

Report of the Directors and

Audited Financial Statements for the Year Ended 31 March 2021

for

Highland Network Limited



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for the Year Ended 31 March 2021

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Highland Network Limited

Company Information

for the Year Ended 31 March 2021

**DIRECTORS:**

D J Siegel  
D Alldritt  
K Macleod  
J Fletcher  
R Gilbert  
C Goodman

**REGISTERED OFFICE:**

Oykel House  
Cradlehall Business Park  
Inverness  
INVERNESS-SHIRE  
IV2 5GH

**REGISTERED NUMBER:**

SC154414 (Scotland)

**AUDITORS:**

Saffery Champness LLP, Chartered Accountants  
Statutory Auditors  
Kintail House  
Beechwood Park  
Inverness  
INVERNESS-SHIRE  
IV2 3BW

**BANKERS:**

Bank of Scotland  
Inverness City Branch  
PO Box 1000  
Inverness  
BX2 1LB

Report of the Directors  
for the Year Ended 31 March 2021

The directors present their report with the financial statements of the company for the year ended 31 March 2021.

**PRINCIPAL ACTIVITY**

The company is a business to business communications service provider supporting a partner channel and thousands of end-user customers with a wide range of progressive and transformational connectivity and telecommunications products and services.

**EVENTS SINCE THE END OF THE YEAR**

On 9 April 2021 HNT Bidco Limited - Company No: 13207430 acquired 100% shareholding in Highland Network Limited.

**DIRECTORS**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

D M Siegel - resigned 9 April 2021  
D J Siegel  
D Alldritt  
K Macleod  
S MacRae - resigned 9 April 2021  
C Goodman - appointed 9 April 2021  
R Gilbert - appointed 9 April 2021  
J Fletcher - appointed 9 April 2021

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

Company law requires 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 Accounts 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 of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Highland Network Limited (Registered number: SC154414)

Report of the Directors  
for the Year Ended 31 March 2021

**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 company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Saffery Champness LLP, Chartered Accountants, will not be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**

.....  
D J Siegel - Director

Date: 20/12/2021

Report of the Independent Auditors to the Members of  
Highland Network Limited

**Opinion**

We have audited the financial statements of Highland Network Limited for the year ended 31 March 2021 which comprise the Income Statement, the Balance Sheet and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with the 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 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 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.

**Other information**

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

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 rise 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 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of  
Highland Network Limited

**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 where 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; or
- 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 from the requirement to prepare a Strategic Report and in preparing the Directors' Report.

**Responsibilities of directors**

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the company by discussions with directors and updating our understanding of the sector in which the company operates.

Laws and regulations of direct significance in the context of the company include The Companies Act 2006, and UK Tax legislation.

Report of the Independent Auditors to the Members of  
Highland Network Limited

**Audit response to risks identified:**

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our 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.

*Saffery Champness LLP*

Eunice McAdam (Senior Statutory Auditor)  
for and on behalf of Saffery Champness LLP, Chartered Accountants,  
Statutory Auditors  
Kintail House  
Beechwood Park  
Inverness  
IV2 3BW

Date: 21 December 2021  
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Highland Network Limited (Registered number: SC154414)

Income Statement  
for the Year Ended 31 March 2021

	<b>31/03/21</b>	<b>31/03/20</b>
	<b>£</b>	<b>£</b>
<b>TURNOVER</b>	11,362,234	11,828,428
Cost of sales	<u>(8,083,831)</u>	<u>(8,538,436)</u>
<b>GROSS PROFIT</b>	3,278,403	3,289,992
Administrative expenses	<u>(3,255,931)</u>	<u>(3,043,798)</u>
	22,472	246,194
Other operating income	<u>301,374</u>	<u>173,035</u>
<b>OPERATING PROFIT</b>	323,846	419,229
Interest receivable and similar income	<u>9,565</u>	<u>7,136</u>
	333,411	426,365
Interest payable and similar expenses	<u>(134,332)</u>	<u>(109,012)</u>
<b>PROFIT BEFORE TAXATION</b>	199,079	317,353
Tax on profit	<u>(41,880)</u>	<u>(118,008)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<u><u>157,199</u></u>	<u><u>199,345</u></u>

Highland Network Limited (Registered number: SC154414)

Balance Sheet

31 March 2021

	Notes	31/03/21 £	31/03/20 £
<b>FIXED ASSETS</b>			
Intangible assets	4	205,307	241,733
Tangible assets	5	<u>786,068</u>	<u>850,256</u>
		<u>991,375</u>	<u>1,091,989</u>
<b>CURRENT ASSETS</b>			
Stocks		79,322	71,917
Debtors	6	1,183,762	1,229,220
Cash at bank and in hand		<u>427,749</u>	<u>38,222</u>
		<u>1,690,833</u>	<u>1,339,359</u>
<b>CREDITORS</b>			
Amounts falling due within one year	7	<u>(2,073,856)</u>	<u>(2,008,192)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(383,023)</u>	<u>(668,833)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		608,352	423,156
<b>CREDITORS</b>			
Amounts falling due after more than one year	8	(9,149)	(142,430)
<b>PROVISIONS FOR LIABILITIES</b>		<u>(85,118)</u>	<u>(139,090)</u>
<b>NET ASSETS/(LIABILITIES)</b>		<u>514,085</u>	<u>141,636</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	2	2
Retained earnings		298,833	141,634
Share option reserve	14	<u>215,250</u>	<u>-</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>514,085</u>	<u>141,636</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 20/12/2021

and were signed on its behalf by:

  
D J Siegel - Director

The notes on pages 9 to 14 form part of these financial statements

Notes to the Financial Statements  
for the Year Ended 31 March 2021

**1. STATUTORY INFORMATION**

Highland Network Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with the provisions of Section 1A Small Entities of Financial Reporting Standard 102 "The Financial Reporting Standard" applicable in the UK and Republic of Ireland and the Companies Act 2006. The financial statements have been prepared under historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

**Going Concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for a period of at least 12 months from signing the financial statements. The directors do not expect COVID 19 to have a significant impact on the business as income is derived from essential telecoms services, with income being predominately recurring revenue. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

**Turnover**

Turnover represents net invoiced sales of goods and services, excluding value added tax.

**Government Grants**

Government grants are recognised when it is reasonable to expect that the grants will be received and that all related conditions will be met, usually on submission of a valid claim for payment.

Grants of a revenue nature are credited to the income so as to match them with the expenditure to which they relate.

**Goodwill**

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its useful economic life of 4 - 10 years. Goodwill is reviewed annually by the directors for any impairment.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Telecoms subscriptions are being amortised evenly over their estimated useful life of ten years.

IP addresses are being amortised evenly over their estimated useful life of twenty years.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Communicator and Horizon	- 33% straight line
Fixtures and fittings	- 15% on reducing balance and 10% straight line
Network assets	- 10% straight line
Computer equipment	- 33% straight line

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Notes to the Financial Statements  
for the Year Ended 31 March 2021

**2. ACCOUNTING POLICIES - continued**

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Leasing**

Tangible fixed assets acquired under finance leases or hire purchase contracts are capitalised and depreciated in the same manner as other tangible fixed assets. The related obligations, net of future finance charges, are included in creditors.

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period in which they relate.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 44 (2020 - 45).

Notes to the Financial Statements  
for the Year Ended 31 March 2021

4. INTANGIBLE FIXED ASSETS

	Goodwill £	Telecoms subscriptions £	IP addresses £	Website development £	Totals £
<b>COST</b>					
At 1 April 2020	567,890	323,040	135,887	-	1,026,817
Additions	-	-	-	4,832	4,832
Disposals	-	(30,000)	-	-	(30,000)
At 31 March 2021	<u>567,890</u>	<u>293,040</u>	<u>135,887</u>	<u>4,832</u>	<u>1,001,649</u>
<b>AMORTISATION</b>					
At 1 April 2020	567,890	193,892	23,302	-	785,084
Amortisation for year	-	25,807	6,794	282	32,883
Eliminated on disposal	-	(21,625)	-	-	(21,625)
At 31 March 2021	<u>567,890</u>	<u>198,074</u>	<u>30,096</u>	<u>282</u>	<u>796,342</u>
<b>NET BOOK VALUE</b>					
At 31 March 2021	<u>-</u>	<u>94,966</u>	<u>105,791</u>	<u>4,550</u>	<u>205,307</u>
At 31 March 2020	<u>-</u>	<u>129,148</u>	<u>112,585</u>	<u>-</u>	<u>241,733</u>

Included in the carrying amount of IP Addresses held at 31 March 2021 was £52,347 (2020: £55,296) in respect of the assets held under finance leases. The amortisation charge for the year was £2,949 (2020: £2,949) in respect of these assets.

5. TANGIBLE FIXED ASSETS

	Communicator and Horizon £	Fixtures and fittings £	Network assets £	Computer equipment £	Totals £
<b>COST</b>					
At 1 April 2020	60,972	605,086	1,231,998	152,559	2,050,615
Additions	-	8,101	39,341	58,467	105,909
Disposals	-	-	-	-	-
At 31 March 2021	<u>60,972</u>	<u>613,187</u>	<u>1,271,339</u>	<u>211,026</u>	<u>2,156,524</u>
<b>DEPRECIATION</b>					
At 1 April 2020	56,614	385,661	619,114	138,970	1,200,359
Charge for year	4,358	46,995	92,785	25,959	170,097
Eliminated on disposal	-	-	-	-	-
At 31 March 2021	<u>60,972</u>	<u>432,656</u>	<u>711,899</u>	<u>164,929</u>	<u>1,370,456</u>
<b>NET BOOK VALUE</b>					
At 31 March 2021	<u>-</u>	<u>180,531</u>	<u>559,440</u>	<u>46,097</u>	<u>786,068</u>
At 31 March 2020	<u>4,358</u>	<u>219,425</u>	<u>612,884</u>	<u>13,589</u>	<u>850,256</u>

Notes to the Financial Statements  
for the Year Ended 31 March 2021

**5 TANGIBLE FIXED ASSETS - continued**

Included in the carrying amount of Fixtures and Fittings held at 31 March 2021 was £0 (2020: £114,909) in respect of assets held under finance and hire purchase leases. The depreciation charge for the year was £0 (2020: £20,278) in respect of these assets.

Included in the carrying amount of Network Assets held at 31 March 2021 was £29,051 (2020: £67,744) in respect of assets held under finance and hire purchase leases. The depreciation charge for the year was £3,486 (2020: £8,741) in respect of these assets.

Included in the carrying amount of Computer Equipment held at 31 March 2021 was £28,496 (2020: £0) in respect of assets held under finance and hire purchase leases. The depreciation charge for the year was £11,118 (2020: £10,250) in respect of these assets.

**6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31/03/2021	31/03/2020
	£	£
Trade debtors	332,289	378,862
Other debtors	128,713	154,576
Directors' loan accounts	397,627	290,268
Accrued income	122,822	165,718
Prepayments	202,311	239,796
	<u>1,183,762</u>	<u>1,229,220</u>

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31/03/2021	31/03/2020
	£	£
Other loans	187,500	232,458
Finance leases (see note 9)	31,652	36,976
Trade creditors	734,549	969,453
Corporation tax	95,852	107,528
Social security and other taxes	46,710	44,625
VAT	417,457	202,593
Other creditors	12,731	58,451
Deferred income	243,480	67,798
Accrued expenses	303,925	288,310
	<u>2,073,856</u>	<u>2,008,192</u>

The Bank of Scotland holds a bond and floating charge over the whole assets of the company.

**8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31/03/2021	31/03/2020
	£	£
Other loans - 2-5 years	-	125,000
Finance leases (see note 9)	9,149	17,430
	<u>9,149</u>	<u>142,430</u>

Notes to the Financial Statements  
for the Year Ended 31 March 2021

**9. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	<b>Finance leases</b>	
	<b>31/03/2021</b>	<b>31/03/2020</b>
	<b>£</b>	<b>£</b>
Net obligations repayable:		
Within one year	31,652	36,976
Between one and five years	9,149	17,430
	<u>40,801</u>	<u>54,406</u>

	<b>Non-cancellable operating leases</b>	
	<b>31/03/2021</b>	<b>31/03/2020</b>
	<b>£</b>	<b>£</b>
Total commitment	<u>1,594,165</u>	<u>826,133</u>

**10. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>31/03/2021</b>	<b>31/03/2020</b>
	<b>£</b>	<b>£</b>
Other loans	187,500	357,458
Finance leases	40,801	54,406
	<u>228,301</u>	<u>411,864</u>

**11. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			<b>2021</b>	<b>2020</b>
Number:	Class:	Nominal Value:	<b>£</b>	<b>£</b>
2,000	Ordinary	£0.001	<u>2</u>	<u>2</u>

Notes to the Financial Statements  
for the Year Ended 31 March 2021

**12. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to directors subsisted during the years ended 31 March 2021 and 31 March 2020:

	31/03/2021	31/03/2020
	£	£
<b>D M Siegel</b>		
Balance outstanding at start of year	138,665	58,973
Amounts advanced	88,168	317,192
Amounts repaid	-	(237,500)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>226,833</u>	<u>138,665</u>
<b>D J Siegel</b>		
Balance outstanding at start of year	151,603	143,447
Amounts advanced	19,467	8,629
Amounts repaid	(276)	(473)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>170,794</u>	<u>151,603</u>

Loans to directors were subject to an interest charge of 2.5% (2020: 2.5%) per annum.

**13. ULTIMATE CONTROLLING PARTY**

The company was under the control of Messrs D M and D J Siegel throughout the present and previous year.

**14. SHARE BASED PAYMENT TRANSACTIONS**

125 £0.001 Enterprise Management Incentive (EMI) share options each were granted to participating employees on 21 May 2015. The exercise price is £442 per option share and the options are constituted by the share option agreement. Three employees participate in the EMI share scheme, with each employee obtaining options of over 5 % of the company's shareholding.

The EMI option scheme is an equity-settled share-based payment transaction. As required by Section 26 of the accounting standard FRS102 an assessment of the fair value of the EMI options was carried out by the directors. Following the fair value assessment it was determined that an adjustment to the value of £215,250 was required to be provided at 31st March 2021.

The EMI share options were exercised on 7 April 2021.

**15. POST BALANCE SHEET EVENT**

On 9 April 2021 HNT Bidco Limited - Company No: 13207430 acquired 100% shareholding in Highland Network Limited.