

REGISTERED NUMBER: 10848565 (England and Wales)

GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022
FOR
Ask4 (Midco1) Limited

SATURDAY



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COMPANIES HOUSE

Ask4 (Midco1) Limited (Registered number: 10848565)

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for the Year Ended 31 October 2022

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Ask4 (Midco1) Limited

COMPANY INFORMATION
for the Year Ended 31 October 2022

DIRECTORS:

S R Delaney
A M Dutton
R D Mogg
T Shelford
J Thornhill

REGISTERED OFFICE:

Devonshire Green House
14 Fitzwilliam Street
Sheffield
S1 4JL

REGISTERED NUMBER:

10848565 (England and Wales)

INDEPENDENT AUDITORS:

Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor
17th Floor
103 Colmore Row
Birmingham
West Midlands
B3 3AG

SOLICITORS:

Stephenson Harwood LLP
1 Finsbury Circus
London
EC2M 7SH

Ask4 (Midco1) Limited (Registered number: 10848565)

GROUP STRATEGIC REPORT
for the Year Ended 31 October 2022

Introduction

The directors present their strategic report for Ask4 (Midco1) Limited (the 'Company') and its subsidiaries (the 'Group') for the year ended 31 October 2022.

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 provides IT support and managed IT services to a broad range of customers.

BUSINESS REVIEW

Financial Performance

The turnover of the Group was £25.8 million in the year to 31 October 2022 (2021: £22.9 million) increasing by 12.9% with continued growth in the student and build to rent (BTR) internet business, reflecting important contracts being secured from both existing and new clients, as well as strong growth in the Group's IT Solutions business.

Gross profit of £17.1 million (2021: £15.1 million) increased by 13.4%. Overall gross margin remains broadly stable, with a slight year on year improvement attributable to a change in revenue mix. After depreciation and amortisation charges of £5.3 million (2021: £4.9 million) and £7.3 million (£7.0 million) respectively, as well as interest charges of £5.1 million (2021: £4.1 million), the statutory loss before taxation is reported as £10.8 million (2021: £10.0 million loss). Exceptionals in the year amounted to £869,881 (2021: £354,640).

Capital expenditure of £7.5 million (2021: £8.4 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. Sales performance in both the IT Services and Internet businesses has been strong. A record sales year for Internet reflects the return to expected growth levels post Covid-19 and provides good confidence in the year ahead. As a result, we have continued to invest in our growing UK and international operations throughout the period, increasing headcount from 179 to 196.

During the period the Group incurred exceptional costs of £869,881 which principally related to new territory expansion and set up activities in a new continent, and an internal transformation programme to primarily upgrade operating tool sets & systems. The directors consider these costs to be one off in nature and not directly attributable to the Group's ongoing trading performance.

Ask4 (Midco1) Limited (Registered number: 10848565)

GROUP STRATEGIC REPORT
for the Year Ended 31 October 2022

PRINCIPAL RISKS AND UNCERTAINTIES

The trading environment continues to see some challenges driven by product shortages, economic uncertainty and high inflation. Consequently, there is a possible a risk ASK4 may 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 may outstrip falls in cost, impacting profitability of the business. However, given our scale and negotiating position with suppliers we feel 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 SONIA. 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.

Unforeseen disruptions to supply chain and global economic stability could impact timings of installation activity and therefore have an adverse impact on the financial results of the Group.

FINANCIAL KEY PERFORMANCE INDICATORS

	Year ended 31 October 2022	Year ended 31 October 2021
Turnover	£25,823,352	£22,863,768
Gross profit	£17,125,746	£15,101,566
Gross Margin	66.3%	66.1%
Number of beds served	278,891	237,138

Ask4 (Midco1) Limited (Registered number: 10848565)

GROUP STRATEGIC REPORT
for the Year Ended 31 October 2022

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), university owned accommodation, build-to-rent (BTR) accommodation, and later living accommodation in the UK and Europe. ASK4 also provides Internet of Things (IoT) based solutions that leverage the ASK4 network within a building and address specific challenges that building owners and operators have. For example, through its partnership with Utopi, the Group is able to offer a solution to collect and report on ESG standards. 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, 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 IT Services division provides managed IT, telecoms and data centre services to SME, corporate and public sector customers. Services provided by this division are also sold to the Group's internet customer base.

Progress in Year

Despite continued challenges from product shortages in the period, the Group was able to meet all of its installation requirements which, following a record level of Internet sales and delayed site upgrades from Covid-19, meant very strong demand and was therefore an excellent result. As well as continuing to consolidate its position across Europe as a leading supplier of internet, the Group has also had continued success in widening its offering in this territory through the provision of IT Services to a number of European sites. With ASK4 now serving well over 20% of its bed portfolio outside of the UK, the Group now serves customers in 11 countries outside of the UK. The Group also completed a brand refresh and new web site roll out during the period.

The Group enters 2023 with a strong order book and pipeline alongside a healthy contracted base, providing the Board with confidence about the year ahead.

Key Priorities for Next Year

The business will continue to focus on the delivery of its core strategic aims, including growth in new and existing geographies across PBSA, universities, BTR and later living, whilst also seeking growth in new territories, as well as continued improvement in operational KPIs across the Group.

ESG

During the year, the Group developed an ESG plan with clear ownership for each of environment, social and governance at an operating board level. The plan sets out improvements in each area, with periodic updates to all staff on progress.

APPROVED BY THE BOARD AND SIGNED ON ITS BEHALF:



R D Mogg - Director

6 April 2023

Ask4 (Midco1) Limited (Registered number: 10848565)

REPORT OF THE DIRECTORS
for the Year Ended 31 October 2022

Results

The Group loss for the year, after taxation and non-controlling interests, amounted to £10,956,841 (2021: £(10,037,657)).

DIVIDENDS

No dividends will be distributed for the year ended 31 October 2022.

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. Following investment during the year and continued business development activity, the board is confident that the Group will successfully enter the US market in support of its longer term growth strategy.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 November 2021 to the date of this report.

S R Delaney
R D Mogg
T Shelford
J Thornhill

Other changes in directors holding office are as follows:

J J Burrows - resigned 2 November 2021
A M Dutton - appointed 2 November 2021

Ask4 (Midco1) Limited (Registered number: 10848565)

REPORT OF THE DIRECTORS
for the Year Ended 31 October 2022

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 30 April 2024. 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 2022, the Group had £45.8m of bank loans through a mix of term and revolving facilities. The total available committed facility is currently £51m. 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. Group cash at 31 October 2022 was £4.4 million (2021: £8.0 million). With a significant proportion of the Group's billing being annually in advance in August & September and the largest element of installation activity taking place during the summer months, the Group has a seasonal nature to its cash profile. As such, suitable cash and facility headroom has been appropriately assessed at the typical low point within the forecast period.

Although the Group continues to report a statutory operating loss after tax, this is after a significant amount of non-cash charges. These total in excess of £14 million in the period to 31 October 2022, and the associated cash impact is either already reflected in the Group's reported cash position or will not crystallise until a business sale event. Equally, the reported net liability position is reflective of the Group's bank loans which are not repayable until 2025 or a business sale event. As such, these factors are not considered to impact the Group's assessment for going concern.

Management have also performed sensitivity analysis on the forecast model by reviewing the impact of a material reduction in or change in mix of new business, and increased customer attrition. 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 2023.

The Group's business model has proven resilient through an unprecedented period. The Group has not seen any material customer insolvency events because of Covid.

The directors have considered the Company's and Group's cash position, whilst also reviewing the forecast. This review has allowed 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.

Matters covered in the strategic

For a review of the business, information on how the board engages with employees and other key stakeholders and details of principal risks and uncertainties please refer to the Strategic report.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

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

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

Ask4 (Midco1) Limited (Registered number: 10848565)

REPORT OF THE DIRECTORS
for the Year Ended 31 October 2022

DIRECTORS' RESPONSIBILITIES STATEMENT - continued

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's and the Group'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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

AUDITORS

Grant Thornton UK LLP will be proposed for re-appointment at the forthcoming Annual General Meeting.

APPROVED BY THE BOARD AND SIGNED ON ITS BEHALF:



R D Mogg - Director

6 April 2023

REPORT OF THE INDEPENDENT AUDITORS 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 2022, 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 parent company's affairs as at 31 October 2022 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.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the group's and the parent company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the group's and the parent company's financial resources or ability to continue operations over the going concern period.

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 group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF

ASK4 (MIDCO1) LIMITED

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matter 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 their environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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

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

In preparing the financial statements, the directors are responsible for assessing the 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF

ASK4 (MIDCO1) LIMITED

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and company and determined that the most significant are those that relate to the reporting frameworks (FRS 102 and Companies Act 2006).
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- We enquired of management and those charged with governance, concerning the group's and company's policies and procedures relating to:
 - the identification, evaluation and compliance with laws and regulations; and
 - the detection and response to the risks of fraud.
- We enquired of management and those charged with governance, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We corroborated the results of our enquiries to relevant supporting documentation.
- Audit procedures performed by the engagement team included:
 - evaluation of the programmes and controls established to address the risks related to irregularities and fraud;
 - testing a sample of journal entries, in particular journal entries relating to management estimates and entries determined to be large or relating to unusual transactions;
 - identifying and testing related party transactions.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed noncompliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
 - knowledge of the industry in which the client operates;
 - understanding of the legal and regulatory requirements specific to the group and company including:
 - the provisions of the applicable legislation;
 - the applicable statutory provisions.
- Communications within the audit team in respect of potential non-compliance with laws and regulations and fraud included the potential for fraud in relation to the estimation and judgemental areas with a risk of fraud and through management override of controls in the preparation of the financial statements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF

ASK4 (MIDCO1) LIMITED

- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - the group's and company's operations, including the nature of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement;
 - the applicable statutory provisions;
 - the group's and company's control environment, including the policies and procedures implemented to comply with the requirements of its regulator, the adequacy of procedures for authorisation of transactions, internal review procedures over the group's and company's compliance with regulatory requirements.

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.

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.

Grant Thornton UK LLP

Andrew Turner FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Birmingham

Date: 6 April 2023

Ask4 (Midco1) Limited (Registered number: 10848565)**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**
for the Year Ended 31 October 2022

	Notes	2022 £	2021 £
TURNOVER	3	25,823,352	22,863,768
Cost of sales		(8,697,606)	(7,762,202)
GROSS PROFIT		17,125,746	15,101,566
Administrative expenses		(21,933,112)	(20,710,936)
		(4,807,366)	(5,609,370)
Other operating income	4	-	59,424
Exceptional expenses	8	(869,881)	(354,640)
OPERATING LOSS	7	(5,677,247)	(5,904,586)
Interest receivable and similar income	9	-	2
		(5,677,247)	(5,904,584)
Interest payable and similar expenses	10	(5,101,292)	(4,125,659)
LOSS BEFORE TAXATION		(10,778,539)	(10,030,243)
Tax on loss	11	92,812	200,800
LOSS FOR THE FINANCIAL YEAR		(10,685,727)	(9,829,443)
OTHER COMPREHENSIVE LOSS			
Currency translation differences		(130,058)	(174,479)
Income tax relating to other comprehensive loss		-	-
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF INCOME TAX		(130,058)	(174,479)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(10,815,785)	(10,003,922)
Loss attributable to:			
Owners of the parent		(10,956,841)	(10,037,657)
Non-controlling interests		271,114	208,214
		(10,685,727)	(9,829,443)
Total comprehensive income attributable to:			
Owners of the parent		(11,086,899)	(10,212,136)
Non-controlling interests		271,114	208,214
		(10,815,785)	(10,003,922)

The notes form part of these financial statements

Ask4 (Midco1) Limited (Registered number: 10848565)**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**
31 October 2022

		2022		2021	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	14		44,317,871		51,282,681
Tangible assets	15		19,116,130		16,790,934
Investments	16		232,486		-
			<u>63,666,487</u>		<u>68,073,615</u>
CURRENT ASSETS					
Stocks	17	1,179,529		370,211	
Debtors	18	7,585,112		5,477,382	
Cash in hand	19	4,390,932		7,964,853	
		<u>13,155,573</u>		<u>13,812,446</u>	
CREDITORS					
Amounts falling due within one year	20	(54,421,881)		(52,880,098)	
NET CURRENT LIABILITIES			<u>(41,266,308)</u>		<u>(39,067,652)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>22,400,179</u>		<u>29,005,963</u>
CREDITORS					
Amounts falling due after more than one year	21		(61,107,281)		(56,792,043)
DEFERRED TAXATION	25		<u>(63,922)</u>		<u>(169,159)</u>
NET LIABILITIES			<u>(38,771,024)</u>		<u>(27,955,239)</u>
CAPITAL AND RESERVES					
Called up share capital	26		1		1
Retained earnings	27		<u>(42,660,299)</u>		<u>(31,573,400)</u>
SHAREHOLDERS' DEFICIT			<u>(42,660,298)</u>		<u>(31,573,399)</u>
NON-CONTROLLING INTERESTS	28		<u>3,889,274</u>		<u>3,618,160</u>
TOTAL EQUITY			<u>(38,771,024)</u>		<u>(27,955,239)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 6 April 2023 and were signed on its behalf by:



R D Mogg - Director

The notes form part of these financial statements

Ask4 (Midco1) Limited (Registered number: 10848565)**COMPANY STATEMENT OF FINANCIAL POSITION**
31 October 2022

	Notes	2022	2021
		£	£
FIXED ASSETS			
Intangible assets	14	-	-
Tangible assets	15	-	-
Investments	16	1	1
		<u>1</u>	<u>1</u>
CURRENT ASSETS			
Debtors	18	48,449,921	48,460,578
CREDITORS			
Amounts falling due within one year	20	<u>38,449,921</u>	<u>38,460,578</u>
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	21	<u>17,111,117</u>	<u>15,277,783</u>
NET LIABILITIES		<u>(7,111,116)</u>	<u>(5,277,782)</u>
CAPITAL AND RESERVES			
Called up share capital	26	1	1
Retained earnings	27	<u>(7,111,117)</u>	<u>(5,277,783)</u>
SHAREHOLDERS' FUNDS		<u>(7,111,116)</u>	<u>(5,277,782)</u>
Company's loss for the financial year		<u>(1,833,334)</u>	<u>(1,636,784)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 6 April 2023 and were signed on its behalf by:

.....
Richard Mogg
Director

The notes form part of these financial statements

Ask4 (Midco1) Limited (Registered number: 10848565)**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
for the Year Ended 31 October 2022

	Called up share capital £	Retained earnings £	Total £	Non-controlling interests £	Total equity £
Balance at 1 November 2020	1	(21,361,264)	(21,361,263)	3,409,946	(17,951,317)
Changes in equity					
Deficit for the year	-	(10,037,657)	(10,037,657)	208,214	(9,829,443)
Other comprehensive loss	-	(174,479)	(174,479)	-	(174,479)
Total comprehensive loss	-	(10,212,136)	(10,212,136)	208,214	(10,003,922)
Balance at 31 October 2021	1	(31,573,400)	(31,573,399)	3,618,160	(27,955,239)
Changes in equity					
Deficit for the year	-	(10,956,841)	(10,956,841)	271,114	(10,685,727)
Other comprehensive loss	-	(130,058)	(130,058)	-	(130,058)
Total comprehensive loss	-	(11,086,899)	(11,086,899)	271,114	(10,815,785)
Balance at 31 October 2022	1	(42,660,299)	(42,660,298)	3,889,274	(38,771,024)

The notes form part of these financial statements

Ask4 (Midco1) Limited (Registered number: 10848565)

COMPANY STATEMENT OF CHANGES IN EQUITY
for the Year Ended 31 October 2022

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 November 2020	1	(3,640,999)	(3,640,998)
Changes in equity			
Total comprehensive loss	-	(1,636,784)	(1,636,784)
Balance at 31 October 2021	1	(5,277,783)	(5,277,782)
Changes in equity			
Total comprehensive loss	-	(1,833,334)	(1,833,334)
Balance at 31 October 2022	1	(7,111,117)	(7,111,116)

The notes form part of these financial statements

Ask4 (Midco1) Limited (Registered number: 10848565)**CONSOLIDATED STATEMENT OF CASH FLOWS
for the Year Ended 31 October 2022**

		2022	Restated 2021
Loss for the financial year		(10,685,727)	(9,829,443)
Adjustments for:			
Amortisation of intangible assets		7,336,760	7,334,892
Depreciation of tangible asset		5,295,257	4,945,179
Interest paid		5,101,292	4,125,659
Interest received		-	(2)
Taxation charge		(92,812)	(200,800)
(Increase) in stocks		(809,318)	(196,144)
(Increase)/decrease in debtors		(2,107,730)	(2,015,729)
Increase in creditors		1,256,377	3,040,182
Net cash generated from operating activities		5,294,099	7,203,794
Cash flows from investing activities			
Purchase of intangible fixed assets		(371,950)	(200,243)
Purchase of tangible fixed assets		(7,499,994)	(8,700,563)
Purchase of other investments		(232,486)	-
Interest received		-	2
Net cash from investing activities		(8,104,430)	(8,900,804)
Cash flows from financing activities			
Secured loans		1,761,340	3,000,000
Interest paid		(2,547,394)	(1,992,011)
Net cash used in financing activities		(786,054)	1,007,989
Net (decrease)/increase in cash and cash equivalents		(3,596,385)	(689,021)
Cash and cash equivalents at beginning of year	30	7,957,367	8,652,637
Foreign exchange gains and losses		29,950	(6,249)
Cash and cash equivalents at the end of year	30	4,390,932	7,957,367
Cash and cash equivalents at the end of year comprise:			
Cash at bank and in hand		4,390,932	7,964,853
Bank overdrafts		-	(7,486)
		4,390,932	7,957,367

Ask4 (Midco1) Limited (Registered number: 10848565)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the Year Ended 31 October 2022

1. STATUTORY 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

Basis of preparing the 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).

Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available under FRS 102:

- No statement of cash flows has been prepared for the parent company;
- No disclosures have been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole. All key management personnel are deemed to be statutory directors.

Under section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account.

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 (Registered number: 10848565)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 October 2022

2. ACCOUNTING POLICIES - continued

Accounting policies

Going concern

The Group and Company had net liabilities of £38,771,024 and £7,111,116 at the period end and the group incurred a loss for the year of £10,815,785. The company has received assurances from its parent undertaking, Ask4 Group Holdings Limited, that it will not call in amounts due 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 30 April 2024. 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 2022, the Group had £45.8m of bank loans through a mix of term and revolving facilities. The total available committed facility is currently £51m. 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. Group cash at 31 October 2022 was £4.4 million (2021: £8.0 million). With a significant proportion of the Group's billing being annually in advance in August & September and the largest element of installation activity taking place during the summer months, the Group has a seasonal nature to its cash profile. As such, suitable cash and facility headroom has been appropriately assessed at the typical low point within the forecast period.

Although the Group continues to report a statutory operating loss after tax, this is after a significant amount of non-cash charges. These total in excess of £14 million in the period to 31 October 2022, and the associated cash impact is either already reflected in the Group's reported cash position or will not crystallise until a business sale event. Equally, the reported net liability position is reflective of the Group's bank loans which are not repayable until 2025 or a business sale event. As such, these factors are not considered to impact the Group's assessment for going concern.

Management have also performed sensitivity analysis on the forecast model by reviewing the impact of a material reduction in or change in mix of new business, and increased customer attrition. 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 2023.

The Group's business model has proven resilient through an unprecedented period. The Group has not seen any material customer insolvency events because of Covid.

The directors have considered the Company's and Group's cash position, whilst also reviewing the forecast. This review has allowed 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.

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. Nonmonetary 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

Ask4 (Midco1) Limited (Registered number: 10848565)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 October 2022

2. ACCOUNTING POLICIES - continued

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.

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.

When a contract is entered into with a customer for both sale of goods and rendering of services, revenue from the sale of goods is only recognised when the risks and rewards of ownership for the assets passes to the buyer.

Services rendered predominantly relate to the provision of WiFi, broadband and associated services to multi-tenanted buildings. Revenue is recognised on a straight line basis across the duration of the contract. In respect of on-going services, amounts invoiced are recognised as deferred income and released to profit and loss on a straight line basis over the year to which they relate.

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.

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

Ask4 (Midco1) Limited (Registered number: 10848565)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 October 2022

2. ACCOUNTING POLICIES - continued

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.

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.

Interest income

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

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.

Borrowing costs

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

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.

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,

Ask4 (Midco1) Limited (Registered number: 10848565)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 October 2022

2. ACCOUNTING POLICIES - continued

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.

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.

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.

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.

Valuation of investments

Investments in subsidiaries and other companies are measured at cost less accumulated impairment.

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

Ask4 (Midco1) Limited (Registered number: 10848565)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 October 2022

2. ACCOUNTING POLICIES - continued

is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

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.

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.

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.

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.

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

Ask4 (Midco1) Limited (Registered number: 10848565)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 October 2022****2. ACCOUNTING POLICIES - continued**

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.

Prior year restatement

The prior year consolidated statement of cash flows has been restated to correctly show the interest paid as part of financing activities with a corresponding adjustment to correct the increase in creditors.

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.

Useful life of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates includes the risk of technical technological obsolescence that may change the utility of certain equipment.

3. TURNOVER

The turnover and loss before taxation are attributable to the one principal activity of the Group.

An analysis of turnover by class of business is given below:

	2022	2021
	£	£
Sale of goods	4,938,748	4,132,706
Provision of services	20,884,604	18,731,062
	25,823,352	22,863,768

Ask4 (Midco1) Limited (Registered number: 10848565)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 October 2022****3. TURNOVER - continued**

An analysis of turnover by geographical market is given below:

	2022 £	2021 £
United Kingdom	21,096,830	19,413,932
Europe	4,726,522	3,449,836
	<u>25,823,352</u>	<u>22,863,768</u>

4. OTHER OPERATING INCOME

	2022 £	2021 £
Government grant income	-	59,424
	<u>-</u>	<u>59,424</u>

5. EMPLOYEES AND DIRECTORS

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

	Group 2022	Group 2021	Company 2022	Company 2021
Wages and Salaries	7,821,970	6,644,384	-	-
Social security costs	913,786	723,103	-	-
Cost of defined contribution scheme	280,670	231,861	-	-
	<u>9,016,427</u>	<u>7,599,348</u>	<u>-</u>	<u>-</u>

The staff costs includes the value of capitalised costs in the year, wages and salaries includes £1,328,3287 (Group) (2021: £1,036,375) and Social security and defined contribution scheme costs include £202,760 (Group) (2021: £160,335). These costs are capitalised as part of installed equipment additions (note 15).

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

2022	2021
No.	No.
196	179

The breakdown of employees is:

	2022	2021
Directors	5	5
Operations	139	130
Sales	13	13
Administration	39	31

The Company has no employees other than the directors, who did not receive any remuneration from the Company (2021: £Nil)

Ask4 (Midco1) Limited (Registered number: 10848565)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 October 2022****6. DIRECTORS' EMOLUMENTS**

	2022	2021
	£	£
Directors' emoluments	610,824	484,715
Company contributions to defined contribution pension schemes	23,750	22,700
	<u>634,574</u>	<u>507,415</u>

During the year retirement benefits were accruing to 5 directors (2021: 5) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £313,900 (2021: £183,444).

The value of the group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £10,720 (2021: £12,765).

7. OPERATING LOSS

The operating loss is stated after charging:

	2022	2021
	£	£
Depreciation of tangible fixed assets	5,295,257	4,945,179
Amortisation of intangible assets, including goodwill	7,336,760	7,334,892
Exchange differences	61,586	4,925
Other operating lease rentals	335,3641	265,560

8. EXCEPTIONAL ITEMS

	2022	2021
	£	£
Start up costs	577,612	87,426
Redundancy costs	-	21,904
Reorganisation related costs	-	122,956
Ofcom and Transfer Pricing fees	-	56,460
Termination related costs	-	65,894
Other costs	57,359	-
Transformation program	234,910	-
	<u>869,881</u>	<u>354,640</u>

Start up costs mainly relate to costs incurred in establishing ASK4 America LLC and associated travel & accommodation, legal, software, initial staff, office rent costs and professional fees. These costs also include legal & professional fees incurred in setting up in new European territories during the year.

The transformation programme costs relate primarily to initial costs associated with the upgrade of operating tool sets & systems

9. INTEREST RECEIVABLE AND SIMILAR INCOME

	2022	2021
	£	£
Interest receivable	-	2

Ask4 (Midco1) Limited (Registered number: 10848565)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 October 2022

10. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022	2021
	£	£
Bank interest	3,267,958	2,488,878
Other loan interest payable	1,833,334	1,636,781
	<u>5,101,292</u>	<u>4,125,659</u>

Ask4 (Midco1) Limited (Registered number: 10848565)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 October 2022****11. TAXATION**

	2022 £	2021 £
Corporation tax		
Adjustments in respect of previous periods	12,481	-
Total current tax	12,481	-
Deferred tax		
Origination and reversal of timing differences	125,241	(36,652)
Adjustments in respect of prior periods	(270,023)	(213,939)
Effect of tax rate change on opening balance	39,549	49,791
Total deferred tax	(105,233)	(200,800)
Taxation on loss on ordinary activities	(92,752)	(200,800)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021: higher than) the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022 £	2021 £
Loss on ordinary activities before tax	(10,778,539)	(10,030,243)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	(2,047,922)	(1,904,779)
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	1,337,723	1,334,098
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	290,360	130,422
Adjustment to tax charge in respect of prior periods (deferred tax)	(270,023)	(213,939)
Remeasurement of deferred tax for changes in tax rates	39,549	(467,904)
Other movements	50	2
Movement in deferred tax not recognised	889,445	921,300
Adjustment to brought forward values	(2,614)	
Fixed asset differences	(341,801)	-
Adjustment in respect of prior periods	12,481	-
Total tax (credit)/charge for the year	(97,752)	(200,800)

Factors that may affect future tax charges

In the Spring Budget 2023, it was announced that the rate of corporation tax will increase to 25% from April 2023.

Deferred taxation has therefore been measured at the enacted tax rate of 25% in these financial statements.

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

Ask4 (Midco1) Limited (Registered number: 10848565)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 October 2022****12. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME**

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

13. AUDITORS' REMUNERATION**Audit fee**

	Group 2022	Group 2021
	£	£
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	20,085	15,700
Audit of the financial statements of subsidiaries	59,728	48,545
	79,813	64,245

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

	Group 2022	Group 2021
	£	£
Taxation compliance services	63,000	47,750
Other services relating to taxation		30,200
Other assurance services	1,500	21,680
	64,500	99,630

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 (Registered number: 10848565)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 October 2022****14. INTANGIBLE FIXED ASSETS****Group**

	Goodwill £	Software, patents & licences £	Development costs £	Totals £
COST				
At 1 November 2021	70,203,124	707,247	2,048,659	72,959,030
Additions	-	7,076	364,874	371,950
At 31 October 2022	70,203,124	714,323	2,413,533	73,330,980
AMORTISATION				
At 1 November 2021	19,795,105	354,168	1,527,076	21,676,349
Amortisation for year	7,040,649	35,530	260,581	7,336,760
At 31 October 2022	26,835,754	389,698	1,787,657	29,013,109
NET BOOK VALUE				
At 31 October 2022	43,367,370	324,625	625,876	44,317,871
At 31 October 2021	50,408,019	353,079	521,583	51,282,681

Amortisation on intangible assets is charged to administrative expenses.

15. TANGIBLE FIXED ASSETS**Group**

	Assets under construction £	Long leasehold £	Office Equipment £	Installed equipment £	Totals £
COST					
At 1 November 2021	516,963	1,187,965	3,743,514	25,803,153	31,251,595
Additions	-	3,550	410,256	7,086,188	7,499,994
Disposals	-	-	(1,622,435)	(4,020,588)	(5,643,023)
Reclassification/transfer	(516,963)	-	(34,237)	551,200	-
At 31 October 2022	-	1,191,515	2,497,098	29,419,953	33,108,566
DEPRECIATION					
At 1 November 2021	-	95,126	2,665,870	11,699,665	14,460,661
Charge for year	-	26,767	446,504	4,821,986	5,295,257
Eliminated on disposal	-	-	(1,622,435)	(4,020,588)	(5,643,023)
Exchange differences	-	-	2	(120,461)	(120,459)
At 31 October 2022	-	121,893	1,489,941	12,380,602	13,992,436
NET BOOK VALUE					
At 31 October 2022	-	1,069,622	1,007,157	17,039,351	19,116,130
At 31 October 2021	516,963	1,092,839	1,077,644	14,103,488	16,790,934

Ask4 (Midco1) Limited (Registered number: 10848565)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 October 2022****16. FIXED ASSET INVESTMENTS**

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Shares in group undertakings	-	-	1	1
Other investments not loans	232,486	-	-	-
	232,486	-	1	1

Additional information is as follows:

Group

Other investments were as follows:

	2022	2021
	£	£
Other investments	232,486	-

CompanyShares in
group
undertakings
£**COST**At 1 November 2021
and 31 October 2022**1****NET BOOK VALUE**

At 31 October 2022

1

At 31 October 2021

1

Ask4 (Midco1) Limited (Registered number: 10848565)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**
for the Year Ended 31 October 2022**16. FIXED ASSET INVESTMENTS - continued**

The Group or the Company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiary**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 Nordics Limited	Internet service provider	Ordinary	100%
Ask4 Austria Limited	Internet service provider	Ordinary	100%
Ask4 Internet Services Europe Limited	Internet service provider	Ordinary	100%
Ask4 France Limited	Internet service provider	Ordinary	100%
Ask4 Italy Limited	Internet service provider	Ordinary	100%
Ask4 America LLC	Internet service provider	Ordinary	100%

* held directly

The registered address of Ask4 Internet Services Europe Limited is Calle Orense, 62, Madrid, Spain, 28020.

The registered address of Ask4 America LLC is 251 Little Falls Drive, Wilmington, DE, USA, 19808.

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

The non-current asset in the Group accounts relates to the investment in Utopi Limited in the year. Ask4 Limited have a shareholding of 4% in Utopi Limited.

Ask4 (Midco1) Limited (Registered number: 10848565)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 October 2022****17. STOCKS**

	Group	
	2022	2021
	£	£
Stocks	1,179,529	370,211

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

Stocks are stated after a provision of £Nil (2021: £Nil).

Stock recognised in cost of sales during the year as an expense was £1,732,841 (2021: £1,364,031).

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	5,619,851	4,175,311	-	-
Amounts owed by group undertakings	-	-	48,449,921	48,460,578
Other debtors	340,997	90	-	-
Prepayments and accrued income	1,624,264	1,301,981	-	-
	7,585,112	5,477,382	48,449,921	48,460,578

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

Trade debtors are stated after a provision for impairment of £55,573 (2021: £213,306) at Group level and £Nil (2021: £Nil) at Company level.

19. CASH IN HAND

	Group	Group	Company	Company
	2022	2021	2022	2021
	£	£	£	£
Cash at bank and in hand	4,390,932	7,964,853	-	-
Less: bank overdrafts		(7,486)	-	-
	4,390,932	7,957,367	-	-

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	3,637,555	3,703,445	-	-
Social security and other taxes	760,735	736,596	-	-
Other creditors	31,059	43,903	-	-
Bank overdrafts	-	7,486	-	-
Amounts owed to parent undertakings	38,471,750	38,498,869	38,449,921	38,460,578
Accruals and deferred income	11,520,782	9,889,799	-	-
	54,421,881	52,880,098	38,449,921	38,460,578

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

Ask4 (Midco1) Limited (Registered number: 10848565)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**
for the Year Ended 31 October 2022**21. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Financial instruments (see note 22)	-	24,977	-	-
Bank loans (see note 22)	43,996,164	41,489,283	-	-
Other loans (see note 22)	17,111,117	15,277,783	17,111,117	15,277,783
	61,107,281	56,792,043	17,111,117	15,277,783

The bank loans attract interest at a fixed margin above SONIA plus, in most cases a credit adjustment spread to account for the difference to the previously used LIBOR. The margins applied to each product range vary depending on leverage levels but are typically between 3.75% and 4.25%. These loans are repayable on 19 March 2025. The other loans attract interest at 12% and are repayable on 8 February 2028.

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

22. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Amounts falling due between two and five years:				
Financial Instruments	-	24,977	-	-
Bank loans	43,996,164	41,489,283	-	-
	43,996,164	41,514,260	-	-
Amounts falling due in more than five years:				
Other loans	17,111,117	15,277,783	17,111,117	15,277,783

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

As at 31 October 2022 fees paid of £1,777,081 (2021 £2,522,622) 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

23. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

At 31 October 2022 the Group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022	2021
	£	£
Not later than 1 year	267,636	240,317
Later than 1 year and not later than 5 years	1,047,311	1,022,517
Later than 5 years	292,575	577,083
	1,607,522	1,819,917

Ask4 (Midco1) Limited (Registered number: 10848565)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**
for the Year Ended 31 October 2022**24. FINANCIAL INSTRUMENTS**

	Group 2022	Group 2021	Company 2022	Company 2021
Financial assets measured at amortised cost				
Trade debtors	5,619,851	4,175,311	-	-
Amounts owed by Group undertakings	-	-	48,449,921	48,460,578
Amounts owed by parent undertakings	-	-	-	-
Accrued income	679,803	-	-	-
Cash and cash equivalents	4,390,932	7,964,853	-	-
	10,690,586	12,140,164	48,449,921	48,460,578

	Group 2022	Group 2021	Company 2022	Company 2021
Financial liabilities measured at amortised cost				
Trade creditors	3,637,555	3,703,445	-	-
Amounts owed by parent undertakings	38,471,750	38,498,869	38,449,921	38,460,578
Other creditors	31,059	43,903	-	-
Accruals	895,686	927,129	-	-
Bank loans	43,996,164	41,489,283	-	-
Other loans	17,111,117	15,277,783	-	-
	104,143,331	99,940,412	38,449,921	38,460,578

	Group 2022	Group 2021
Financial liabilities held at fair value		
Interest rate swaps	-	24,977
	-	24,977

Ask4 (Midco1) Limited (Registered number: 10848565)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 October 2022****25. DEFERRED TAXATION****Group**

	2022	2021
At beginning of year	(169,159)	(369,959)
Credited/(charged) to profit or loss	105,233	200,800
At the end of the year	<u>(63,922)</u>	<u>(169,159)</u>

The provision for deferred taxation is made up as follows:

	2022	2021
	Group	Group
Fixed asset timing differences	(2,895,459)	(1,265,674)
Losses and other deductions	2,481,928	1,083,074
Other timing differences	349,609	13,441
	<u>(63,922)</u>	<u>(169,159)</u>

At 31 October 2022 there is an unrecognised deferred tax asset in the Group of £3,487,904 (2021: £1,991,314) and in the Company of £1,777,779 (2021: £1,319,446). The deferred tax asset has not been recognised due to uncertainty around when taxable profits will be available against which the deferred tax asset can be utilised.

26. CALLED UP SHARE CAPITAL**Allotted, issued and fully paid:**

Number:	Class:	Nominal value:	2022 £	2021 £
1	Allotted, called up and fully paid	1	<u>1</u>	<u>1</u>

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

27. 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.

Ask4 (Midco1) Limited (Registered number: 10848565)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 October 2022****28. NON-CONTROLLING INTERESTS****Group**

The movement in non-controlling interests was as follows:

	2022 £	2021 £
At start of the period		
Non-controlling interest in Ask4 Integrated Services Limited	3,618,160	3,409,946
Total comprehensive income attributable to non-controlling interests	271,114	208,214
At end of the period	3,889,274	3,618,160

29. RECONCILIATION OF LOSS FOR THE FINANCIAL YEAR TO CASH GENERATED FROM OPERATIONS

	2022 £	2021 £
Loss for the financial year	(10,685,727)	(9,829,443)
Depreciation charges	5,295,257	4,945,179
Amortisation charges	7,336,760	7,334,892
Finance costs	5,101,292	4,125,659
Finance income	-	(2)
Taxation	(92,812)	(200,800)
Increase in stocks	7,734,257	(6,375,485)
Increase in trade and other debtors	(809,318)	(196,144)
Increase in trade and other creditors	(2,107,730)	(2,015,729)
Cash generated from operations	1,256,377	3,040,182
	5,294,099	7,203,794

30. CASH AND CASH EQUIVALENTS

	Group 2022	Group 2021	Company 2022	Company 2021
Cash at bank and in hand	4,390,932	7,964,853	-	-
Less: bank overdrafts		(7,486)	-	-

31. ANALYSIS OF CHANGES IN NET DEBT

	At 1/11/21 £	Cash flow £	Non cash £	At 31/10/22 £
Net cash				
Cash at bank and in hand	7,964,853	(3,603,872)	29,951	4,390,932
Less overdrafts	(7,486)	7,486	-	-
Other loans	(15,277,783)		(1,833,334)	(17,111,117)
Bank loans	(41,489,283)	(1,761,340)	(745,541)	(43,996,164)
Total	(48,809,699)	(5,357,726)	(2,548,924)	(56,716,349)

Ask4 (Midco1) Limited (Registered number: 10848565)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 October 2022

32. 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 Nordics Limited	12119059
Ask4 Germany Limited	09648336
Ask4 Ireland Limited	09492654
Ask4 Netherlands Limited	12117509
Ask4 Poland Limited	10694121
Ask4 Portugal Limited	10733573
Ask4 France Limited	12889646
Ask4 Italy Limited	12855976
Ask4 Europe Limited	09458923
Metronap Limited	05751782
Ask4 Business Limited	03614661
Ask4 Integrated Services Limited	11848101
Ask4 Data Centres Limited	07945470

The outstanding liabilities at 31 October 2022 of the above named subsidiaries have been guaranteed by the Company pursuant to s479A to s479C of the Act.

33. RELATED PARTY TRANSACTIONS

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

Amounts due to/from related parties

At the reporting date Ask4 (Midco1) Limited is owed £nil (2021: £10,657) by Ask4 Business Limited.

There were no transactions recorded in the Ask4 (Midco1) Limited Income Statement with the entities named above in the current and prior period.

The Group is owed £541 by Utopi Limited and owe Utopi Limited £6,311 at the reporting date. Within the year the Group had sales of £40,811 (2021: £Nil) and purchases of £75,330 (2021: Nil) with Utopi. A Dutton is a director of both Ask4 Limited and Utopi Limited.

34. 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 £280,670 (2021: £231,861). Contributions totalling £23,880 (2021: £17,294) were payable to the fund at the reporting date and are included in creditors.

35. 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.