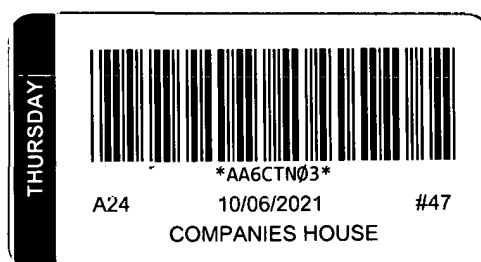


Registered number: 10848565

ASK4 (MIDCO1) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020



ASK4 (MIDCO1) LIMITED

COMPANY INFORMATION

Directors

Mr J J Burrows
Mr S R Delaney
Mr T Shelford
Mr J Thornhill
Mr R D Mogg

Registered number

10848565

Registered office

Devonshire Green House
14 Fitzwilliam Street
Sheffield
South Yorkshire
S1 4JL

Independent auditor

Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor
The Colmore Building
20 Colmore Circus
Birmingham
West Midlands
B4 6AT

Solicitors

Stephenson Harwood LLP
1 Finsbury Circus
London
EC2M 7SH

ASK4 (MIDCO1) LIMITED

CONTENTS

	Page
Group strategic report	1 - 3
Directors' report	4 - 6
Independent auditor's report	7 - 10
Consolidated statement of comprehensive income	11
Consolidated statement of financial position	12
Company statement of financial position	13
Consolidated statement of changes in equity	14
Company statement of changes in equity	15
Consolidated Statement of cash flows	16 - 17
Notes to the financial statements	18 - 41

ASK4 (MIDCO1) LIMITED

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 OCTOBER 2020**

Introduction

The directors present their strategic report for Ask4 (Midco1) Limited (the 'Company') and its subsidiaries (the 'Group') for the year ended 31 October 2020.

The Company was incorporated on 4 July 2017 as Cedar Holdco Limited. It changed its name to Quest (Midco1) Limited on 6 February 2018 and then to Ask4 (Midco1) Limited on 6 March 2018.

Since its acquisition of the Ask4 business headed by Stream Topco Limited on 8 February 2018 the Group's principal activity has been the provision of managed telecommunications services in the United Kingdom and Europe. The service is provided principally to multi tenanted buildings with a particular focus on student accommodation and build-to-rent. The Group also provided IT support and managed IT services to a broad range of customers.

Business review**Financial Performance**

The turnover of the Group was £20.3 million in the year to 31 October 2020 (2019: £19.1 million) increasing by 6.8% with continued growth in the student service business, reflecting important contracts being secured from both existing and new clients, and the impact of the acquisition made in March 2019.

Gross profit of £13.7 million (2019: £13.3 million) increased by 3.0%. Gross margins in the student market have remained broadly stable, with the overall gross margin reported reflecting the slight change in mix of revenue streams following the acquisition.

Capital expenditure of £4.9 million (2019: £6.5 million) has been invested during the period to service both new and existing clients' sites.

The Ask4 business is underpinned by high levels of recurring revenue through multi-year contracts with its customers which continued to grow strongly. In-year financial performance in 2020 was impacted by Covid-related restricted access to buildings which inevitably delayed some new site construction activity and anticipated upgrade work, thereby impacting our non-recurring sales in 2020. However, this is considered to be a temporary timing-related delay only and, as a result, we have continued to invest in our growing UK and international operations throughout the period, increasing headcount from 144 to 164.

Financial key performance indicators

	Year ended 31 October 2020	Year ended 31 October 2019
Turnover	£20,347,684	£19,051,277
Gross Profit	£13,665,070	£13,272,331
Gross Margin	67.2%	69.7%
Number of beds served	205,544	207,651

ASK4 (MIDCO1) LIMITED

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

Strategy

Outline Business Model

Ask4 provides managed WiFi, broadband and associated services to multi-tenanted buildings, with a particular focus on purpose-built student accommodation (PBSA) and build-to-rent (BTR) accommodation in the UK and Europe. The company provides services to 16 of the top 20 PBSA operators in the UK and 8 of the top 10 operators in Europe.

Under a typical service agreement, Ask4 invests in the required service delivery infrastructure for a particular building and charges the building owner a recurring service fee in respect of services provided over that infrastructure for some agreed over a multi-year contracted period.

The Group operates a core IP network and partners with multiple fibre network operators to provide connectivity from that core network to customer buildings.

The Group's business services division, Ask4 Solutions, provides managed IT, telecoms and data centre services to SME, corporate and public sector customers.

Progress in Year

Despite significant operational and market challenges as a consequence of Covid-19, the Group continued to make positive progress against its 5-year strategic plan. In particular, the Group's PBSA and BTR business continued to retain and attract new customers in the UK and to drive incremental improvement in operational KPIs. In the international PBSA business, the Group won significant new business in its established markets (Spain, Portugal, Poland, Germany and Ireland) and secured its first contracts in the Netherlands. The Group continued to invest in delivery capability outside the UK and now has an established European HQ in Madrid, Spain with Sales, Customer Service, Support and Field Engineering capabilities, as well as having Sales and Field Engineering in Ireland and Germany.

Operationally, the business continued to invest in order to effectively and efficiently serve customers, including relocating the Ask4 Solutions team from a remote site to new offices at the Group's Sheffield HQ, establishing a central warehouse and logistics function, and further growth of key teams including Sales, Support, Technology and Field Engineering.

Key Priorities for Next Year

The business will continue to focus on delivery of its core strategic aims, including growth in new and existing geographies across PBSA, BTR and Ask4 Solutions, as well as continued marginal improvement in operational KPI's across the Group.

ASK4 (MIDCO1) LIMITED

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

Principal risks and uncertainties

The trading environment remains challenging, with clients continuing to seek the best possible value and competitors aggressively bidding for new business. We expect this environment to continue and accordingly there is a risk that we will not be able to deliver our rate of forecast growth.

There is an increasing demand for bandwidth amongst users, and we have to meet that demand in order to maintain our position. Historically our costs of supply have fallen faster than the increase in demand, such that our costs of bandwidth as a percentage of revenue have fallen over time. There is the risk that increased demand will outstrip falls in cost, impacting profitability of the business. However, given our scale and negotiating position with suppliers we feel that we are able to manage this risk for the foreseeable future.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Group policies are aimed at minimising such losses, and require that only customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures are granted credit terms.

Liquidity risk is the risk that an entity will encounter difficulty in meeting the obligations associated with financial liabilities. The Group aims to mitigate liquidity risk by managing cash generation by its operations, applying cash collection measures throughout the Group.

Interest rate risk: The Group is financed through fixed rate investor loan notes and bank financing facilities incurring interest at a margin over LIBOR. The Board regularly reviews the risk to the Group of movements in interest rates and enters into interest rate swaps if required to protect against significant rate rises.

As a result of the Brexit transition period coming to an end on 31 December 2020, the Group has implemented appropriate actions to ensure the smooth continuation of service provision across Europe, as appropriate. However, there is a risk that unforeseen disruptions and uncertainties could arise that may have an adverse effect on the principal activity, financial results and operations of the Group.

This report was approved by the board on 24/2/2021 and signed on its behalf.



Mr R D Mogg
Director

ASK4 (MIDCO1) LIMITED

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

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

Results and dividends

The Group loss for the year, after taxation and non-controlling interests, amounted to £10,856,347 (2019: 5,218,433).

The directors do not recommend the payment of a dividend (2019: £nil).

Directors

The directors who served during the year and up to the date of this report were:

Mr J J Burrows
Mr S R Delaney
Mr T Shelford
Mr J Thornhill (appointed 12 December 2019)
Mr R D Mogg (appointed 26 February 2020)

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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, including FRS 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 and profit or loss of the Group and 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Future developments

The board will continue to focus on securing new contracts for its subsidiaries with both existing and new clients and remains confident for the Group's future development and success.

ASK4 (MIDCO1) LIMITED

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

Qualifying third party indemnity provisions

The company has provided qualifying third party indemnity provisions in respect of the directors which were in force during the period and at the date of this report.

Going concern

As part of considering going concern, management have prepared profit & loss, balance sheet and cash flow forecasts extending to 31 March 2022. This forecast takes into account the Group's current sales pipeline and assumes continued growth in its core markets beyond this, with appropriate ongoing investment in additional overheads to support this growth. Existing contracts have been reviewed in order to consider the likely impact at renewal, both in terms of EBITDA and cash. Capital investment is assumed to continue at similar levels to prior years, relative to volume. It is also assumed that the Group's current debt facility will remain in place throughout the forecast period. The current facility expires in March 2025.

At 31 October 2020, the Group had £41m of bank loans through a mix of term and revolving facilities. The total available committed facility is currently £44m. Management's forecast indicates that the Group will have sufficient funds to service these loans and that there is sufficient EBITDA headroom against the Group's banking covenant throughout the forecast period.

Management have also performed sensitivity analysis on the forecast model. This analysis demonstrates that the Group can continue as a going concern. At the time of preparing these statements, the Group's performance is in line with expectation for the year ending 31 October 2021.

The global pandemic has inevitably presented new and unexpected challenges to the Group. However, the services provided by the Group are largely considered critical to customers' ongoing operations. This, together with the fact that a large proportion of the Group's revenue is contracted on a recurring basis under multi-year contracts, provides the Board with confidence that the business is well positioned to address these challenges.

With a large proportion of the Group's customers being faced with reduced occupancy levels across their buildings, particularly amongst PBSA customers, the Group took the decision to provide a consistent package of financial support measures on a proactive basis, which has further reinforced the Group's relationships with its customers. Restricted access to buildings and delays to new site constructions inevitably meant the slippage of some anticipated upgrade work and new site installations, as well as some delayed decisions on anticipated new business. However, this is considered to be only an issue of short-term timing whilst high levels of Covid restrictions remain in place.

The Group has been able to adopt a remote working model as appropriate, safeguarding employees whilst maintaining services to customers. The Group continues to monitor the ongoing impact of the pandemic whilst working closely with customers to ensure on site work is carried out with appropriate safety measures in place.

The Group's business model has proven resilient through an unprecedented period, with significant levels of new business continuing to be won. Credit control policies have been strengthened during the year which has supported continued strong cash collections through a challenging period. The Group has not seen any material customer insolvency events because of Covid and finished the year with the cash balance being ahead of plan.

The directors have considered the Company's and Group's cash position, whilst also reviewing the forecast of 4 years from the balance sheet date. This review, together with an assessment of additional borrowing facilities available to the Group, allow the directors to form a judgement at the time of approving the financial statements that there is reasonable expectation that the Company and Group have sufficient resources to continue in operation for the foreseeable future. For this reason, the directors consider the adoption of the going concern basis in preparing the financial statements is appropriate.

ASK4 (MIDCO1) LIMITED

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

Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 24/2/2021 and signed on its behalf.

Richard Mogg

Mr R D Mogg
Director



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASK4 (MIDCO1) LIMITED

Opinion

We have audited the financial statements of Ask4 (Midco1) Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 October 2020, which comprise the Consolidated Statement of comprehensive income, the Consolidated and Company Statements of financial position, the Consolidated Statement of cash flows, the Consolidated and Company Statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Company's affairs as at 31 October 2020 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Group and the parent 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 uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and 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 Group and parent Company's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and 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 applied a standardised firm-wide approach in response to these uncertainties when assessing the Group and parent Company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a Group and parent Company associated with these particular events.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASK4 (MIDCO1) LIMITED (CONTINUED)

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 Group's or the parent 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.

In our evaluation of the directors' conclusions, we considered the risks associated with the Group and parent Company's business model, including effects arising from macro-economic uncertainties such as Covid-19 and Brexit, and analysed how those risks might affect the Group and parent Company's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Group and parent Company will continue in operation.

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 Auditor's 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASK4 (MIDCO1) LIMITED (CONTINUED)

Matters on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

Matters on which we are required to report by exception

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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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 for the financial statements

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 Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent 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.

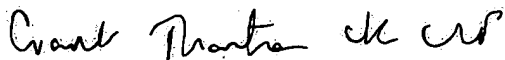
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASK4 (MIDCO1) LIMITED (CONTINUED)

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.

A handwritten signature in black ink, appearing to read 'David Muntun', followed by some less legible characters.

David Muntun BSc (Hons) FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Birmingham
Date: 24/2/2021

ASK4 (MIDCO1) LIMITED

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

	Note	2020 £	2019 £
Turnover	4	20,347,684	19,051,277
Cost of sales		(6,682,614)	(5,778,946)
Gross profit		13,665,070	13,272,331
Administrative expenses	6	(19,637,785)	(14,035,998)
Exceptional administrative expenses		(317,202)	(289,664)
Other income	5	169,939	-
Operating loss	6	(6,119,978)	(1,053,331)
Interest receivable and similar income	10	604	592
Interest payable and expenses	11	(4,512,118)	(3,919,853)
Loss before taxation		(10,631,492)	(4,972,592)
Tax on loss	12	(62,556)	(218,694)
Loss for the financial year		(10,694,048)	(5,191,286)
Currency translation differences		27,716	891
Other comprehensive income for the year		27,716	891
Total comprehensive expense for the year		(10,666,332)	(5,190,395)
Loss for the year attributable to:			
Non-controlling interests		162,299	27,147
Owners of the parent Company		(10,856,347)	(5,218,433)
		(10,694,048)	(5,191,286)
Total comprehensive expense for the year attributable to:			
Non-controlling interest		162,299	27,147
Owners of the parent Company		(10,828,631)	(5,217,542)
		(10,666,332)	(5,190,395)

The notes on pages 18 to 41 form part of these financial statements.

ASK4 (MIDCO1) LIMITED
REGISTERED NUMBER:10848565

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	16	58,415,200	65,463,592
Tangible assets	17	13,195,776	12,532,472
		<u>71,610,976</u>	<u>77,996,064</u>
Current assets			
Stocks	19	174,067	158,344
Debtors: amounts falling due within one year	20	3,461,653	4,907,860
Cash at bank and in hand	21	8,652,637	6,774,472
		<u>12,288,357</u>	<u>11,840,676</u>
Creditors: amounts falling due within one year	22	(49,829,569)	(49,899,122)
Net current liabilities		<u>(37,541,212)</u>	<u>(38,058,446)</u>
Total assets less current liabilities		<u>34,069,764</u>	<u>39,937,618</u>
Creditors: amounts falling due after more than one year	23	(51,651,122)	(47,020,813)
Provisions for liabilities			
Deferred taxation	26	(369,959)	(201,790)
		<u>(369,959)</u>	<u>(201,790)</u>
Net liabilities		<u>(17,951,317)</u>	<u>(7,284,985)</u>
Capital and reserves			
Called up share capital	27	1	1
Profit and loss account	28	(21,361,264)	(10,532,633)
Non-controlling interests		3,409,946	3,247,647
		<u>(17,951,317)</u>	<u>(7,284,985)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24/2/2021

Richard Mogg
Mr R D Mogg
 Director

The notes on pages 18 to 41 form part of these financial statements.

ASK4 (MIDCO1) LIMITED
REGISTERED NUMBER:10848565

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	18	1	1
		<u>1</u>	<u>1</u>
Current assets			
Debtors: amounts falling due within one year	20	48,460,578	48,460,578
		<u>48,460,578</u>	<u>48,460,578</u>
Creditors: amounts falling due within one year	22	(38,460,578)	(38,460,578)
Net current assets		<u>10,000,000</u>	<u>10,000,000</u>
Total assets less current liabilities		<u>10,000,001</u>	<u>10,000,001</u>
Creditors: amounts falling due after more than one year	23	(13,640,999)	(12,179,463)
Net liabilities		<u>(3,640,998)</u>	<u>(2,179,462)</u>
Capital and reserves			
Called up share capital	27	1	1
Profit and loss account brought forward		(2,179,463)	(863,864)
Loss for the year		(1,461,536)	(1,315,599)
Profit and loss account carried forward		<u>(3,640,999)</u>	<u>(2,179,463)</u>
		<u>(3,640,998)</u>	<u>(2,179,462)</u>

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive income in these financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24/2/2021

Richard Mogg
Mr R D Mogg
 Director

The notes on pages 18 to 41 form part of these financial statements.

ASK4 (MIDCO1) LIMITED

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

	Called up share capital	Profit and loss account	Equity attributable to owners of parent Company	Non- controlling interests	Total equity
	£	£	£	£	£
At 1 November 2019	1	(10,532,633)	(10,532,632)	3,247,647	(7,284,985)
Comprehensive expense for the year					
Loss for the year	-	(10,856,347)	(10,856,347)	162,299	(10,694,048)
Currency translation differences	-	27,716	27,716	-	27,716
Total comprehensive expense for the year	-	(10,828,631)	(10,828,631)	162,299	(10,666,332)
At 31 October 2020	1	(21,361,264)	(21,361,263)	3,409,946	(17,951,317)

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2019**

	Called up share capital	Profit and loss account	Equity attributable to owners of parent Company	Non- controlling interests	Total equity
	£	£	£	£	£
At 1 November 2018	1	(5,315,091)	(5,315,090)	-	(5,315,090)
Comprehensive expense for the year					
Loss for the year	-	(5,218,433)	(5,218,433)	27,147	(5,191,286)
Currency translation differences	-	891	891	-	891
Total comprehensive expense for the year	-	(5,217,542)	(5,217,542)	27,147	(5,190,395)
Non-controlling interest arising on business combination	-	-	-	3,056,000	3,056,000
Non-controlling interest subscription for shares	-	-	-	164,500	164,500
At 31 October 2019	1	(10,532,633)	(10,532,632)	3,247,647	(7,284,985)

The notes on pages 18 to 41 form part of these financial statements.

ASK4 (MIDCO1) LIMITED

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

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 November 2019	1	(2,179,463)	(2,179,462)
Comprehensive expense for the year			
Loss for the year	-	(1,461,536)	(1,461,536)
	<hr/>	<hr/>	<hr/>
Total comprehensive expense for the year	-	(1,461,536)	(1,461,536)
	<hr/>	<hr/>	<hr/>
At 31 October 2020	1	(3,640,999)	(3,640,998)
	<hr/>	<hr/>	<hr/>

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2019**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 November 2018	1	(863,864)	(863,863)
Comprehensive expense for the year			
Loss for the year	-	(1,315,599)	(1,315,599)
	<hr/>	<hr/>	<hr/>
Total comprehensive expense for the year	-	(1,315,599)	(1,315,599)
	<hr/>	<hr/>	<hr/>
At 31 October 2019	1	(2,179,463)	(2,179,462)
	<hr/>	<hr/>	<hr/>

The notes on pages 18 to 41 form part of these financial statements.

ASK4 (MIDCO1) LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2020

	2020 £	2019 £
Cash flows from operating activities		
Loss for the financial year	(10,694,048)	(5,191,286)
Adjustments for:		
Amortisation of intangible assets	7,307,232	3,691,103
Depreciation of tangible assets	4,168,694	3,071,837
Loss on disposal of tangible assets	-	6,015
Interest paid	4,512,118	3,919,853
Interest received	(604)	(592)
Taxation charge	62,556	218,694
(Increase)/decrease in stocks	(15,723)	9,212
Decrease in debtors	1,446,207	629,700
Decrease/(increase) in amounts owed by parent undertaking	-	(5,124)
Increase in creditors	242,566	1,729,612
Increase in amounts owed to parent undertaking	24,157	31,661
Corporation tax (paid)/received	(155,000)	189,565
Net cash generated from operating activities	6,898,155	8,300,250
Cash flows from investing activities		
Repayment of loan	-	738,950
Purchase of intangible fixed assets	(258,840)	(287,096)
Purchase of tangible fixed assets	(4,925,504)	(6,525,607)
Purchase of fixed asset investments	-	(3,044,204)
Interest received	604	592
Net cash from investing activities	(5,183,740)	(9,117,365)

ASK4 (MIDCO1) LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020

	2020 £	2019 £
Cash flows from financing activities		
Proceeds from non-controlling interests on issue of share capital	-	164,500
Secured loans	2,245,000	7,190,000
Interest paid	(2,156,495)	(2,264,474)
Net cash used in financing activities	88,505	5,090,026
Net increase in cash and cash equivalents	1,802,920	4,272,911
Cash and cash equivalents at beginning of year	6,774,472	2,501,561
Foreign exchange gains and losses	75,245	-
Cash and cash equivalents at the end of year	8,652,637	6,774,472
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	8,652,637	6,774,472
	8,652,637	6,774,472

The notes on pages 18 to 41 form part of these financial statements.

ASK4 (MIDCO1) LIMITED

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

1. General information

Ask4 (Midco1) Limited is a private company limited by shares and incorporated in England and Wales. The Registered Office is Devonshire Green House, 14 Fitzwilliam Street, Sheffield, South Yorkshire, S1 4JL.

The principal activity of the Company is that of a holding company. The principal activity of the Group is that of the provision of managed telecommunications services to multi-tenanted buildings, with a particular focus on student accommodation buildings.

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 Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

ASK4 (MIDCO1) LIMITED

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

2. Accounting policies (continued)

2.3 Going concern

The Group and Company had net liabilities of £17,951,317 and £3,640,998 respectively at the period end, and the group incurred a loss for the year of £10,694,048. The Company has received assurances from its parent undertaking, Ask4 Group Holdings Limited, that it will not call in amounts due to it until such time that cash availability allows.

As part of considering going concern, management have prepared profit & loss, balance sheet and cash flow forecasts extending to 31 March 2022. This forecast takes into account the Group's current sales pipeline and assumes continued growth in its core markets beyond this, with appropriate ongoing investment in additional overheads to support this growth. Existing contracts have been reviewed in order to consider the likely impact at renewal, both in terms of EBITDA and cash. Capital investment is assumed to continue at similar levels to prior years, relative to volume. It is also assumed that the Group's current debt facility will remain in place throughout the forecast period. The current facility expires in March 2025.

At 31 October 2020, the Group had £41m of bank loans through a mix of term and revolving facilities. The total available committed facility is currently £44m. Management's forecast indicates that the Group will have sufficient funds to service these loans and that there is sufficient EBITDA headroom against the Group's banking covenant throughout the forecast period.

Management have also performed sensitivity analysis on the forecast model. This analysis demonstrates that the Group can continue as a going concern. At the time of preparing these statements, the Group's performance is in line with expectation for the year ending 31 October 2021.

The global pandemic has inevitably presented new and unexpected challenges to the Group. However, the services provided by the Group are largely considered critical to customers' ongoing operations. This, together with the fact that a large proportion of the Group's revenue is contracted on a recurring basis under multi-year contracts, provides the Board with confidence that the business is well positioned to address these challenges.

With a large proportion of the Group's customers being faced with reduced occupancy levels across their buildings, particularly amongst PBSA customers, the Group took the decision to provide a consistent package of financial support measures on a proactive basis, which has further reinforced the Group's relationships with its customers. Restricted access to buildings and delays to new site constructions inevitably meant the slippage of some anticipated upgrade work and new site installations, as well as some delayed decisions on anticipated new business. However, this is considered to be only an issue of short-term timing whilst high levels of Covid restrictions remain in place.

The Group has been able to adopt a remote working model as appropriate, safeguarding employees whilst maintaining services to customers. The Group continues to monitor the ongoing impact of the pandemic whilst working closely with customers to ensure on site work is carried out with appropriate safety measures in place.

The Group's business model has proven resilient through an unprecedented period, with significant levels of new business continuing to be won. Credit control policies have been strengthened during the year which has supported continued strong cash collections through a challenging period. The Group has not seen any material customer insolvency events because of Covid and finished the year with the cash balance being ahead of plan.

ASK4 (MIDCO1) LIMITED

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

2. Accounting policies (continued)

Going concern (continued)

The directors have considered the Company's and Group's cash position, whilst also reviewing the forecast of 4 years from the balance sheet date. This review, together with an assessment of additional borrowing facilities available to the Group, allow the directors to form a judgement at the time of approving the financial statements that there is reasonable expectation that the Company and Group have sufficient resources to continue in operation for the foreseeable future. For this reason, the directors consider the adoption of the going concern basis in preparing the financial statements is appropriate.

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 the Consolidated statement of comprehensive income 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 Consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Consolidated statement of comprehensive income within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

ASK4 (MIDCO1) LIMITED

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

2. Accounting policies (continued)

2.5 Revenue

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

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

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

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

2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged the Consolidated statement of comprehensive income on a straight line basis over the lease term.

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

ASK4 (MIDCO1) LIMITED

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

2. Accounting policies (continued)

2.7 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from three to six years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.8 Government grants

Other income includes amounts receivable under the Coronavirus Job Retention Scheme ("CJRS") to reimburse the Company for the wages of certain employees who were furloughed during the period but who remained on the Company's payroll. As this scheme involves a transfer of resources from government to the entity, it meets the definition of a government grant.

The scheme is designed to compensate for staff costs and therefore amounts received are recognised in the Consolidated statement of comprehensive income over the same period as the costs to which they relate.

2.9 Interest income

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

2.10 Finance costs

Finance costs are charged to the Consolidated 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.

2.11 Borrowing costs

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

ASK4 (MIDCO1) LIMITED

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

2. Accounting policies (continued)

2.12 Pensions

Defined contribution pension plan

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

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

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated statement of comprehensive income, 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 reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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 reporting date.

2.14 Exceptional items

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

ASK4 (MIDCO1) LIMITED

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

2. Accounting policies (continued)**2.15 Intangible assets****Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated statement of comprehensive income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.16 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:

Long-term leasehold property	-	2% straight line
Installed equipment	-	20% straight line
Office equipment	-	20% straight line

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 the Consolidated statement of comprehensive income.

2.17 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

ASK4 (MIDCO1) LIMITED

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

2. Accounting policies (continued)

2.18 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.19 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.

2.20 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.

2.21 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.

2.22 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated statement of comprehensive income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

ASK4 (MIDCO1) LIMITED

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

2. Accounting policies (continued)

2.23 Financial instruments

The Group 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 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 debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

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 Consolidated statement of comprehensive income.

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 of the recoverable amount, which is an approximation of the amount that the Group 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 Statement of financial position 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.

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 income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

ASK4 (MIDCO1) LIMITED

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

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

Preparation of the financial statements requires management to make significant judgements, estimates and assumptions around the carrying amounts of assets and liabilities that are not readily available from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

The items in the financial statements where these judgements, estimates and assumptions have been made include:

Goodwill

Goodwill recognised in a business combination does not generate cash flows independently. At each reporting date the directors use judgement to determine whether there are indicators of impairment. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the cash generating unit (CGU) level. The determination of the CGU is judgemental and for goodwill impairment purposes is the lowest level within the entity at which goodwill is monitored for internal management purposes. Management do not consider there to be any indicators of impairment at the reporting date

4. Turnover

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

	2020 £	2019 £
Sale of goods	1,915,511	2,756,558
Provision of services	18,432,173	16,294,719
	<u>20,347,684</u>	<u>19,051,277</u>

Analysis of turnover by country of destination:

	2020 £	2019 £
United Kingdom	17,596,503	17,172,859
Rest of Europe	2,751,181	1,878,418
	<u>20,347,684</u>	<u>19,051,277</u>

ASK4 (MIDCO1) LIMITED

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

5. Other income

	2020 £	2019 £
Government grants receivable	169,939	-
	<u>169,939</u>	<u>-</u>

6. Operating loss

The operating loss is stated after charging:

	2020 £	2019 £
Depreciation	4,168,694	2,701,788
Amortisation	7,307,232	3,839,602
	<u>7,307,232</u>	<u>3,839,602</u>

7. Auditor's remuneration

	2020 £	2019 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	62,950	70,800
	<u>62,950</u>	<u>70,800</u>

Fees payable to the Group's auditor and its associates in respect of:

Taxation compliance services	41,500	20,600
Other services relating to taxation	3,500	-
Other assurance services	18,550	18,350
	<u>63,550</u>	<u>38,950</u>

The audit, tax and other assurance services fees for Ask4 (Midco1) Limited are borne by another Group company in the Ask4 (Midco1) Limited Group. These fees for the Ask4 (Midco1) Limited Group have been analysed in the table above.

ASK4 (MIDCO1) LIMITED

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

8. Employees

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

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Wages and salaries	5,511,399	4,510,281	-	-
Social security costs	598,645	500,371	-	-
Cost of defined contribution scheme	233,392	159,496	-	-
	<u>6,343,436</u>	<u>5,170,148</u>	<u>-</u>	<u>-</u>

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

2020 No.	2019 No.
<u>165</u>	<u>144</u>

The Company has no employees other than the directors, who did not receive any remuneration from the Company (2019 - £NIL)

9. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	458,167	275,161
Company contributions to defined contribution pension schemes	20,918	10,875
	<u>479,085</u>	<u>286,036</u>

During the year retirement benefits were accruing to 3 directors (2019 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £197,512 (2019 - £198,078).

The value of the group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £10,000 (2019: £10,000).

10. Interest receivable

	2020 £	2019 £
Other interest receivable	<u>604</u>	<u>592</u>

ASK4 (MIDCO1) LIMITED

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

11. Interest payable and similar expenses

	2020 £	2019 £
Bank interest payable	2,267,956	1,905,451
Other loan interest payable	2,244,162	2,014,402
	<u>4,512,118</u>	<u>3,919,853</u>

12. Taxation

	2020 £	2019 £
Corporation tax		
Current tax on loss for the year	-	62,618
Adjustments in respect of previous periods	(105,613)	(679)
Total current tax	<u>(105,613)</u>	<u>61,939</u>
Deferred tax		
Origination and reversal of timing differences	168,169	156,755
Total deferred tax	<u>168,169</u>	<u>156,755</u>
Taxation on loss on ordinary activities	<u>62,556</u>	<u>218,694</u>

ASK4 (MIDCO1) LIMITED

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

12. Taxation (continued)**Factors affecting tax charge for the year**

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

	2020 £	2019 £
Loss on ordinary activities before tax	<u>(10,631,492)</u>	<u>(4,972,592)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	(2,014,717)	(944,792)
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	1,333,859	633,752
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	467,149	135,856
Deferred tax not recognised	441,870	331,851
Change in tax rates	(59,992)	62,706
Adjustment to tax charge in respect of prior periods	(105,613)	(679)
Total tax charge for the year	<u><u>62,556</u></u>	<u><u>218,694</u></u>

Factors that may affect future tax charges

In the Spring Budget 2020, the Government announced that the previously enacted decrease in the corporate tax rate from 19% to 17% from 1 April 2020 would no longer happen and that rates would remain at 19% for the foreseeable future. The new law was substantively enacted by a resolution under the Provisional Collection of Taxes Act 1968 on 17 March 2020.

Current and deferred taxation has therefore been measured at the enacted tax rate of 19% in these financial statements.

There were no other factors that may affect future tax charges.

ASK4 (MIDCO1) LIMITED

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

13. Exceptional items

	2020 £	2019 £
Group reconstruction	-	289,664
Start up costs	66,121	-
Redundancy costs	47,281	-
Covid related costs	80,064	-
Termination related costs	123,736	-
	<u>317,202</u>	<u>289,664</u>

Group reconstruction costs relate to the acquisition and board restructuring during the year.

Start up costs relate to the establishment of the Group's operations in new European markets.

14. Analysis of net debt

	At 1 November 2019 £	Cash flows £	Non cash movements £	Foreign exchange gain £	At 31 October 2020 £
Cash at bank and in hand	6,774,472	1,802,920	-	75,245	8,652,637
Other loans	(12,179,643)	-	(1,461,356)	-	(13,640,999)
Bank loans	(34,731,042)	(2,245,000)	(760,427)	-	(37,736,469)
	<u>(40,136,213)</u>	<u>(442,080)</u>	<u>(2,221,783)</u>	<u>75,425</u>	<u>(42,724,831)</u>

15. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements. The loss after tax of the parent Company for the year was £1,461,536 (2019 - loss £1,315,599).

ASK4 (MIDCO1) LIMITED

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

16. Intangible assets

Group

	Patents £	Development expenditure £	Trademarks £	Goodwill £	Total £
Cost					
At 1 November 2019	76,172	1,189,841	249,193	70,203,124	71,718,330
Additions	-	258,840	-	-	258,840
At 31 October 2020	76,172	1,448,681	249,193	70,203,124	71,977,170
Amortisation					
At 1 November 2019	69,359	398,586	33,022	5,753,771	6,254,738
Charge for the year	6,813	227,743	52,364	7,020,312	7,307,232
At 31 October 2020	76,172	626,329	85,386	12,774,083	13,561,970
Net book value					
At 31 October 2020	-	822,352	163,807	57,429,041	58,415,200
At 31 October 2019	6,813	791,255	216,171	64,449,353	65,463,592

The useful economic life of goodwill on consolidation has been reassessed in the year to ten years which is a change in estimate from the prior year when the useful economic life was assessed as twenty years. The impact on these accounts is a further amortisation charge of £3,510,156 in the year ended 31 October 2020.

ASK4 (MIDCO1) LIMITED

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

17. Tangible fixed assets

Group

	Long-term leasehold property £	Installed equipment £	Office equipment £	Total £
Cost				
At 1 November 2019	1,095,917	13,929,073	2,764,757	17,789,747
Additions	87,821	4,073,795	763,888	4,925,504
Exchange adjustments	-	(15,953)	(15,968)	(31,921)
At 31 October 2020	1,183,738	17,986,915	3,512,677	22,683,330
Depreciation				
At 1 November 2019	42,429	4,086,061	1,128,785	5,257,275
Charge for the year	25,975	3,423,429	719,290	4,168,694
Exchange adjustments	-	57,544	4,041	61,585
At 31 October 2020	68,404	7,567,034	1,852,116	9,487,554
Net book value				
At 31 October 2020	1,115,334	10,419,881	1,660,561	13,195,776
At 31 October 2019	1,053,488	9,843,012	1,635,972	12,532,472

The net book value of land and buildings may be further analysed as follows:

	2020 £	2019 £
Long leasehold	1,115,334	1,053,488

ASK4 (MIDCO1) LIMITED

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

18. Fixed asset investments**Company**

	Investments in subsidiary companies £
Cost	
At 1 November 2019	1
At 31 October 2020	<u>1</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Ask4 (Midco2) Limited*	Holding company	Ordinary	100%
Ask4 (Buyco) Limited	Holding company	Ordinary	100%
Stream Topco Limited	Holding company	Ordinary	100%
Stream Midco Limited	Holding company	Ordinary	100%
Stream Acquisitions Limited	Holding company	Ordinary	100%
Ask4 Limited	Internet service provider	Ordinary	100%
Ask4 Integrated Services Limited	Internet service provider	Ordinary	79.51%
Metronap Limited	Internet connectivity and associated services	Ordinary	79.51%
Ask4 Data Centres Limited	Telecommunications services	Ordinary	79.51%
Ask4 Business Limited	Internet service provider	Ordinary	79.51%
Ask4 Solutions Limited	IT services	Ordinary	79.51%
Ask4 Europe Limited	Holding company	Ordinary	100%
Ask4 Germany Limited	Internet service provider	Ordinary	100%
Ask4 Ireland Limited	Internet service provider	Ordinary	100%
Ask4 Spain Limited	Internet service provider	Ordinary	100%
Ask4 Poland Limited	Internet service provider	Ordinary	100%
Ask4 Portugal Limited	Internet service provider	Ordinary	100%
Ask4 Trustees Limited	Trustee company	Ordinary	100%
SM20091 Limited	Dormant	Ordinary	100%
Ask4 Netherlands Limited	Internet service provider	Ordinary	100%
Ask4 Denmark Limited	Dormant	Ordinary	100%
Ask4 Austria Limited	Internet service provider	Ordinary	100%
Ask4 Internet Services Europe Limited	Internet service provider	Ordinary	100%
Ask4 France Limited	Dormant	Ordinary	100%
Ask4 Italy Limited	Dormant	Ordinary	100%

* held directly

All subsidiaries have the same registered office of Devonshire Green House, 14 Fitzwilliam Street, Sheffield, England, S1 4JL.

ASK4 (MIDCO1) LIMITED

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

19. Stocks

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Finished goods and goods for resale	<u>174,067</u>	<u>158,344</u>	<u>-</u>	<u>-</u>

The difference between purchase price of stocks and their replacement cost is not material.

Stocks are stated after a provision of £Nil (2019: £Nil).

Stock recognised in cost of sales during the year as an expense was £1,133,679 (2019: £1,109,630).

20. Debtors

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade debtors	2,549,193	3,312,457	-	-
Amounts owed by group undertakings	-	-	48,460,578	48,460,578
Amounts owed by parent undertakings	5,124	5,124	-	-
Other debtors	39,008	32,622	-	-
Prepayments and accrued income	868,328	1,557,657	-	-
	<u>3,461,653</u>	<u>4,907,860</u>	<u>48,460,578</u>	<u>48,460,578</u>

Amounts owed by Group and parent undertakings are interest free and repayable on demand.

Trade debtors are stated after a provision for impairment of £89,736 (2019: £135,515) at Group level and £Nil (2019: £Nil) at Company level.

21. Cash and cash equivalents

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Cash at bank and in hand	<u>8,652,637</u>	<u>6,774,472</u>	<u>-</u>	<u>-</u>

ASK4 (MIDCO1) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020**22. Creditors: Amounts falling due within one year**

	Group 2020	Group 2019	Company 2020	Company 2019
	£	£	£	£
Trade creditors	2,739,880	1,958,196	-	-
Amounts owed to parent undertakings	38,500,615	38,476,458	38,460,578	38,460,578
Corporation tax	-	251,504	-	-
Other taxation and social security	245,479	545,313	-	-
Other creditors	69,987	22,442	-	-
Accruals and deferred income	8,273,608	8,645,209	-	-
	49,829,569	49,899,122	38,460,578	38,460,578

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

23. Creditors: Amounts falling due after more than one year

	Group 2020	Group 2019	Company 2020	Company 2019
	£	£	£	£
Bank loans	37,736,469	34,731,042	-	-
Other loans	13,640,999	12,179,463	13,640,999	12,179,463
Financial instruments	273,654	110,308	-	-
	51,651,122	47,020,813	13,640,999	12,179,463

The bank loans attract interest at between 3.75% and 4.25% above LIBOR and are repayable on 19 March 2025. The other loans attract interest at 12% and are repayable on 8 February 2028.

The bank loans are secured by a fixed and floating charge over all the assets of the Company and other group companies.

The financial instrument represents an interest rate swap. The Company pays a fixed rate of interest of 1.164% and receives a variable rate on a principal amount of £20,000,000 until 30 April 2021. On 31 July 2019 the Company entered into a swap for an additional principal amount of £10,000,000 with a fixed rate of interest of 0.675% and receives a variable rate until 30 April 2021. The instruments provide a hedge against interest rate movements, but it is not accounted for as a hedge under FRS102.

ASK4 (MIDCO1) LIMITED

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

24. Loans

As at 31 October 2020 fees paid of £3,268,163 (2019: £4,023,978) on the bank loan are netted against the loan in the Statement of Financial Position and are being amortised over the remaining term of the loan.

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Amounts falling due after more than 5 years				
Bank loans	37,736,469	34,731,042	-	-
Other loans	13,640,999	12,179,463	13,640,999	12,179,463
	<u>51,377,468</u>	<u>46,910,505</u>	<u>13,640,999</u>	<u>12,179,463</u>

The bank loans are secured by a fixed and floating charge over all of the assets of the Group.

25. Financial instruments

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Financial assets measured at amortised cost				
Trade debtors	2,549,193	3,312,457	-	-
Amounts owed by parent undertakings	5,124	5,124	-	-
Amounts owed by Group undertakings	-	-	48,460,578	48,460,578
Cash and cash equivalents	8,652,637	6,774,472	-	-
	<u>11,206,954</u>	<u>10,092,053</u>	<u>48,460,578</u>	<u>48,460,578</u>
Financial liabilities measured at amortised cost				
Trade creditors	2,739,225	1,958,196	-	-
Amounts owed to parent undertakings	38,500,615	38,476,458	38,460,578	38,460,578
Other creditors	69,987	22,442	-	-
Accruals	388,840	253,238	-	-
Bank loans	37,736,469	34,731,042	-	-
Other loans	13,640,999	12,179,463	13,640,999	12,179,463
	<u>93,076,135</u>	<u>87,620,839</u>	<u>52,101,577</u>	<u>50,640,041</u>

ASK4 (MIDCO1) LIMITED

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

25. Financial instruments (continued)

	Group 2020 £	<i>Group 2019 £</i>
Financial liabilities held at fair value		
Interest rate swaps	273,654	<i>110,308</i>

26. Deferred taxation**Group**

	2020 - £	<i>2019 £</i>
At beginning of year	(201,790)	<i>(22,433)</i>
Charged to profit or loss	(168,169)	<i>(156,755)</i>
Arising on business combinations	-	<i>(22,602)</i>
At end of year	(369,959)	<i>(201,790)</i>

	Group 2020 £	<i>Group 2019 £</i>
Accelerated capital allowances	(397,541)	<i>(229,372)</i>
Tax losses carried forward	23,306	<i>23,306</i>
Other timing differences	4,276	<i>4,276</i>
	(369,959)	<i>(201,790)</i>

ASK4 (MIDCO1) LIMITED

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

27. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
1 (2019: 1) Ordinary share of £1	1	1

There is a single class of ordinary shares. There are no restrictions on dividends and the repayment of capital.

28. Reserves**Profit and loss account**

Includes all current year retained profits and losses.

Non-controlling Interests

The profit or loss attributable to the non-controlling interest stakes in subsidiary companies.

29. Non-controlling Interests**Group**

The movement in non-controlling interests was as follows:

	2020 £	2019 £
At start of the period		
Non-controlling interest in Ask4 Integrated Services Limited	3,247,647	3,220,500
Total comprehensive income attributable to non-controlling interests	158,951	27,147
At end of the period	3,406,598	3,247,647

30. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £182,264 (2019: £170,650). Contributions totalling £18,487 (2019: £23,560) were payable to the fund at the reporting date and are included in creditors.

ASK4 (MIDCO1) LIMITED

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

31. Commitments under operating leases

At 31 October 2020 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2020 £	<i>Group 2019 £</i>
Not later than 1 year	259,854	166,555
Later than 1 year and not later than 5 years	1,021,460	334,717
Later than 5 years	832,502	-
	<u>2,113,816</u>	<u>501,272</u>

32. Related party transactions

The company has taken advantage of the exemption in FRS 102 section 33 from disclosing transactions with related parties that are wholly owned by Ask4 (Midco1) Limited

33. Audit exemption of subsidiaries

The following subsidiaries are exempt from the requirements of the UK Companies Act 2006 relating to the audit of individual accounts by virtue of s479A of the Act.

Name	Registered number
Stream Topco Limited	09042710
Stream Midco Limited	09044457
Stream Acquisitions Limited	08902313
Ask4 Trustees Limited	09418182
Ask4 Austria Limited	12117903
Ask4 Denmark Limited	12119059
Ask4 Germany Limited	09648336
Ask4 Ireland Limited	09492654
Ask4 Netherlands Limited	12117509
Ask4 Poland Limited	10694121
Ask4 Portugal Limited	10733573

The outstanding liabilities at 31 October 2020 of the above named subsidiaries have been guaranteed by the Company pursuant to s479A to s479C of the Act.

34. Controlling party

The Company's immediate parent undertaking is Ask4 Group Holdings Limited, a company incorporated in Jersey. The ultimate parent undertaking and controlling party is Bowmark Capital LLP, a limited liability partnership registered in England and Wales, by virtue of shareholdings held by funds under its management.