

PricewaterhouseCoopers LLP
Central Square South
Orchard Street
Newcastle
NE1 3AZ

Concourse Communications UK Limited

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Concourse Communications UK Limited

Directors' report for the year ended 31 December 2018

The directors present their report and the audited financial statements for the year ended 31 December 2018.

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 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.

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.

Principal activities

The Company's principal activity is to make it simple to connect to the mobile internet through high-speed, high-bandwidth Wi-Fi networks at airport.

Directors

The directors who served during the year were:

David Hagan
Peter Hovenier

Going Concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support from the ultimate parent company, Boingo Wireless Incorporated. The directors have received confirmation that Boingo Wireless Incorporated intends to support the company for at least one year from the date these financial statements were signed.

Concourse Communications UK Limited

Directors' report (continued) for the year ended 31 December 2018

Future developments

The company expects to continue its operations in the foreseeable future.

Dividends

The company does not anticipate making dividend payments in the foreseeable future.

Disclosure of information to auditors

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

- as 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.

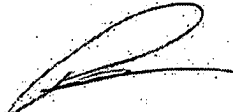
Independent Auditors

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small Companies Note

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

This report was approved by the board on November 15, 2019 and signed on its behalf.



Peter Hovenier
Director

Concourse Communications UK Limited

Independent auditors' report to the members of Concourse Communications UK Limited

Report on the audit of the financial statements

Opinion

In our opinion, Concourse Communications UK Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Directors' report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2018; the profit and loss account, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- 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.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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

Independent auditors' report to the members of Concourse Communications UK Limited (continued)

With respect to the Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibilities statement set out on page 1, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

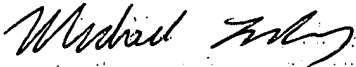
We have no exceptions to report arising from this responsibility.

Concourse Communications UK Limited

Independent auditors' report to the members of Concourse Communications UK Limited (continued)

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Michael Jeffrey (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne
15 November 2019

Concourse Communication UK Limited

Profit and loss account for the year ended 31 December 2018

	Note	2018 \$	2017 \$
Turnover	4	270,593	445,258
Cost of sales		(49,979)	(48,729)
Gross profit		220,614	396,529
Administrative expenses		(808,720)	(799,063)
Operating loss	5	(588,106)	(402,534)
Taxes	7	-	-
Loss for the year		(588,106)	(402,534)

There was no other comprehensive income for 2018 (2017: \$nil).

The notes on the pages 9 to 15 form part of these financial statements.

Concourse Communications UK Limited

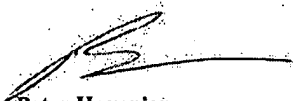
Registered number: 07118962

Balance sheet as at 31 December 2018

	Note	\$	2018 \$	\$	2017 \$
Fixed assets					
Tangible assets	8		13,589		2,442
Current assets					
Debtors: amount falling due within one year	9	71,835		73,729	
Cash at bank and in hand	10	671,054		679,571	
		<u>742,889</u>		<u>753,300</u>	
Creditors: amounts falling due within one year	11	<u>(12,230,595)</u>		<u>(11,641,753)</u>	
Net current liabilities			<u>(11,487,706)</u>		<u>(10,888,453)</u>
Net liabilities			<u>(11,474,117)</u>		<u>(10,886,011)</u>
Capital and reserves					
Called up share capital	12		1,553		1,553
Profit and loss account			<u>(11,475,670)</u>		<u>(10,887,564)</u>
Total equity			<u>(11,474,117)</u>		<u>(10,886,011)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and the financial reporting standard for smaller entities (effective January 2016).

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



Peter Hovenier
Director
November 15, 2019

The notes on the pages 9 to 15 form part of these financial statement.

Concourse Communications UK Limited

Statement of changes in equity For the year ended December 31, 2018

	Called up share capital \$	Profit and loss account \$	Total equity \$
At January 1, 2018	1,553	(10,887,564)	(10,886,011)
Comprehensive loss for the year			
Loss for the year	-	(588,106)	(588,106)
Total comprehensive loss for the year	-	(588,106)	(588,106)
At December 31, 2018	1,553	(11,475,670)	(11,474,117)
At January 1, 2017	1,553	(10,485,030)	(10,483,477)
Comprehensive loss for the year			
Loss for the year	-	(402,534)	(402,534)
Total comprehensive loss for the year	-	(402,534)	(402,534)
At December 31, 2017	1,553	(10,887,564)	(10,886,011)

Concourse Communications UK Limited

Notes to the financial statements for the year ended 31 December 2018

1. General Information

The company is a private company limited by shares and is domiciled in the England & Wales. The address of its registered office is 5 New Street square, London, EC4A 3TW.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland ("FRS 102") 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 judgement in applying the Company's accounting policies (see note 3).

The principle accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The company has adapted FRS 102 in these financial statements.

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 UK and republic of Ireland":

- the requirements of section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- 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 11.39 to 11.48A;
- the requirements of section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of section 33 related Party Disclosure paragraph 33.7.

This information is included in the consolidated financial statements of Boingo Wireless Incorporated as at 31 December, 2018 and these financial statements may be obtained from Wilshire Boulevard, Suite 2300, Los Angeles, CA 90024, USA.

2.3 Going Concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company, Boingo Wireless Incorporated. The directors have received confirmation that Boingo Wireless Incorporated intends to support the company for at least one year from the date these financial statements were signed.

Concourse Communications UK Limited

Notes to the financial statements for the year ended 31 December 2018

2. Accounting policies (continued)

2.4 Turnover

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

Rendering of services

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

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

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical costs less accumulated depreciation and any accumulated impairment losses. Historical costs 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:

Computer equipment	2 to 5 years
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

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

2.6 Debtors

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

Concourse Communications UK Limited

Notes to the financial statements for the year ended 31 December 2018

2. Accounting policies (continued)

2.7 Cash and cash equivalents

Cash and cash equivalents includes cash in hand and deposits with financial institutions with original maturities of three months or less.

2.8 Financial Instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investment in non-puttable 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 payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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

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

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

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

2.9 Creditors

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

Concourse Communications UK Limited

Notes to the financial statements for the year ended 31 December 2018

2. Accounting policies (continued)

2.10 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is USD.

Transactions and balances

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

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

2.11 Deferred Tax

Provision is made for deferred taxation, using the liability method, on all material timing differences which are expected to reverse in the future. Deferred tax assets that arise as a result of timing differences are recognised when their future recovery is assessed as being more likely than not. Provision is made at the rate of tax which is expected to be applied when the liability or asset is expected to crystallise. Deferred tax assets and liabilities are not subject to discounting.

At December 31, 2018 and 2017, deferred tax assets have not been recognised on the basis that the directors are unsure of the timing of the recovery of the deferred tax asset.

2.12 Related party transactions

The company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned.

2.13 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2.14 Share capital

Ordinary shares are classified as equity.

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

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. There are no areas involving a high degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements that require separate disclosures.

Concourse Communications UK Limited

Notes to the financial statements for the year ended 31 December 2018

4. Turnover

An analysis of turnover by class of business is as follows:

	2018 \$	2017 \$
Internet services	270,593	445,258
	<u>270,593</u>	<u>445,258</u>

All turnover arose within the United Kingdom.

5. Operating loss

The operating loss is stated after charging:

	2018 \$	2017 \$
Depreciation of tangible fixed assets	2,080	8,646
Fees payable to the Company's auditors and their associates for the audit of the Company's annual financial statements	<u>20,000</u>	<u>35,900</u>

During the year, no director received any emoluments for their services to this company (2017 - \$NIL).

	2018 \$	2017 \$
Other services relating to taxation	<u>11,100</u>	<u>10,800</u>

6. Employees

Staff costs were as follows:

	2018 \$	2017 \$
Wages and salaries	255,957	277,388
Social security costs	<u>9,524</u>	<u>14,995</u>
	<u>265,481</u>	<u>292,383</u>

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

	2018 No.	2017 No.
	4	4

Concourse Communications UK Limited

Notes to the financial statements for the year ended 31 December 2018

7. Income Tax

Tax expense included in profit or loss

Current tax:

UK Corporation tax on profits for the year

Tax expense for the year

2018	2017
\$ -	\$ -
\$ -	\$ -

Reconciliation of tax expense

Loss before tax

Loss multiplied by the standard rate of tax in UK of 19%

Effect of unrecognized deferred tax

Tax expense for the year

2018	2017
\$ (586,106)	\$ (402,534)
(111,360)	(76,481)
111,360	76,481
\$ -	\$ -

The tax rate for the current year is lower than the prior year due changes in the UK corporation tax rate, which decreased from 20% to 19% from 1 April 2017. Changes to the UK corporation tax rates were substantially enacted as part of Finance Bill 2016 (on 6 September 2016). These include reductions to the main rate to reduce the rate to 17% from 1 April 2020.

8. Tangible assets

Cost Valuation

At 1 January 2018

Additions

Disposals

At December 31, 2018

Computer
Equipment
\$

82,080

13,228

-

95,308

Accumulated depreciation

At 1 January 2018

Charge for year on owned assets

Disposals

At December 31, 2018

79,638

2,081

-

81,719

Net book value

At December 31, 2018

13,589

At December 31, 2017

2,442

Concourse Communications UK Limited

Notes to the financial statements for the year ended 31 December 2018

9. Debtors : amount falling due within one year

	2018	2017
	\$	\$
Other debtors	71,835	73,729
	<u>71,835</u>	<u>73,729</u>

10. Creditors: amounts falling due within one year

	2018	2017
	\$	\$
Amounts owed to group undertakings	12,179,615	11,571,698
Taxation and social security	2,279	13,901
Accruals and deferred income	48,701	56,154
	<u>12,230,595</u>	<u>11,641,753</u>

Amounts owed to parent undertakings are unsecured, interest free and repayable on demand

11. Called up share capital

	2018	2017
	\$	\$
Shares classified as equity		
Allotted called up, and fully paid		
1,000 (2017:1,000) Ordinary shares of \$1.553 each	1,553	1,553

12. Related party transactions

In accordance with the exemption allowed by section 33.1A of FRS 102, no disclosure is made of transactions with other group undertakings. No other transactions or balances were identified which should be disclosed under section 33 or FRS 102.

13. Controlling party

The immediate parent undertaking is Concourse Communication Group LLC. The ultimate parent undertaking and controlling party is Boingo Wireless Incorporated, a company incorporated in the United States of America. Boingo Wireless Incorporated is the smallest and the largest group to consolidate these financial statements. The consolidated financial statements of Boingo Wireless Incorporated can be obtained from 10960 Wilshire Boulevard, suite 2300, Los Angeles, CA 90024, USA.