

**Registered Company Number : 09889851**

**IQSA Group Limited**

**Directors' Report and Financial Statements**

**For the year ended 30 September 2021**

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**IQSA Group Limited**  
**Directors' Report and Financial Statements**  
**For the year ended 30 September 2021**

**Registered Company Number : 09889851**

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**IQSA Group Limited**  
**Directors' Report**  
**For the year ended 30 September 2021**

**Registered Company Number : 09889851**

The Directors present their report and the audited financial statements for IQSA Group Limited ("the Company") for the year ended 30 September 2021. These accounts have been prepared in accordance with the provisions applicable to the Small Companies Regime. The Company has taken an exemption from the requirement to prepare a strategic report under section 414B of the Companies Act 2006.

**Principal activities**

The Company is a private company limited by shares, incorporated in the United Kingdom. The Principal activity of the Company is to provide management services in relation to the assets owned by the Group. The Company and its other affiliated companies are subsidiaries of IQSA Holdco Limited ("the Group"), incorporated and registered in Jersey and listed on The International Stock Exchange in Guernsey.

**Future Developments**

The Directors expect that the Company will continue to operate in its current capacity for the foreseeable future.

**Results and dividends**

The loss for the year before tax was £6k (2020: profit of £50k), the full results for the year are set out on page 8.

The Directors do not recommend the payment of an ordinary dividend in the current year (2020: £nil).

**Directorships**

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were:

Gemma Nandita Katakya  
Michael David Vrana  
James Neil Mortimer (appointed 30 July 2021)  
Simon David Austin Davies

**Change in ownership**

On 15 May 2020, the previous head of the group, IQSA Holdings S.à r.l., was acquired by Capella UK Bidco 1 Limited, a wholly owned subsidiary of IQSA Holdco Limited. This resulted in new ultimate shareholders of the Group which are investment funds advised by affiliates of The Blackstone Group Inc.

**Financial risk management**

*Credit risk*

Credit risk occurs when a counterparty to a financial instrument fails to discharge an obligation to the Company. It may occur through receivables, or cash and cash equivalents held at banks. The Company's receivables relate principally to amounts due from other affiliated companies. Management monitors the ability of these debtors to meet their obligations on an ongoing basis. Expected credit loss has been calculated as outlined in Note 2.2.

**IQSA Group Limited**  
**Directors' Report (continued)**  
**For the year ended 30 September 2021**

**Registered Company Number : 09889851**

**Financial risk management (continued)**

*Interest rate risk*

The Company finances its operations with short term intercompany advances that are interest free. Therefore, the Company has no exposure to interest rate risk.

*Liquidity and cash flow risk*

The Company finances its operations with intercompany advances. Management mitigates this risk through monitoring cash flow forecasts.

**Directors' indemnities and insurance**

The Company has agreed to indemnify each director and other officer throughout the year and at the date of approval of the financial statements against liabilities incurred in relation to acts of omissions arising in the ordinary course of their duties. The indemnity applies only to the extent permitted by law. The Company has in place appropriate third party Directors & Officers Liability insurance cover in respect of potential legal action against its directors and officers. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report. This indemnity is subject to the conditions set out in the Companies Act 2006.

**Political donations**

The Company has not made any political donations during the year (2020: £nil).

**Independent auditors**

The Directors of the Company resolved to reappoint Ernst & Young as independent auditors of the Company.

**Registered office**

The registered office of the Company is 7th Floor Cottons Centre, Cottons Lane, London, United Kingdom, SE1 2QG.

**Statement of Directors' responsibilities in respect of the financial statements**

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable UK law and regulations.

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 101 "Reduced Disclosure Framework", Companies Act 2006 and applicable UK 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 101, 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.

**IQSA Group Limited**  
**Directors' Report (continued)**  
**For the year ended 30 September 2021**

**Registered Company Number : 09889851**

**Statement of Directors' responsibilities in respect of the financial statements (continued)**

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.

**Directors' confirmations as to disclosure of information to the auditor**

In the case of each Director in office at the date the Directors' Report is approved:

- to the best of each director's knowledge and belief, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Going Concern**

The Directors consider it reasonable to adopt the going concern basis in preparing the financial statements for the year ended 30 September 2021. The Company is reliant on a letter of support from IQSA Holdco Limited ("The Group"), owing to the fact it has forecast net cash outflows for the period to 31 March 2023 (the "Relevant Period"). The Company has received confirmation that the Group intends to support the Company for the Relevant Period.

In assessing the ability of the Group to provide this support, the directors of the Group have prepared a going concern assessment for the Group which considered two scenarios, a "base case" and a "severe but plausible downside scenario" for the Relevant Period.

Under the base case, the Group remains in a positive cash position for the existing operating business throughout the Relevant period. There is also sufficient headroom within the cash trap funds to mitigate against further downside due to Covid-19 or other factors. Under the severe but plausible downside scenario, the Group remains in cash trap for the remainder of the going concern review period with the liquidity requirements of the existing operating ring-fenced assets met through funds generated within the debt facilities.

A capped letter of support for (£66.1m) has been provided by the Group's shareholders to fund committed acquisition and development cash requirements outside of the existing operating sites and hence outside of the cash trap. This letter of support contains a number of conditions which the Directors have assessed as either being within their control, or where these are outside their control the Directors' have assessed that they have a remote chance of occurring, and as such the Directors have concluded that they can rely on this support being provided as required over the Relevant Period. As a result of this assessment, the Directors have concluded that the Group has sufficient free cash not trapped within the Group's debt facilities to meet the Company's liquidity requirements for the Relevant Period.

**IQSA Group Limited**  
**Directors' Report (continued)**  
**For the year ended 30 September 2021**

**Registered Company Number : 09889851**

**Going Concern (continued)**

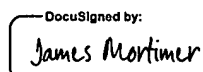
In addition, the Group's shareholders have confirmed that any repayment terms related to current or future shareholder loans between the Group (as borrower) and the shareholder (as lender), will be extended for a further period or periods such that they do not require repayment within the Relevant Period.

Accordingly, after making enquiries and having considered forecasts and appropriate sensitivities, the Directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the Relevant Period, being the period to 31 March 2023.

**Subsequent events**

There have been no significant events since the year end.

On behalf of the Board

DocuSigned by:  
  
James Neil Mortimer  
Director

21 March 2022

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IQSA GROUP LIMITED**

### **Opinion**

We have audited the financial statements of IQSA Group Limited (the 'Company') for the year ended 30 September 2021 which comprise Statement of Profit and Loss, Statement of Financial Position, Statement of Changes in Equity and the related Notes 1 to 13 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 FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 30 September 2021 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provisions available for small entities, in the circumstances set out in the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period to 31 March 2023.

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

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

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

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement as set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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



***Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud***

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

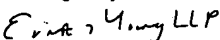
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to FRS 101, Companies Act 2006, and the relevant tax regulations in the United Kingdom, including the UK REIT regulations.
- We understood how the company is complying with those frameworks by making enquiries of management and those charged with governance. We then assessed the culture of honesty and ethical behaviour in the Company, and the processes in place to reward such behaviour and reprimand behaviour not in keeping with these values. We corroborated our inquiries through inspection of the iQ group policies, board minutes and through inspection of whistleblowing reports made to the Company's ethics hotline during the year.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by understanding how management is incentivised, if any assets may be a risk of misappropriation and through understanding key accounting estimates, for example, impairment of investments.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved identifying any instances of management override of controls through inquiry with those charged with governance and employees in the business and through testing of manual journal entries exhibiting higher risk criteria and inspecting the documentation supporting those journal entries to challenge whether the transaction was genuine. We also made formal inquiries of the Company's in house legal counsel and inspected minutes of meetings to identify non-compliance.

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

**Use of our report**

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

DocuSigned by:

 Ernst & Young LLP

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Graeme Downes (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

London

23 March 2022

**IQSA Group Limited**  
**Statement of Profit and Loss**  
**For the year ended 30 September 2021**

**Registered Company Number : 09889851**

	<b>Note</b>	<b>Year ended 30-Sep-21 £'000</b>	<b>Year ended 30-Sep-20 £'000</b>
Revenue	3	-	267
<b>Gross result/profit</b>		<u>-</u>	<u>267</u>
Administrative expenses		<u>(6)</u>	<u>(217)</u>
<b>Operating (loss)/profit</b>	4	<b>(6)</b>	<b>50</b>
Income tax benefit/(expense)	6	6	(10)
<b>Result/profit for the year</b>		<u><u>-</u></u>	<u><u>40</u></u>

All of the results stated above relate to continuing operations. Aside from the above, the Company has no other items of comprehensive income or loss. Consequently, no separate statement of comprehensive income is presented.

The notes on pages 11 to 18 form an integral part of these financial statements.

**IQSA Group Limited**  
**Statement of Financial Position**  
**As at 30 September 2021**

**Registered Company Number : 09889851**

		<b>As at 30-Sep-21 £'000</b>	<b>As at 30-Sep-20 £'000</b>
	<b>Note</b>		
<b>Fixed assets</b>			
Investments	7	-	-
<b>Current assets</b>			
Trade and other receivables	8	632	631
Cash and cash equivalents		-	-
<b>Total current assets</b>		<b>632</b>	<b>631</b>
<b>Total assets</b>		<b>632</b>	<b>631</b>
<b>Creditors - amounts falling due within one year</b>	9	(442)	(441)
<b>Net current assets</b>		<b>190</b>	<b>190</b>
<b>Net assets</b>		<b>190</b>	<b>190</b>
<b>Equity</b>			
Called up share capital	10	-	-
Retained earnings	10	190	190
<b>Total equity</b>		<b>190</b>	<b>190</b>

The financial statements on pages 8 to 10 and the accompanying notes on pages 11 to 18 were approved by the board of directors and authorised for issue on 21 March 2022 and are signed on its behalf by:

DocuSigned by:  
  
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**James Neil Mortimer**  
**Director**

**IQSA Group Limited**  
**Statement of Changes in Equity**  
**For the year ended 30 September 2021**

**Registered Company Number : 09889851**

	<b>Called up share capital</b>	<b>Retained earnings</b>	<b>Total equity</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Balance at 1 October 2019</b>	-	150	150
<b>Year ended 30 September 2020</b>			
Profit for the year	-	40	40
<b>Balance at 30 September 2020</b>	-	<b>190</b>	<b>190</b>
<b>Year ended 30 September 2021</b>			
Result for the year	-	-	-
<b>Balance at 30 September 2021</b>	-	<b>190</b>	<b>190</b>

The notes on pages 11 to 18 form an integral part of these financial statements.

**IQSA Group Limited**  
**Notes to the Financial Statements**  
**For the year ended 30 September 2021**

**Registered Company Number : 09889851**

**1. General information**

The Company is a private company, limited by shares, incorporated in the United Kingdom. Its principal activities are described in the Directors' Report. The Company is an indirect wholly owned subsidiary of IQSA Holdco Limited, incorporated and registered in Jersey. The Company is exempt by virtue of section 398 of the Companies Act 2006 to prepare consolidated financial statements.

**2. Significant accounting policies**

The principal 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. Amounts are presented in pounds sterling, which is also the functional currency of the Company, rounded to the nearest one thousand pounds sterling, unless otherwise stated.

**2.1 Basis of preparation**

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") and the Companies Act 2006.

The financial statements have been prepared under the historical cost convention. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.1.1.

The accounting policies which follow set out these policies which apply in preparing the financial statements for the year ended 30 September 2021.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- The following paragraphs of IAS 1, 'Presentation of financial statements':  
10(d) (statements of cash flows)  
111 (cash flow statement information), and  
134-136 (capital management disclosures).
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been Issued but is not yet effective).
- The following paragraphs of IFRS 16, 'Leases':  
52 (disclosing the leases for which the Company is a lessee),  
89 (second sentence),  
90 and 91 (finance and operating lease disclosure in tabular format),  
93 (significant changes in carrying amount of net investment in finance leases), and  
97 (disclosing the maturity analysis of lease payments for leases in which the Company is a lessor).
- Paragraphs 91 to 99 of IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

**IQSA Group Limited**  
**Notes to the Financial Statements (continued)**  
**For the year ended 30 September 2021**

**Registered Company Number : 09889851**

**2. Significant accounting policies (continued)**

**2.1 Basis of preparation (continued)**

- The requirements in IAS 24, 'Related party disclosures':  
to disclose related party transactions between two or more wholly owned members of a group;  
paragraph 17 (key management compensation); and  
paragraph 18A related to key management service provided by a separate management entity.

Disclosure exemptions for subsidiaries are permitted where the relevant disclosure requirements are met in the consolidated financial statements. Where required, relevant disclosures are given in the Group financial statements of IQSA Holdco Limited. Copies of the consolidated financial statements are publicly available, as outlined in Note 12.

**2.1.1 Critical accounting estimates and assumptions**

The Company makes estimates and assumptions concerning the future. These estimates and assumptions are subject to uncertainty as they are based on the outcome of future events. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**2.1.2 Going concern**

The Directors consider it reasonable to adopt the going concern basis in preparing the financial statements for the year ended 30 September 2021. The Company is reliant on a letter of support from IQSA Holdco Limited ("The Group"), owing to the fact it has forecast net cash outflows for the period to 31 March 2023 (the "Relevant Period"). The Company has received confirmation that the Group intends to support the Company for the Relevant Period.

In assessing the ability of the Group to provide this support, the directors of the Group have prepared a going concern assessment for the Group which considered two scenarios, a "base case" and a "severe but plausible downside scenario" for the Relevant Period.

Under the base case, the Group remains in a positive cash position for the existing operating business throughout the Relevant period. There is also sufficient headroom within the cash trap funds to mitigate against further downside due to Covid-19 or other factors. Under the severe but plausible downside scenario, the Group remains in cash trap for the remainder of the going concern review period with the liquidity requirements of the existing operating ring-fenced assets met through funds generated within the debt facilities.

A capped letter of support for (£66.1m) has been provided by the Group's shareholders to fund committed acquisition and development cash requirements outside of the existing operating sites and hence outside of the cash trap. This letter of support contains a number of conditions which the Directors have assessed as either being within their control, or where these are outside their control the Directors' have assessed that they have a remote chance of occurring, and as such the Directors have concluded that they can rely on this support being provided as required over the Relevant Period. As a result of this assessment, the Directors have concluded that the Group has sufficient free cash not trapped within the Group's debt facilities to meet the Company's liquidity requirements for the Relevant Period.

**IQSA Group Limited**  
**Notes to the Financial Statements (continued)**  
**For the year ended 30 September 2021**

**Registered Company Number : 09889851**

**2. Significant accounting policies (continued)**

**2.1.2 Going concern (continued)**

In addition, the Group's shareholders have confirmed that any repayment terms related to current or future shareholder loans between the Group (as borrower) and the shareholder (as lender), will be extended for a further period or periods such that they do not require repayment within the Relevant Period.

Accordingly, after making enquiries and having considered forecasts and appropriate sensitivities, the Directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the Relevant Period, being the period to 31 March 2023.

**2.1.3 New standards, amendment and IFRIC interpretations**

No new accounting standards, or amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 30 September 2021, have had a material impact on the Company.

**2.2 Trade and other receivables**

Trade and other receivables are recognised at fair value less expected credit losses. The credit loss model applies the simplified approach, which uses a lifetime expected loss allowance for all trade receivables and other receivables.

**2.3 Investments**

Fixed asset investments are stated at cost less any provision for impairment. Investments in subsidiaries are assessed for impairment annually at the year end date.

**2.4 Share capital**

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

**2.5 Creditors**

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors are initially recorded at fair value and subsequently at amortised cost.

**2.6 Income Tax**

The tax expense for the year comprises UK current and deferred income taxes. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in retained earnings. In this case, the tax is also recognised in other comprehensive income or directly in retained earnings respectively.

**IQSA Group Limited**  
**Notes to the Financial Statements (continued)**  
**For the year ended 30 September 2021**

**Registered Company Number : 09889851**

**2. Significant accounting policies (continued)**

**2.6 Income Tax (continued)**

Current income tax is the expected tax payable on the taxable profit for the year, together with any adjustment to the tax payable in relation to previous years. Taxable profit differs from the profit before tax, as reported in the Statement of Profit and Loss, because it excludes items of income or expense taxable or deductible in other accounting periods, as well as items that will never be taxable or deductible. The current tax charge is calculated using tax rates that are enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax law is subject to interpretation, and establishes provisions, where appropriate, based on amounts expected to be paid to the tax authorities.

Deferred income tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases and is accounted for using the balance sheet liability method. Deferred income tax liabilities are provided in full, and deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill, or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither taxable profit nor accounting profit.

**2.7 Revenue recognition**

The Company recognises revenue on an accruals basis when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Company. Revenue comprises of management fees charged to IQSA Holdings S.à r.l., a Holding Company within the Group.

**2.8 Employee benefits**

The Company has no direct employees. All staff costs are recharged from a fellow group undertaking. Staff benefits are detailed in detail in the Group consolidated financial statements.

**2.9 Provisions**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting, where the effect is expected to be material, the expected future flows at a pre-tax rate which reflects current market assessments of the time value of money and the risk specific to the liability. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

**3 Revenue**

	<b>Year Ended 30-Sep-21 £'000</b>	<b>Year Ended 30-Sep-20 £'000</b>
Management fee income	-	267
	-	267



**IQSA Group Limited****Registered Company Number : 09889851****Notes to the Financial Statements (continued)****For the year ended 30 September 2021****3 Revenue (continued)**

Income was derived through the recharge of costs plus a mark up to IQSA Holdings S.à r.l.. The Company stopped recharging its costs to IQSA Holdings S.à r.l. in the current year.

**4 Operating result before taxation**

	Year Ended 30-Sep-21 £'000	Year Ended 30-Sep-20 £'000
Operating result before taxation is stated after charging:		
Wages and salaries	-	167
Social security costs	-	22
Staff Costs	-	189
Auditors' remuneration (Audit services only)	3	4

**5 Employees and Directors**

No staff members were directly employed by the Company during the year (2020: none). The staff costs in the prior year were recharged to the Company by a member of the Group. Directors are paid by other companies in Group and recharged accordingly across the Group. The staff costs in the prior year relates to one employee, who was a director for part of the prior year. £156k of remuneration relates to qualifying services as a director of the company. This director was the highest paid director during the year. No other director received remuneration for qualifying services to the Company.

The average number of persons whose salaries were recharged to the Company during the year was as follows:

	Year Ended 30-Sep-21 Number	Year Ended 30-Sep-20 Number
Employees	-	-
Directors	-	1
	-	1

**IQSA Group Limited**  
**Notes to the Financial Statements (continued)**  
**For the year ended 30 September 2021**

**Registered Company Number : 09889851**

**6 Income tax benefit/expense**

	<b>30-Sep-21</b>	<b>30-Sep-20</b>
	<b>£'000</b>	<b>£'000</b>
<b>(a) Tax (benefit)/expense included in profit and loss</b>		
<b>Current tax:</b>		
Current tax on the result/profit for the year	-	10
Adjustments to current tax in respect of prior periods	(6)	-
<b>Total current tax (benefit)/expense</b>	<u>(6)</u>	<u>10</u>
<b>Deferred tax:</b>		
Adjustments to deferred tax in respect of prior years	-	-
<b>Total deferred tax (benefit)</b>	<u>-</u>	<u>-</u>
<b>Total tax (benefit)/expense included in profit and loss</b>	<u>(6)</u>	<u>10</u>
<b>(b) Total tax reconciliation</b>		
Result/profit on ordinary activities before taxation	(6)	50
Tax at the main rate of UK corporation tax of 19% (2020: 19%)	<u>(1)</u>	<u>10</u>
<b>Effects of:</b>		
Prior year adjustment to current tax	(5)	-
<b>Total tax (benefit)/expense included in profit and loss</b>	<u>(6)</u>	<u>10</u>

The Group of which the Company is a part of became a UK Real Estate Investment Trust ("REIT") on 1 October 2020. As a result of this, the profits and gains of its property rental business are not subject to UK corporation tax so long as the REIT conditions are met. Profits and gains outside of the property rental business will continue to be subject to UK corporation tax, for which the main rate is currently 19% (2020: 19%).

In his Budget Statement on 3 March 2021, the UK Chancellor announced that the main rate of UK corporation tax would increase to 25% from 1 April 2023. This may have a potential impact on profits made by the residual business of the Group only from that date.

**7 Investments**

	<b>Shares in group participating interests £'000</b>
<b>Cost</b>	
As at 30 September 2020 & as at 30 September 2021	<u>-</u>
<b>Net book value</b>	
As at 30 September 2020 & as at 30 September 2021	<u>-</u>

Investments comprise of 100% of the ordinary share capital of IQSA Services Limited (UK), which is not a publicly traded Company. The investment consists of 1 share at a value of £1.

**IQSA Group Limited**  
**Notes to the Financial Statements (continued)**  
**For the year ended 30 September 2021**

**Registered Company Number : 09889851**

**8 Trade and other receivables**

	<b>30-Sep-21</b>	<b>30-Sep-20</b>
	<b>£'000</b>	<b>£'000</b>
Amounts owed by group undertakings	626	630
Taxation and social security	6	-
Prepayments and accrued income	-	1
	<u>632</u>	<u>631</u>

Amounts owed by group undertakings, are unsecured, interest free, have no fixed date of repayment and are repayable upon demand.

**9 Creditors - amounts falling due within one year**

	<b>30-Sep-21</b>	<b>30-Sep-20</b>
	<b>£'000</b>	<b>£'000</b>
Amounts owed to group undertakings	433	425
Taxation and social security	-	5
Deferred income and accruals	9	11
	<u>442</u>	<u>441</u>

Amounts owed to group undertakings, are unsecured, interest free, have no fixed date of repayment and are repayable upon demand.

**10 Equity**

	<b>30-Sep-21</b>	<b>30-Sep-20</b>
	<b>£'000</b>	<b>£'000</b>
Authorised, issued and fully paid:		
1 (2020: 1) ordinary share of £1 each (2020: £1)	<u>-</u>	<u>-</u>

Retained earnings includes all current and prior period retained profits and losses.

**11 Contingent liabilities and capital commitments**

There are no contingent or capital liabilities at 30 September 2021 (2020: £nil).

**12 Ultimate controlling party**

At 30 September 2021, the immediate parent of the Company was Capella UK Topco Limited.

IQSA Holdco Limited, having its registered office at 44 Esplanade St Helier Jersey JE4 9WG, is the parent company into which the Company's financial statements are consolidated. Copies of the consolidated financial statements are available from The International Stock Exchange in Guernsey.

On 15 May 2020, the previous head of the group, IQSA Holdings S.à r.l., was acquired by Capella UK Bidco 1 Limited, a wholly owned subsidiary of IQSA Holdco Limited. This resulted in new ultimate shareholders of the Group which are investment funds advised by affiliates of The Blackstone Group Inc.

**IQSA Group Limited**  
**Notes to the Financial Statements (continued)**  
**For the year ended 30 September 2021**

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**13 Subsequent events**

There have been no significant events since the year end.