

Wireless Logic Limited

Annual report for the year ended 30th April 2021

Company number: 03880663



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Company information

Directors

Oliver Robert Stewart Tucker
Richard Miller

Company secretary

Richard Miller

Company number

03880663

Registered office

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Honey Lane
Hurley
Maidenhead
Berkshire
SL6 6RJ
United Kingdom

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
3 Forbury Place
23 Forbury Road
Reading
Berkshire
RG1 3JH
United Kingdom

Strategic report

For the year ended 30th April 2021

The directors present their strategic report on the company for the year ended 30th April 2021.

Review of the business

Wireless Logic Limited is a leading Machine-to-Machine (“M2M”) and Internet of Things (“IOT”) managed services platform provider. The business provides cloud-based management and monitoring platforms for M2M and IOT assets across multiple international mobile network and satellite operators.

We are Europe’s leading M2M and IOT managed services provider, delivering a one-stop solution combining secure infrastructure, resilient software platforms and multiple network connectivity. In partnership with major mobile and satellite networks, we provide best-in-class managed services to end user clients as well as solution and application providers – from global blue-chip organisations to small and medium enterprises.

Fundamental to our success is our ability to develop and deliver tailored PaaS and IaaS solutions designed to meet the needs of an ever demanding and evolving market where reliability, cost-effectiveness, SLAs and sector knowledge are vital. The Wireless Logic group, of which this company is a part of, is globally recognised within the M2M and IOT sectors as well as being a preferred partner to many of the world’s Mobile Network Operators (MNOs). We continue to push the boundaries as the market evolves – providing managed services, connectivity and related solutions to millions of devices.

The results for the year ended 30th April 2021 show like for like revenue increase to £51.9m (2020: £50.7m) up 2.4%, further details of which are given in note 4. EBITDA before exceptional items increased by 11.1% to £20m (2019: £18m). Operating profit for the year decreased by 32% to £7.7m (2020: £11.3m) due largely to an increase in amortisation and exceptional items as detailed in note 5.

At the year end, the company had net assets of £82.1m (2020: £74.6m) and remains in a strong position and well placed to continue to grow.

Strategy

The strategy of the company has been focussed on growing the business geographically and continuing to broaden the services it offers to customers. Geographically, as at 30th April 2021, the company had operating subsidiaries in France, Spain, Germany, the Netherlands, China and Norway; and served the needs of customers across some 40 countries.

In terms of services, SIMPro offers customers a unique and differentiated feature rich platform to enable them to manage their assets across multiple networks. We continue to add further additional services to SIMPro in order to meet the growing needs of our customer base.

The long-term strategy of the company is to be the leading M2M and IOT global managed services platform provider.

Strategic report (continued)

Objectives

The business objectives for the year included increasing EBITDA before exceptional costs, which grew by 11.1% during the year and growing the base of subscriptions in-line with the budget. Base subscriptions grew by 7% during the year, achieving budget.

As well as meeting our objectives, Wireless Logic Limited continues to be recognised by Megabyte as one of the leading technology companies in England.

Business model

Our business model is built around the core strategic themes of supporting our global customers, innovation and delivering profitable growth.

We benefit from a subscription based revenue stream which provides a high degree of visibility of future performance. We continue to invest in the infrastructure that enables us to deliver robust and reliable services to end users, who often use what we provide to support activities that are mission critical within their own businesses. We also invest significant amounts into the intangible assets within the business, including the technical and intellectual property behind the platforms and solutions we offer.

Future outlook

The future outlook for the industry and the company remains positive. Analysis and forecasts of the M2M and IOT markets, by external industry experts, show continued growth, as the end uses to which the technology is put, continue to expand. Furthermore, the applications to which M2M and IOT technologies are being applied, continue to become more sophisticated, and more data intensive. This increases the need for both the resilient private infrastructure and the platforms we offer, to enable customers to manage their growing estate of devices.

The COVID-19 pandemic has had a significant impact on the global economy and the way in which businesses operate. The company has not furloughed any staff and transitioned well to remote working. Customer services were maintained at a very high level throughout and no additional technical issues were encountered. There was increased sales activity immediately before lock-downs across the countries in which we operate, followed by a slightly reduced level of new business during lock-down.

The company has continued to support customers who have been significantly affected because they have faced difficult trading conditions. Fortunately, the company is limited to a relatively small number and the support has largely taken the form of extending payment terms. The results for FY21 are impacted by reduced revenue from a small number of significant customers impacted by COVID but the company continues to grow in spite of these challenging conditions.

Exceptional Items

Exceptional costs incurred during the period related principally to mergers and acquisitions activity and a share based payment charge. Further details of these costs are disclosed in note 5.

Strategic report (continued)

Compliance with Section 172 of the Companies Act

A director of the company must act in accordance with a set of general duties. These duties are detailed in Section 172 of the Companies Act 2006, summarised as follows:

Long term risk management

The company operates within the wider Wireless Logic group whose business and risk environment continues to develop as it grows. We regularly review the primary risks set out on page 7 which include focus on our stakeholders across both customers and suppliers as well as managing financial exposures. The group continues to identify, evaluate, manage and mitigate emerging risks as they appear, with the most prominent recent example being the management of COVID-19 as discussed previously. We continue to ensure we make financially sound long term decisions to support the group which requires careful review of results and forecasts including cash flows. Major investments are reviewed to ensure they are aligned to the long term success of the group through alignment to our strategic goals. This focused investment ensures that we continue to provide secure infrastructure, resilient software platforms and multiple network connectivity through continued investment in technology, supporting our customer base through the long term success of the group. The risk management methodology and outputs of management's risk reviews are reviewed by the Board on a regular basis.

Engagement with employees

The company has committed to being a responsible business and the directors also recognise that employees are essential to our business and the delivery of our strategic goals stated above. Our behaviour is aligned to the expectations of our employees, ensuring we operate as a responsible employer with regards to pay, benefits and health and safety. We proactively manage our people's performance and focus on developing talent within the company whilst also attracting talent for exciting career opportunities in the UK and Europe. We thoroughly believe that embracing diversity in all its forms makes us stronger as a company; our broad-based and talented teams help us to stay agile and move faster than others in the market.

Impact on the community and environment

The company remains aware of its potential impact on the communities it operates within, maintaining a low environmental impact as disclosed within our 'Streamlined Energy & Carbon Reporting' and focusing on support for our communities through our employees. Through creating an opportunity for our employees to thrive many initiatives are started at a local level to support our communities and these are both celebrated and encouraged by the directors.

Strategic report (continued)

Compliance with Section 172 of the Companies Act (continued)

Business relationships with suppliers, customers and others

The company is aligned with the wider group's core strategic theme of our business model focuses on supporting our global customers and as a board we continue to review customer focused KPIs on a regular basis to ensure customer relationships remain at the forefront of what we do. We aim to build strong and close local relationships. Speaking a local 'language' – i.e. how we say something, not just what we impart, is one of the reasons why Wireless Logic has been so successful to date. As we continue to expand, we hope to continue the diverse, passionate and driven way we work with our local business partners, supporting their needs as well as our own.

Maintaining a reputation for high standards of business conduct

The company places a large focus on maintaining its reputation for high standards of business conduct with all of its stakeholders. Management appreciates this is underpinned by the need to act fairly between members of the company and all other stakeholders. Employees are reminded of their obligations to ensure this principle is applied to everything they do through regular updates on Anti Bribery and Corruption standards as well as detailed related policies on equal opportunities, whistleblowing and anti-slavery and human trafficking without the employee handbook.

Principal risks and uncertainties

The principal risks facing the business and details of how we mitigate these risks are set out below.

- **Supplier relationships** – Our relationships with the leading mobile network operators are important to our on-going success. We are an important channel and route to market for them and we mitigate the risk of these relationships being damaged through close and frequent contact.
- **Technology** – The M2M and IOT markets are largely based around the use of SIM card technology. Whilst this technology may change, the need for machines to be connected is forecast to increase significantly. Any technology risks are mitigated through the use of our flexible platforms which enable us to accommodate changes in the technology underlying M2M and IOT connectivity, and the fact that we are bearer service agnostic.
- **Customers** – The business has a customer base across a large number of industries, and no single customer accounted for more than 7.1% of the gross profit. Furthermore, the contracted subscription nature of our revenue provides a high degree of visibility of income.
- **COVID-19** – there is continued concern of the macro-economic impact of the COVID-19 pandemic. COVID-19 has, as expected, created some new opportunities for the company with, for example, solutions focussed on foot-fall management in retail environments and overall, the company is confident COVID-19 will have a limited impact but we remain cautious to the risk of the wider economic conditions to our customers.

Strategic report (continued)

Brexit

The company has operations and subsidiaries across continental Europe and has managed the Brexit transition with minimal impact. In continental Europe the company's subsidiaries work with local mobile network operators and sell largely to local customers, with transactions denominated in Euros, Danish or Norwegian Krona. We don't manufacture physical products and cross border movements are limited to a relatively small number of SIM cards. The company has published guidance on Brexit on our website. We have so far seen the direct impact of Brexit on the company to be minimal as expected.

Key Performance Indicators

Management adopts a number of indicators to measure and monitor the overall performance of the company, which include:

- Revenue on a like for like basis increased to £51.9m (2020: £50.7m) up 2.4% alongside a 7% increase in base subscriptions,
- EBITDA which increased by 11.1% to £20m (£18m 2020) in the year,
- gross margin increased by 6% to 55% (49% 2020) and
- cash conversion, which was 82% including exceptional items, 105% excluding exceptional items (106% in 2020).

A budget is set each year and monthly performance, including the key performance indicators above, are monitored against budget. For the year ended 30th April 2021, the company exceeded budget and performed strongly against key performance indicators. In addition, the company looks closely at non-financial key performance indicators, such as staff and customer satisfaction.

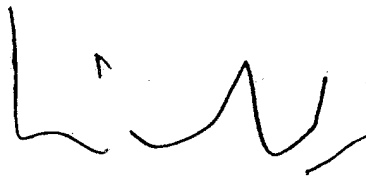
Strategic report (continued)

Principal risks and uncertainties (continued)

Corporate and Social Responsibility

Throughout the year the company supported a number of initiatives including charitable work undertaken by staff. Our employment policies are reviewed regularly and designed to enable the management team to identify and respond to issues that are important to the company's employees, as well as to recruit and develop a diverse and talented group of people. We consider and report on the environmental impact of the company's activities but, as a largely services-based business, we don't have any manufacturing or logistics operations that are energy intensive.

On behalf of the Board



Oliver Robert Stewart Tucker
Director
3rd February 2022

Directors' report

For the year ended 30th April 2021

The directors present their report together with the audited financial statements for the year ended 30th April 2021.

Stakeholder engagement

The company is required by the Companies Act 2006 to set out the development and performance of the business of the company during the year ended 30th April 2021, the position of the company at 30th April 2021 and a description of the principal risks and uncertainties facing the company. By reference to the Strategic report the following information is given:

- Review of the business;
- Environmental reporting;
- Risk management and principal risks; and
- Customer, supplier and wider stakeholder engagement;

Where appropriate additional detail on some risks and areas of focus is included below as well as required disclosures on going concern and principal activities of the company.

Principal activities

The company is principally engaged in the provision of managed services in the Machine-to-Machine ("M2M") and Internet of Things ("IOT") sectors.

Results

The directors are pleased to present another strong set of results. As explained in the Strategic Report, EBITDA increased to £20m (£18m 2020) in the year, gross margin increased to 54% (49% 2020) and cash conversion was 82% including exceptional items, 105% excluding exceptional items (106% in 2020).

The directors believe the outlook for the industry, and the company, remains positive, as indicated in the strategic report. The strategy of the company is focussed on growth, both geographically and by broadening the services it offers to customers. We'll continue to achieve this through organic growth, managing our customer base and continuously investing in our SIMPro platform, as well as in the team that supports and develops this, to ensure we offer market leading services to our customers.

The directors would like to thank all our customers, suppliers, partners and employees for their support in the year.

The results for the year and financial position of the company are shown in the annexed financial statements.

Exceptional administrative expenses of £9.1m (2020: £3.9m) reported in the year were largely driven by acquisition related expenses, deferred consideration and a share based payment charge as detailed in note 5.

Directors' report (continued)

Matters covered in the Strategic Report

Disclosure of the company's Business Review, Future Developments, Principal Risks and Uncertainties and Key Performance Indicators is provided in the Strategic Report.

Dividends

No dividends were proposed, paid or received during the year (2020: £nil).

Financial Risk Management

The company's operations expose it to a variety of financial risks that include the effects of changes in foreign exchange rates, interest rate cash flow risk, credit risk and liquidity risk. The group, of which Wireless Logic Limited is a part, has in place a risk management programme that seeks to limit any adverse effects on the financial performance of the group.

Foreign exchange risk

The company is exposed to movements in foreign exchange rates as a result of transactions with customers and suppliers outside the UK. The company manages the foreign exchange rate risk by transacting in local currencies, where practical and maintaining foreign currency bank accounts.

Credit risk

In order to manage credit risk with customers, the directors set credit limits based on a combination of trading, payment history, market knowledge and third-party credit references. Credit limits are reviewed on a regular basis in conjunction with customer's debt ageing and collection history.

Liquidity risk

The company manages its liquidity position with the objective of maintaining the ability to fund commitments and repay liabilities in accordance with their required terms. The financing of operations is managed at a group level. Management have reviewed the group's forecast cash position and continued covenant compliance. The directors have concluded that, based on the above, the group and therefore the company will continue to be able to meet its liabilities as they fall due for a period of at least 12 months from the date of the approval of these financial statements.

Directors

The company has purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its directors. The policy permitted by the Articles of Association gives the directors the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006.

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

Oliver Robert Stewart Tucker
Richard Miller

Directors' report (continued)

Streamlined Energy & Carbon Reporting

During the financial year ended 30th April 2021, the company met the energy use and carbon emissions threshold as set by the Department for Business, Energy and Industrial Strategy (BEIS).

The entity has no direct emissions (scope 1) from direct use of transport as third parties are used and no combustion of natural gas. The entity estimates it has used 17,114 kg CO₂e (2020: 19,500 kg CO₂e) from electricity in operations through the running of its office in Hurley, Maidenhead following review of electricity bills received (scope 2). The indirect emissions (scope 3) identified within the entity are related to business miles from cars and flights of 1,992 kg CO₂e (2020: 29,725 kg CO₂e).

Emission source	Year ended 30 th April 2021 kg CO ₂ e	Year ended 30 th April 2020 kg CO ₂ e
Energy purchased for own use:		
Electricity	17,114	19,500
Scope 2 greenhouse gas emissions	17,114	19,500
Indirect emissions		
Business miles	1,992	29,725
Scope 3 greenhouse gas emissions	1,992	29,725
Total	19,106	49,225
Intensity ratio (kg CO₂e / UK FTE)	177	529

The information above has been prepared internally using electricity bills and employee expense claims as inputs and then calculated using the Government's Environmental Reporting Guidelines and the emission factors taken from the UK Government CHG Conversion Factors 2021. UK FTE is 101 (2020: 93) as reported in note 7. The company continues to look for opportunities to reduce its emissions however due to the already low emissions reported above aligned to the nature of its business, minimal quantifiable action has been taken in the year to 30th April 2021.

Directors' report (continued)

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual report for the year ended 30th April 2021 and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

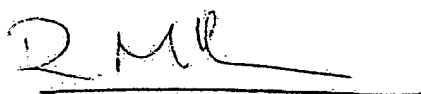
In the case of each director in office at the date the directors' report is approved:

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

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

On behalf of the Board



Richard Miller

Director

Wireless Logic Limited Registered number 03880663

3rd February 2022

Independent auditors' report to the members of Wireless Logic Limited

Report on the audit of the financial statements

Opinion

In our opinion, Wireless Logic Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report for the year ended 30th April 2021 (the "Annual Report"), which comprise: Statement of Financial Position as at 30 April 2021; Statement of Comprehensive Income, Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

Reporting on other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are

required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

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

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 30 April 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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 extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with UK tax regulations and with UK Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries; omitting, advancing or delaying recognition of events and transactions which have occurred during the reporting period; and management bias in accounting estimates or judgements to manipulate the results. Audit procedures performed by the engagement team included:

- Discussing with Wireless Logic Limited's management whether they are aware of known, suspected or alleged instances non-compliance with laws and regulations or fraud.
- Evaluating management's controls designed to prevent and detect irregularities.
- Reviewing board meeting minutes.
- Challenging assumptions and judgements made by management in their significant accounting estimates and judgements.

Wireless Logic Limited – Year ended 30th April 2021

- Identifying and testing journal entries based on our risk assessment and evaluating whether there was evidence of management bias that represents a risk of material misstatement due to fraud.
- Incorporating elements of unpredictability into the audit procedures performed.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. 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 for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



David Beer (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Reading
4 February 2022

Statement of Comprehensive Income for the year ended 30th April 2021

	Note	2021 £'000	2020 £'000
Revenue	4	51,931	52,177
Cost of sales		(23,909)	(26,644)
Gross profit		28,022	25,533
Distribution costs		(81)	(77)
<i>Administrative expenses excluding exceptional items</i>		(7,985)	(7,473)
Amortisation	11	(2,810)	(2,220)
Depreciation	12	(389)	(509)
Exceptional expenses	5	(9,089)	(3,935)
Total Administrative expenses		(20,273)	(14,137)
Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA) before exceptional costs		19,956	17,983
Operating profit	6	7,668	11,319
Profit before interest and taxation		7,668	11,319
Finance income	8	2,965	1,981
Finance costs	8	(3,551)	(976)
Net finance (expense) / income		(586)	1,005
Profit before income tax		7,082	12,324
Income tax (charge)/credit	9	(969)	17
Profit for the financial year		6,113	12,341
Total comprehensive income for the year		6,113	12,341

The notes on pages 20 to 35 are an integral part of these financial statements.

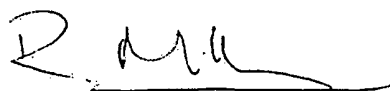
Statement of Financial Position as at 30th April 2021

	Note	2021 £'000	2020 £'000
Non-current assets			
Investments	10	117,799	19,633
Intangible assets	11	4,857	4,177
Property, plant and equipment	12	1,350	1,240
Deferred tax assets	18	2	49
		124,008	25,099
Current assets			
Inventories	13	271	123
Trade and other receivables	14	88,852	71,197
Cash and cash equivalents		814	5,622
		89,937	76,942
Current liabilities			
Trade and other payables: amounts falling due within one year	15	(128,060)	(26,446)
Provisions	16	(1,100)	-
		(129,160)	(26,446)
Net current (liabilities) / assets		(39,223)	50,496
Total assets less current liabilities		84,785	75,595
Non-current liabilities			
Trade and other payables: amounts falling due after more than one year	17	(2,673)	(971)
Net assets		82,112	74,624
Equity			
Called up share capital	19	6	6
Share premium account	19	744	744
Retained earnings		81,362	73,874
Total shareholders' funds		82,112	74,624

The notes on pages 20 to 35 are an integral part of these financial statements.

The financial statements on pages 17 to 35 were approved by the board of directors and were signed on its behalf by:

Richard Miller
Director



Wireless Logic Limited
Registered number 03880663
3rd February 2022

Statement of changes in equity for the year ended 30th April 2021

	Note	Called-up share capital £'000	Share premium £'000	Retained earnings £'000	Total Shareholders' funds £'000
Balance as at 1st May 2019		6	744	60,158	60,908
Profit for the financial year		-	-	12,341	12,341
Total comprehensive income for the year		-	-	12,341	12,341
Share based payment		-	-	1,375	1,375
Balance as at 30th April 2020		6	744	73,874	74,624
Profit for the financial year		-	-	6,113	6,113
Total comprehensive income for the year		-	-	6,113	6,113
Transactions with owners recognised directly in equity:					
Share based payment		-	-	1,375	1,375
Total transactions with owners recognised directly in equity		-	-	1,375	1,375
Balance as at 30th April 2021	19	6	744	81,362	82,112

The notes on pages 20 to 35 are an integral part of these financial statements.

Notes to the financial statements for the year ended 30th April 2021

1 General information

Wireless Logic Limited is a leading Machine-to-Machine (“M2M”) and Internet of Things (“IOT”) managed services platform provider. The business provides cloud based management and monitoring platforms for M2M and IOT assets across multiple international mobile network and satellite operators.

The company is a private company limited by shares and is incorporated and domiciled in England, United Kingdom. The address of its registered office is Horizon Honey Lane, Hurley, Maidenhead, Berkshire, SL6 6RJ, England.

2 Summary of significant accounting policies

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

2.1 Basis of preparation

The financial statements of Wireless Logic Limited have been prepared in accordance with Financial Reporting Standard 101, ‘Reduced Disclosure Framework’ (FRS 101). The financial statements have been prepared under the historical cost convention, in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraphs 45(b) and 46 to 52 of IFRS 2, ‘Share-based payment’ (details of the number and weighted average exercise prices of share options, and how the fair value of goods or services received was determined).
- IFRS 7, ‘Financial instruments: Disclosures’.
- Paragraph 101p8(e) & paragraphs 91 to 99 of IFRS 13, ‘Fair value measurement’ (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- Paragraph 38 of IAS 1, ‘Presentation of financial statements’ – comparative information requirements in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16, ‘Property, plant and equipment’; and
 - paragraph 118(e) of IAS 38, ‘Intangible assets’ (reconciliations between the carrying amount at the beginning and end of the period).
- The following paragraphs of IAS 1, ‘Presentation of financial statements’:
 - – 10(d) (statement of cash flows);
 - – 16 (statement of compliance with all IFRS);
 - – 38A (requirement for minimum of two primary statements, including cash flow statements);
 - – 38B–D (additional comparative information);
 - – 111 (cash flow statement information); and
 - – 134–136 (capital management disclosures).

Notes to the financial statements for the year ended 30th April 2021 (continued)

2 Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

- IAS 7, 'Statement of cash flows'.
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation).
- The requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group.

2.2 Share Based Payments

In accordance with IFRS 2 'Share-based Payment', the fair value of shares held by employees has been estimated at the date of their issue using a future earnings valuation model. This is accounted for as an equity settled share based payment scheme. The related charge is recognised on a straight line basis over the vesting period as an exceptional cost in the Statement of Comprehensive Income, with a corresponding increase in equity.

2.3 Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements. Further details to the risks, including COVID-19 and liquidity risks, are detailed in the Strategic and Directors' reports.

2.4 Consolidation

The company is a wholly owned subsidiary of Wireless Logic Group Limited and of its ultimate parent Blue Topco Limited. It is included in the consolidated financial statements of Blue Holdco Limited which are publicly available from Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ England. Therefore, the company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements for the year ended 30th April 2021.

These financial statements are separate financial statements.

2.5 Revenue recognition

Revenue is the total amount receivable by the company for goods and services provided, excluding VAT and trade discounts. Revenue on airtime is recognised as incurred by customers. Revenue is principally derived from the company's principal activities of M2M and IOT managed services, which the directors consider comprise a single class of business and arose within the United Kingdom. A very small amount of revenue (3%) is derived from the sale of related hardware.

Notes to the financial statements for the year ended 30th April 2021 (continued)

2 Summary of significant accounting policies (continued)

2.6 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in 'Pounds Sterling' (£'000), which is also the company's functional currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income within 'Administrative expenses.'

2.7 Exceptional

The company classifies as exceptional items certain charges that are not part of the indicative underlying trading result of the business, including one-off and non-recurring items, such that they have a material impact on the company's financial results. These are disclosed separately to provide further understanding of the financial performance of the company accordingly.

2.8 Employee benefits

The company operates an auto enrolment pension scheme which takes effect after the probation period is completed. Contributions payable to the company's pension scheme are charged to the profit or loss in the period to which they relate.

After a full years' service, the employee is also eligible to join the private healthcare insurance, subject to P11D tax deduction. Contributions payable to the healthcare insurance are charged to the Statement of Comprehensive Income in the period to which they relate.

2.9 Interest income

Interest income is recognised using the effective interest method. When a loan or receivable is impaired, the company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loans and receivables is recognised using the original effective interest rate.

2.10 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Notes to the financial statements for the year ended 30th April 2021 (continued)

2 Summary of significant accounting policies (continued)

2.10 Current and deferred income tax (continued)

Deferred income tax is recognised on temporary timing differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.11 Intangible assets

Subscriber acquisition assets relate to acquisitions of customer lists which are valued at cost. Amortisation is calculated to write down the cost of customer connections by equal annual instalments over the expected contract period, normally three years.

The company continues to develop and invest in the platform and services it provides to customers. Where development costs increase the intellectual property of the company and meet the necessary criteria, they are capitalised as intangible assets and amortised over a three-year period.

Software costs recognised as assets are amortised over their estimated useful lives, which does not exceed three years.

Amortisation is recognised in the Statement of Comprehensive Income within 'Administrative expenses'.

2.12 Property, plant and equipment

Property, plant and equipment are shown at original historical cost, net of depreciation and any provision for impairment. Depreciation is calculated to write down the cost, less estimated residual value, of all tangible fixed assets, by equal annual instalments over their expected useful lives. The rates generally applicable are:

Leasehold property	10%
Leasehold improvements	33%
Fixtures and fittings	33%
IT equipment	33%

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other income' in the Statement of Comprehensive Income.

Notes to the financial statements for the year ended 30th April 2021 (continued)

2 Summary of significant accounting policies (continued)

2.13 Inventory

Stocks are principally SIM cards and mobile devices/routers and are valued at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. Net realisable value is stated after taking account of manufacturing bonuses and support payments, which are deducted from cost of sales.

2.14 Trade and other receivables

Trade and other receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

2.15 Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

2.16 Cash and cash equivalents

Cash and cash equivalents include cash in hand and other short-term highly liquid investments with original maturities of three months.

2.17 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers or as part of intercompany transactions. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.18 Investments

Investments in subsidiary undertakings are recorded at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

2.19 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.20 Dividend distribution

Dividend distributions to the company's shareholders are recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

Notes to the financial statements for the year ended 30th April 2021 (continued)

2 Summary of significant accounting policies (continued)

2.21 Leases

The company's portfolio of leases relates to its property, there are immaterial leases in place for other office equipment.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of lease payments. The company's payments are fixed payments, less any lease incentives receivable. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the company uses the third-party financing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option. Low-value assets comprise IT equipment and small items of office furniture.

Extension and termination options

Extension and termination options where included, are used to maximise operational flexibility in terms of managing the assets used in the company's operations. The majority of extension and termination options held are exercisable only by the company and not by the respective lessor.

Notes to the financial statements for the year ended 30th April 2021 (continued)

3 Critical accounting estimates and judgements

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Impairment of trade receivables

The company makes an estimate of the recoverable value of trade and other receivables. When assessing impairment of trade and other receivables using the expected credit loss model, management considers factors including the nature of the charges, the ageing profile of receivables and historical experience. See note 14 for the net carrying amount of the receivables and associated impairment provision.

(b) Share-based payment

The company measures share based payments at fair value at their grant date in accordance with IFRS 2 'Share-based Payment'. The company calculates the fair value of the shares using a future earnings model, which estimates future EBITDA. The charge recognised in the Statement of Comprehensive Income is therefore inherently linked to this forecast and gives rise to a source of estimation uncertainty.

4 Revenue

All revenue arose within the United Kingdom, analysis of revenue by category

	2021 £'000	2020 £'000
Services	50,140	49,883
Sales of goods	1,791	805
	51,931	50,688
Service recharges	-	1,489
Total revenue	51,931	52,177

Included in revenue is prior year deferred revenue of £161k (2020: £138k).

During the year, certain service recharges were deemed to be more appropriately recognised as a reduction in overheads.

5 Exceptional expenses

The company classifies as exceptional items certain charges that are not part of the indicative underlying trading result of the business, including one-off and non-recurring items, such that they have a material impact on the company's financial results. These are disclosed separately to provide further understanding of the financial performance of the company accordingly.

Notes to the financial statements for the year ended 30th April 2021 (continued)**5 Exceptional expenses (continued)**

During the year, the exceptional items as detailed below have been included within administrative expenses in the statement of comprehensive income.

	2021	2020
	£'000	£'000
Exceptional costs relating to mergers and acquisitions activity	3,691	443
Exceptional costs relating to strategic initiatives	671	1,510
Exceptional expenses relating to share based payment	1,375	1,375
Exceptional expenses relating to deferred consideration	1,290	-
Exceptional expenses relating to legal disputes	1,100	-
Other	962	607
	9,089	3,935

As part of Montagu's acquisition of the Wireless Logic group in July 2018, management purchased shares in the group's ultimate parent. The shares were valued on the date of their issue using a future earnings model, which includes forecast EBITDA as a critical estimate. The resulting expense is recognised in accordance with IFRS 2 as an equity settled share based payment charge. This is being spread over the estimated vesting period of four years. Exceptional expenses relating to legal disputes in the year arose due to claims and other legal disputes (2020: £nil).

6 Operating profit

	2021	2020
	£'000	£'000
Operating profit is stated after charging		
Wages and salaries	4,153	4,138
Social security costs	370	294
Other pension costs	59	52
Staff costs	4,582	4,484
Exceptional administrative expenses (note 5)	9,089	3,935
Depreciation of tangible fixed assets (note 12)		
- Owned assets	389	509
Amortisation of intangible assets (note 11)		
- Subscriber acquisition	983	886
- Development	1,578	1,090
- Software	249	244
Services provided by the company's auditors		
Fees payable for the audit	247	90
Fees payable for other assurance related services (disclosed in exceptionals)	482	50
Fees payable for tax advisory service	177	60

Notes to the financial statements for the year ended 30th April 2021 (continued)

7 Employees and directors

The average monthly number of persons (including executive directors) employed by the company during the year was:

Employees

	2021	2020
By activity	No.	No.
Sales	50	48
Technical	36	33
Finance	15	12
	101	93

Directors

Directors' aggregate emoluments were £nil as they were borne by another group entity.

8 Finance income and costs

Finance income

	2021	2020
	£'000	£'000
Bank interest	-	8
Interest receivable from group companies	2,965	1,973
Total finance income	2,965	1,981

Finance costs

	2021	2020
	£'000	£'000
Interest payable to group companies	(3,503)	(919)
Other interest payable	(48)	(57)
Total finance costs	(3,551)	(976)

Notes to the financial statements for the year ended 30th April 2021 (continued)**9 Income tax expense/(credit)****Tax expense/(credit) included in statement of comprehensive income**

	2021	2020
	£'000	£'000
Current tax		
-Tax charge/(credit) on profits for the year	921	-
Total current tax charge	921	-
Deferred tax		
- Origination and reversal of timing differences	36	(13)
- Adjustment in respect of previous periods	12	-
- Impact of change in tax rate	-	(4)
Total deferred tax	48	(17)
Tax charge/(credit) on profit	969	(17)

The tax charge for the year of £969k is lower (2020 tax credit £17k) than the resulting charge when applying the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

	2021	2020
	£'000	£'000
Profit on ordinary activities before tax	7,082	12,324
Profit on ordinary activities multiplied by standard rate in the UK 19% (2019: 19%)	1,346	2,342
Effects of:		
- Expenses not deductible for tax purposes	1,757	825
- Group relief	(2,146)	(3,180)
- Prior year adjustment	12	-
- Tax rate changes	-	(4)
Tax charge/(credit)	969	(17)

The standard rate of corporation tax in the UK was 19%, therefore 19% has been used in the reconciliation of the tax expense. UK deferred tax balances have been valued at 19% (2020: 19%).

Notes to the financial statements for the year ended 30th April 2021 (continued)**10 Investments**

	2021	2020
Company	£'000	£'000
At 1 st May 2020	19,633	7,737
Additions	98,166	11,896
As at 30 th April 2021	117,799	19,633

In June 2020, the company incorporated and subscribed for 100% of the share capital of Wireless Logic China, a company incorporated in China. An additional subscription was made in March 2021 and the total cost of the subscription was £229k.

In November 2020, the company incorporated and subscribed for 100% of the share capital of Wireless Logic GmbH, a company incorporated in Austria. The total cost of the subscription was £32k.

On the 23rd November 2020, the company acquired 100% of the share capital of Datamobile AG a company incorporated in Liechtenstein. The total purchase consideration payable of £7,434k comprised an initial payment of £5,445k and a deferred and contingent consideration of £1,989k.

On the 9th of January 2021, the company acquired 100% of the share capital of Nexus Topco a company incorporated in England and Wales, and its subsidiaries for a total purchase consideration of £90,500k.

On the 6th of November 2020, the company incorporated and subscribed for the entire share capital of Wireless Logic Nordic Holding AS, a company incorporated in Norway. Subsequently, on the 21st of January 2021, Wireless Logic Nordic Holding AS acquired 100% of the share capital of Com4 A/S for a total purchase consideration of £33,273k comprising an initial payment of £21,803k and a deferred and contingent consideration of £11,470k.

The company directly holds share capital in the following companies.

Company name	Nature of the business	Registered Address	Class	%
Mdex GmbH	M2M Managed value added services and SMS provider	Bäckerberg 6, 22889 Tangstedt, Germany	Ordinary	100
Wireless Logic Holding BV	Intermediate holding company	Josink Maatweg 43, 754 PS Enschede, Nederland	Ordinary	100
Wireless Logic Holding France	Intermediate holding company	8 rue Saint-Augustin, 75002, Paris, France	Ordinary	100
Wireless Logic China	M2M Managed value added services and SMS provider	No11 Hehai East Road, Tianning District, Changzhou, China	Ordinary	100
Datamobile AG	M2M Managed value added services and SMS provider	Industriering 14, 9491 Ruggell, Lichtenstein	Ordinary	100
Wireless Logic GmbH	M2M Managed value added services and SMS provider	Untere Donaulande 21-25, 4020 Linz	Ordinary	100
Wireless Logic Nordic Holding AS	Intermediate holding company	Advokatfirmaet Selmer AS, Tjuvholmen alle 1, Oslo	Ordinary	100
Nexus Topco Limited	Intermediate holding company	Horizon, Honey Lane, Hurley, United Kingdom	Ordinary	100

Notes to the financial statements for the year ended 30th April 2021 (continued)**10 Investments (continued)**

The company indirectly holds share capital in the following companies.

Company name	Nature of the business	Registered Address	Class	%
IC3S International Holding GmbH	M2M Managed value added service provider	Bäckerberg 6, 22889 Tangstedt, Germany	Ordinary	100
M2M Blue Ventures BV	M2M Managed value added service provider	Josink Maatweg 42, 754 PS Enschede, Nederland	Ordinary	100
M2M Blue BV	M2M Managed value added service provider	Josink Maatweg 42, 754 PS Enschede, Nederland	Ordinary	100
BSS BV	M2M Managed value added service provider	Josink Maatweg 42, 754 PS Enschede, Nederland	Ordinary	100
Wireless Logic Benelux BV	M2M Managed value added service provider	Meerenakkerweg 1A, 5652 AR Eindhoven, The Netherlands	Ordinary	100
SimPoint GmbH	M2M Managed value added service provider	Pempelforter Straße 47, 40211 Düsseldorf, Germany	Ordinary	100
Matooma SAS	M2M Managed value added service provider	ZAC de l'aéroport Entrée 2 SIS 2630 Le Liner, Avenue Georges Frêche, 34470 Pérols, France	Ordinary	100
Matooma North America Inc.	M2M Managed value added service provider	Paracorp Incorporated, 2140 S Dupont Highway, Camden, Kent De 19934	Ordinary	100
Nexus Midco Ltd	Intermediate holding company	Horizon, Honey Lane, Hurley, United Kingdom	Ordinary	100
Nexus Bidco Ltd	Intermediate holding company	Horizon, Honey Lane, Hurley, United Kingdom	Ordinary	100
Arkessa Ltd	M2M Managed value added service provider	Horizon, Honey Lane, Hurley, United Kingdom	Ordinary	100
Arkessa GmbH	M2M Managed value added service provider	Alte Marktoberdorfer Str. 14, Germany	Ordinary	100
Arkessa BV	Intermediate holding company	Klerkenveld 15, 4704SV Roosendaal, The Netherlands	Ordinary	100
Arkessa Inc	M2M Managed value added service provider	614 N DuPont Hwy, Ste 210, Dover, United States	Ordinary	100
Comvision BV	M2M Managed value added service provider	Klerkenveld 15, 4704SV Roosendaal, The Netherlands	Ordinary	100
SimServices International BV	M2M Managed value added service provider	Klerkenveld 15, 4704SV Roosendaal, The Netherlands	Ordinary	100
Com4 AS	M2M Managed value added service provider	Karvesvingen 5, 0579 OSLO, Norway	Ordinary	100
Com4 Sweden AB	M2M Managed value added service provider	Valhallavägen 153, 115 31 Stockholm, Sweden	Ordinary	100

The directors believe that the net book value of investments is supported by their underlying net assets.

Notes to the financial statements for the year ended 30th April 2021 (continued)**11 Intangible assets**

	Software £'000	Subscriber acquisition £'000	Development £'000	Total £'000
Cost				
At 1 st May 2020	1,236	5,270	6,228	12,734
Additions	300	976	2,214	3,490
At 30th April 2021	1,536	6,246	8,442	16,224
Accumulated amortisation				
At 1 st May 2020	(975)	(3,885)	(3,697)	(8,557)
Charge for the year	(249)	(983)	(1,578)	(2,810)
At 30th April 2021	(1,224)	(4,868)	(5,275)	(11,367)
Net book amount				
At 30 th April 2021	312	1,378	3,167	4,857
At 30 th April 2020	261	1,385	2,531	4,177

12 Property, plant and equipment

	Right-of- use assets £'000	Leasehold improvements £'000	Fixtures and fittings £'000	IT equipment £'000	Total £'000
Cost					
At 1 st May 2020	1,220	98	269	1,780	3,367
Reclassification	610	-	-	-	610
Additions	38	86	2	373	499
Disposals	-	-	-	-	-
At 30th April 2021	1,868	184	271	2,153	4,476
Accumulated depreciation					
At 1 st May 2020	(183)	(90)	(269)	(1,585)	(2,127)
Reclassification	(610)	-	-	-	(610)
Charge for the year	(141)	(32)	(1)	(215)	(389)
Disposals	-	-	-	-	-
At 30th April 2021	(934)	(122)	(270)	(1,800)	(3,126)
Net book amount					
At 30 th April 2021	934	62	1	353	1,350
At 30 th April 2020	1,037	8	-	195	1,240

Notes to the financial statements for the year ended 30th April 2021 (continued)**13 Inventories**

	2021	2020
	£'000	£'000
Finished goods and goods for resale	271	123

There is no significant difference between the replacement cost of finished goods and goods for resale and their carrying amounts.

14 Trade and other receivables

	2021	2020
	£'000	£'000
Trade receivables	8,314	6,227
Amounts owed by fellow group subsidiaries	77,081	62,339
Other receivables	908	1,372
Corporation tax	1,199	-
Prepayments and accrued income	1,350	1,259
	88,852	71,197

Trade receivables of £8,314k (2020: £6,227k) fall due within one year.

Amounts owed by group undertakings are unsecured and repayable on demand. Trade receivables are stated after expected credit losses of £1,314k (2020: £1,825k). Other receivables include an amount of £670k due from those who advised the group in relation to the deductibility of interest on shareholder loans, where a prior period tax liability to HMRC for £1.3m has been provided for and is included in the corporation tax liability (note 15).

15 Trade and other payables: amounts falling due within one year

	2021	2020
	£'000	£'000
Trade payables	(1,698)	(3,427)
Amounts owed to group undertakings	(116,980)	(16,098)
Other taxation and social security	(1,162)	(2,163)
Lease liabilities (IFRS 16)	(182)	(155)
Corporation tax	-	(362)
Accruals and deferred income	(8,038)	(4,241)
	(128,060)	(26,446)

Amounts owed to group undertakings are unsecured and repayable on demand.

16 Provisions

	2021	2020
	£'000	£'000
Provisions	(1,100)	-
	(1,100)	-

Provisions recognised in the year of £1,100k (2020: £nil) relate to claims and other legal disputes, which are expected to be resolved within the next twelve months.

Wireless Logic Limited – Year ended 30th April 2021

Notes to the financial statements for the year ended 30th April 2021 (continued)

17 Trade and other payables: amounts falling due after more than one year

	2021	2020
	£'000	£'000
Lease liabilities (IFRS 16)	(844)	(971)
Deferred consideration	(1,829)	-
	(2,673)	(971)

18 Deferred tax

The provision for deferred tax consists of the following deferred tax (assets)/liabilities:

	2021	2020
	£'000	£'000
Deferred tax		
Brought forward deferred tax (assets)/liabilities	(49)	(19)
Deferred tax credited to income statement for the year	36	(17)
Prior year adjustment	11	-
Prior year adjustment in respect of adoption of IFRS 16	-	(13)
At end of year	(2)	(49)

	2021	2020
	£'000	£'000
Deferred tax assets		
Deferred tax assets arising on fixed assets	(2)	(49)
Total deferred tax assets	(2)	(49)

£2k of the deferred tax assets (2019: £49k) are due after more than one year.

A deferred tax asset has been recognised in the financial statements in respect of the above temporary timing difference, as management believe the company will generate sufficient taxable profits in the foreseeable future.

19 Called up Share capital

Ordinary shares of £1 each

Allotted and fully paid	No.	Called up Share Capital £'000	Share Premium account £'000	Total £'000
As at 1 st May 2020 and 30 th April 2021	5,782	6	744	750

20 Capital and other commitments

As at the 30th April 2021 the company had £Nil capital commitments (2020: £Nil).

21 Related party transactions

The company has taken advantage of the exemptions contained within FRS 101 paragraph 8(k) not to disclose transactions with wholly owned group undertakings.

Notes to the financial statements for the year ended 30th April 2021 (continued)

22 Controlling parties

The immediate parent undertaking is Wireless Logic Group Limited (company number: 07033895) a company incorporated in England and Wales.

The ultimate parent undertaking is Blue Topco Limited, a company incorporated in Jersey.

The largest and smallest group of undertakings for which consolidated financial statements for the period ended 30th April 2021 have been drawn up is that headed by Blue Holdco Limited. The consolidated financial statements of Blue Holdco Limited are available from Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ, England.

As at the 30th of April 2021, the directors consider the controlling party to be funds managed by Montagu Private Equity LLP.

23 Events after the end of the reporting period

COVID-19 – The long term impacts to the economy of COVID 19 continue to create risks for our customers that will face challenges over the coming months depending on future developments in terms of the COVID-19 pandemic and the consequent impact on the macro-economic conditions. During the year the company continued to show minimal impact from COVID-19 with the vast majority of customers continuing to weather the storm well. It's also the case that COVID-19 has created new opportunities for the company which have been delivered in the current year and continue to bring opportunity looking forward, for example, solutions focussed on foot-fall management in retail environments. Overall, the company is confident COVID-19 will continue to have a limited impact, with our current analysis shows continued growth through the remainder of FY22 and beyond.

The company incorporated and subscribed for the entire issued share capital of Wireless Logic Holding Italy Srl in June 2021. Wireless Logic Holding Italy Srl then acquired Things Mobile in Italy in July 2021. ThingsMobile is a market leading operator within the Italy region and provides services very similar to Wireless Logic to a wide range of customers. The acquisition was funded from a combination of cash and bank facilities.