

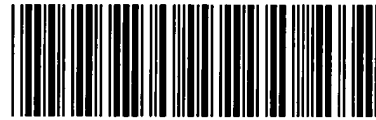


Financial Statements

Shared Access Ltd

For the financial year ended 31 December 2020

SATURDAY



AACUB03T

A13

11/09/2021

#114

COMPANIES HOUSE

Registered number: 06345316

Shared Access Ltd

Company Information

Directors	Christopher Leslie Jackman Stephen Clark
Company secretary	Mitre Secretaries Limited
Registered number	06345316
Registered office	Cannon Place 78 Cannon Street London England EC4N 6AF
Independent auditor	Grant Thornton Chartered Accountants & Statutory Auditors 13-18 City Quay Dublin 2 Ireland
Solicitors	CMS Cameron McKenna Nabarro Olswang LLP Cannon Place 78 Cannon Street London England EC4N 6AF

Shared Access Ltd

Contents

	Page
Directors' report	1 - 3
Directors' responsibilities statement	4
Independent auditor's report	5 - 9
Statement of comprehensive income	10
Statement of financial position	11
Statement of changes in equity	12
Notes to the financial statements	13 - 35

Shared Access Ltd

Directors' report

For the financial year ended 31 December 2020

The directors present their annual report and the audited financial statements for the financial year ended 31 December 2020.

Principal activities

The principal activity of the Company during the financial year was the provision of services to the telecommunications industry.

Results and dividends

The loss for the financial year, after taxation, amounted to £43,025 (2019 - profit £327,560).

The directors have not recommended a dividend (2019: £Nil).

Directors

The directors who served during the financial year were:

Christopher Leslie Jackman
Stephen Clark

Important events during the year

The Company is in the telecommunication property business, focused on the acquisition, design and build of shared telecommunication Infrastructure. The Company's infrastructure and services are categorized as Critical National Infrastructure by the United Kingdom (UK) government, thus sites continue to be acquired, developed, built, and maintained during the Covid-19 pandemic, albeit at a slower rate.

The Company's customers, mainly Mobile Network Operators, are required to keep and expand mobile network coverage within Covid-19 times, and thus commercial risks associated with the customers was considered to be reduced, plus the company invoices the majority of its recurring revenue annually in advance. The long-term outlook for the Telecom industry remains positive, reliable connectivity is a critical commodity, 5G will increase this demand, plus Mobile Network usage has increased during Covid-19.

Working under Covid-19 is challenging, the company is impacted, although all staff remain on full payroll, as all are fully employed operating the business. Furthermore, the finalization of the Brexit deal between the United Kingdom and the European Union is being monitored and carefully evaluated. The Company has put plans in place to deal with the risk.

At this point, the extent to which the coronavirus and Brexit may impact Company's results is uncertain and the directors continue to monitor and assess the ongoing development and respond accordingly. Management applied its judgment in determining impact of this uncertainty on carrying amounts of assets and liabilities in these financial statements. As a result of this assessment, the Company has not identified any impairment indicators as at 31 December 2020.

Directors' report (continued)

For the financial year ended 31 December 2020

Going concern

The financial statements of the Company have been prepared by the directors on a going concern basis. The directors have considered the performance of the Company against expectations and projections, as well as the capital and liquidity position of the Company. Management monitors the performance of the Company closely and continues to take actions to ensure that the Company is profitable in the future through an increase in activity and turnover together with managing expenses and overheads, preparation of forecasts of expected performance and cashflows to assist in managing the capital and liquidity position.

As at the reporting date, the Company is in a net liability position, a significant part of total liabilities represents amounts owing to fellow group undertakings, and the demand for repayment of this is wholly within the control of the Shared Access Group. As such the Board is satisfied that this does not present any liquidity issues for the Company. The Company has received a Letter of Support from its ultimate parent company who have agreed to provide continuing support for 12 months from the signing date of these financial statements. Furthermore, management and the directors are satisfied that the Group have sufficient funding in the form of debt and equity to meet the working capital requirements.

Accordingly, based on historical experience, the Company's positive performance up to the current date and forecasts for the following twelve months and beyond, coupled with the continued support of the shareholders, the directors have a reasonable expectation that the Company will have sufficient financial resources available to it to continue in operational existence for the foreseeable future. Therefore, the directors have concluded it is appropriate to prepare the financial statements on the going concern basis.

Post balance sheet events

Apart from the ongoing Covid-19 crisis, finalization of the Brexit deal and its potential macroeconomic impact, there have been no other significant events affecting the company since the year end. The directors are satisfied that despite the current crisis the company has sufficient financial resources to enable it to continue to operate as a going concern.

Statement of relevant audit information

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- that directors have taken all the steps that ought to have been taken as directors in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditor

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

Shared Access Ltd

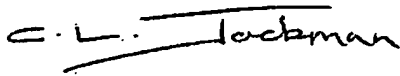
Directors' report (continued)

For the financial year ended 31 December 2020

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

A handwritten signature in black ink that reads "C. L. Jackman". The signature is written in a cursive style with a horizontal line above the name.

Christopher Leslie Jackman
Directors

Date: 2 March 2021

Shared Access Ltd

Directors' responsibilities statement

For the financial year ended 31 December 2020

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

Company law requires the directors to prepare the financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2006 and Financial Reporting Standard 101 'Reduced Disclosure Framework'.

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 assets, liabilities and financial position of the Company for the financial year end date and of the profit or loss for that financial year and otherwise comply with the Companies Act 2006.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; 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 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 to 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.

On behalf of the board



Christopher Leslie Jackman
Directors

Date: 2 March 2021

Independent auditor's report to the members of Shared Access Ltd

Opinion

We have audited the financial statements of Shared Access Ltd, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity for the financial year ended 31 December 2020, and the related notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

In our opinion, Shared Access Ltd's financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the assets, liabilities and financial position of the company as at 31 December 2020 and of its financial performance for the year then ended; and
- have been properly 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') and applicable law. Our responsibilities under those standards are further described in the 'Responsibilities of the auditor 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 United Kingdom, including the FRC's Ethical Standard and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. 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 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 the date 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 matter

The financial statements of Shared Access Ltd for the year ended 31 December 2019, were audited by another auditor who expressed an unmodified opinion on those statements on 27 May 2020.

Independent auditor's report to the members of Shared Access Ltd (continued)

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies in the financial statements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Independent auditor's report to the members of Shared Access Ltd (continued)

Responsibilities of the management and those charged with governance for the financial statements

As explained more fully in the directors' responsibilities statement, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS101, and for such internal control as they determine 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, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Responsibilities of the auditor for the audit of the financial statements

The objectives of an auditor 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 their opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatement in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

Independent auditor's report to the members of Shared Access Ltd (continued)

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

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 data protection, employment and environmental regulations 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 preparation of the financial statements such as the Companies Act 2006 and local tax legislation. 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 to manipulate financial performance and management bias through judgements and assumptions in significant accounting estimates, in particular in relation to significant one-off or unusual transactions. We apply professional scepticism through the audit to consider potential deliberate omission or concealment of significant transactions, or incomplete/inaccurate disclosures in the financial statement.

In response to these principal risks, our audit procedures included but were not limited to:

- inquiries of management on the policies and procedures in place regarding compliance with laws and regulations, including consideration of known or suspected instances of non-compliance and whether they have knowledge of any actual, suspected or alleged fraud;
- review of minutes of directors' meetings during the year to corroborate inquiries made;
- gaining an understanding of the internal controls established to mitigate risk related to fraud;
- discussion amongst the engagement team in relation to the identified laws and regulations and regarding the risk of fraud, and remaining alert to any indications of non-compliance or opportunities for fraudulent manipulation of financial statements throughout the audit;
- identifying and testing journal entries to address the risk of inappropriate journals and management override of controls;
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- challenging assumptions and judgements made by management in their significant accounting estimates, including impairment assessment of tangible and intangible assets; and
- review of the financial statement disclosures to underlying supporting documentation and inquiries of management.

The primary responsibility for the prevention and detection of irregularities including fraud rests with those charged with governance and management. As with any audit, there remains a risk of non-detection or irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or override of internal controls.



Independent auditor's report to the members of Shared Access Ltd (continued)

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read "D. M.", with a long horizontal stroke extending to the right.

Dan Holland (Senior Statutory Auditor)
for and on behalf of
Grant Thornton
Chartered Accountants
& Statutory Auditors
Dublin

Date: 2 March 2021

Shared Access Ltd

Statement of comprehensive income

For the financial year ended 31 December 2020

	Note	2020 £	2019 £
Turnover		4,919,987	4,301,755
Cost of sales		(1,461,336)	(1,247,427)
Gross profit		3,458,651	3,054,328
Administrative expenses		(3,380,838)	(2,707,801)
Operating profit	5	77,813	346,527
Other interest receivable and similar income	8	3,070	27,260
Interest payable and similar expenses	9	(123,908)	(46,227)
(Loss)/profit before taxation		(43,025)	327,560
Tax on (loss)/profit	10	-	-
(Loss)/profit for the financial year		(43,025)	327,560

All amounts relate to continuing operations.

There was no other comprehensive income for 2020 (2019: £NIL).

The notes on pages 13 to 35 form part of these financial statements.

Shared Access Ltd

Registered number:06345316

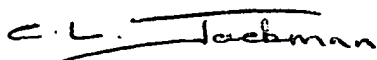
Statement of financial position

As at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets		18,004,994	6,627,427
Property and equipment	12	27,810,492	27,935,438
Investments	13	1	1
		<u>45,815,487</u>	<u>34,562,866</u>
Current assets			
Debtors: amounts falling due within one year	14	9,056,943	6,616,015
Cash at bank and in hand	15	1,585,496	1,350,138
		<u>10,642,439</u>	<u>7,966,153</u>
Current liabilities			
Creditors: amounts falling due within one year	16	(66,965,277)	(53,310,447)
		<u>(56,322,838)</u>	<u>(45,344,294)</u>
Net current assets			
		<u>(10,507,351)</u>	<u>(10,781,428)</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	17	(5,961,030)	(5,643,928)
		<u>(16,468,381)</u>	<u>(16,425,356)</u>
Net liabilities			
		<u>(16,468,381)</u>	<u>(16,425,356)</u>
Capital and reserves			
Called up share capital presented as equity	18	100	100
Profit and loss account	19	(16,468,481)	(16,425,456)
		<u>(16,468,381)</u>	<u>(16,425,356)</u>
Shareholders' funds			
		<u>(16,468,381)</u>	<u>(16,425,356)</u>

These financial statements have been prepared in accordance with the small companies regime.

The financial statements were approved and authorised for issue by the board:



Christopher Leslie Jackman
Directors

Date: 2 March 2021

The notes on pages 13 to 35 form part of these financial statements.

Shared Access Ltd

Statement of changes in equity

For the financial year ended 31 December 2020

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2020	100	(16,425,456)	(16,425,356)
Comprehensive income for the financial year			
Loss for the financial year	-	(43,025)	(43,025)
At 31 December 2020	100	(16,468,481)	(16,468,381)

Statement of changes in equity

For the financial year ended 31 December 2019

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2019	100	(16,753,016)	(16,752,916)
Comprehensive income for the financial year			
Profit for the financial year	-	327,560	327,560
At 31 December 2019	100	(16,425,456)	(16,425,356)

The notes on pages 13 to 35 form part of these financial statements.

Notes to the financial statements

For the financial year ended 31 December 2020

1. General information

Shared Access Ltd is a private company limited by shares and incorporated in England and Wales. Registered Number: 06345316. Its registered head office is located at Cannon Place, 78 Cannon Street, London, England, EC4N 6AF. The company's trading address is Navigation House, The Shipyard, Bath Road, Lymington, Hampshire, SO41 3YJ.

The principal activity of the Company during the financial year was the provision of services to the telecommunications industry.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 101: Reduced Disclosure Framework ('FRS 101'). These accounts have been prepared in Great Britain Pound (£), which is the functional currency of the company. These financial statements have been prepared under historical cost convention. The financial statements have been prepared on a going concern basis and in accordance with the Companies Act 2006.

These financial statements are the company's separate financial statements for the financial year ended 31 December 2020. The Company has availed of the exemption from the presentation of the consolidated financial statements for the financial year ended 31 December 2020, pursuant to exemption available under section 401 of the Companies Act 2006 for a company included in non-EEA group accounts of larger group.

For all periods up to and including the year ended 31 December 2019, the Company prepared its financial statements in accordance with Financial Reporting Standard 102 ('FRS 102'). These financial statements for the year ended 31 December 2020 are the first the Company has prepared in accordance with FRS 101. Refer to Note 2.2 for information on how the Company adopted.

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 4.

The financial information presented in these financial statements has been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS) as adopted by EU and Interpretations issued by the International Accounting Standards Boards (IASB) and with International Accounting Standards (IAS) and Standing Interpretations Committee. The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements in accordance with FRS 101:

Notes to the financial statements

For the financial year ended 31 December 2020

2. Accounting policies (continued)

2.1 Basis of preparation of financial statements (continued)

- IAS 1, 'Presentation of financial statements' paragraph 79 (a) (iv) (reconciliation of the number of shares outstanding at the beginning and the end of the period) and paragraph 134 to 136 - Information about its objectives, policies and processes for managing capital and puttable financial instruments.
- IAS 7, 'Statement of Cash Flows'
- IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors'- the requirement of paragraph 30 and 31. Disclosure of future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date.
- IAS 16, 'Property, Plant and Equipment' paragraph 73 (e) – Reconciliation of the carrying amount at the beginning and end of the period.
- IAS 24, 'Related Party Disclosures' paragraph 17 – Disclosure of key management personnel.
- The requirements in IAS 24, 'Related Party Disclosures' to disclose related party transactions entered into between two or more members of a group.
- IAS 36, 'Impairment of Assets' paragraph 134 (d) to 134 (f) – Disclosure regarding detailed information about the estimates used to measure recoverable amount of cash generating units containing goodwill or intangible assets with indefinite useful lives.
- IAS 38, 'Intangible Assets' paragraph 118 (e) - Reconciliation of the carrying amount at the beginning and end of the period.
- The requirement of IFRS 1, 'First-time adoption of International Financial Reporting Standards', to present a statement of financial position at the date of transition.
- IFRS 7, 'Financial Instruments' Disclosures.
- IFRS 13, 'Fair Value Measurement'.
- IFRS 16, 'Leases'- For lessees from the requirements of paragraphs 52 (single lease disclosure note) and paragraph 58 (maturity analysis of lease liabilities) as long as disclosure is made of details of indebtedness required by paragraph 61(1) of Schedule 1 to the Accounting Regulations separately for lease liabilities and other liabilities, and in total.
- IFRS 15, 'Revenue' - Exemption from the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers.

The company is availing of the disclosure exemptions in FRS 101 as equivalent disclosures are given in the non-statutory consolidated financial statements of Shared Access Holdings LLC made up to 31 December 2020, and these financial statements can be obtained from Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States.

Notes to the financial statements

For the financial year ended 31 December 2020

2. Accounting policies (continued)

2.2 First-time adoption of FRS 101

These financial statements, for the year ended 31 December 2020, are the first the Company has prepared in accordance with FRS 101. For periods up to and including the year ended 31 December 2019, the Company prepared its financial statements in accordance with FRS 102 ('Previous GAAP').

For the purpose of transition from previous GAAP to FRS 101, the Company has followed the guidance prescribed under IFRS 1 with effect from 1 January 2019 ("transition date"). In preparing its FRS 101 Balance Sheet as at 1 January 2019 and in presenting the comparative information for the year ended 31 December 2019, the Company has adjusted amounts reported previously in financial statements prepared in accordance with previous GAAP. The first time adoption of IFRS did not result to significant differences from FRS 102 at the date of transition to IFRS, 1 January 2019 and as at and for the year ended 31 December 2019, other than the application of IFRS 16 Leases.

I. Reconciliations

As at and for the year ended 31 December 2019			
Particulars	Amounts reported under previous GAAP	Effect of transition adjustments	Amounts reported under FRS 101
Extracts from Income statement			
Cost of sales	1,321,524	(74,098)	1,247,426
Administrative expenses	2,679,931	27,871	2,707,802
Interest payable and similar expenses	-	46,227	46,227
Profit for the financial year	327,560	-	327,560
Extracts from Statement of financial position			
Right-of-use asset	-	915,728	915,728
Depreciation on right-of-use asset	-	(27,870)	(27,870)
Debtors	6,674,778	(58,763)	6,616,015
Creditors	(58,125,280)	(829,095)	(58,954,375)
Total equity	(16,425,356)	-	(16,425,356)

II. Notes to the reconciliations

Set out below are the IFRS 1 optional exemptions availed as applicable and mandatory exceptions applied in the transition from previous GAAP to IFRS.

(i) Deemed cost for property, plant and equipment and intangible assets

On transition to FRS 101, the Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as at date of transition measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets.

Notes to the financial statements

For the financial year ended 31 December 2020

2. Accounting policies (continued)

2.2 First-time adoption of FRS 101 (continued)

(ii) Revenue

IFRS 1 permits a first-time adopter to not be required to restate contracts that were completed before the earliest period presented. A completed contract is a contract for which the entity has transferred all of the goods or services identified in accordance with previous GAAP. Accordingly, the Company elected to apply such exemption and not restate the contracts that were completed before the earliest period presented.

(iii) Leases

Under the previous GAAP, a lease is classified as a finance lease or an operating lease. Operating lease payments are recognised as an operating expense in the statement of profit or loss on a straight-line basis over the lease term. Under FRS 101, as explained in summary of significant accounting policies, a lessee applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets and recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

In applying IFRS 16 for the first time, the company has used the following practical expedients permitted by IFRS 1 and IFRS 16:

- Relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review;
- Accounting for operating leases with a remaining lease term of less than 12 months as short-term leases;
- Excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application;
- To apply a single discount rate to a portfolio of leases with reasonably similar characteristics;
- Using hindsight in determining the lease term where the contract contains options to extend or terminate the lease;
- To not separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component where the non-lease components are not significant compared to the lease components; and
- To not reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the company relied on its assessment made under previous GAAP.

Lease liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. Right-of-use assets (ROU) were measured at the amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before 1 January 2019.

Notes to the financial statements

For the financial year ended 31 December 2020

2. Accounting policies (continued)

2.2 First-time adoption of FRS 101 (continued)

(iv) Investment in subsidiary

IFRS 1 permits a first-time adopter to elect to continue with the carrying value for all of its investments in subsidiaries, joint ventures and associate as recognised in the financial statements as at the date of transition to IFRS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure its investment in subsidiary at their previous GAAP carrying value.

(v) Estimates

As per IFRS 1, an entity's estimates in accordance with IFRS at the date of transition to IFRS shall be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. The Company's estimates under IFRS are consistent with the above requirement. Key estimates considered in preparation of the financial statements that were not required under the previous GAAP are listed below:

- a) Impairment of financial assets based on expected credit loss model;
- b) Determination of the discounted value for lease liabilities

(vi) Business combinations

IFRS 1 provides the option to apply IFRS 3 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Company elected to apply IFRS 3 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated.

(vii) Classification and measurement of financial assets

IFRS 1 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to IFRS. Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

(viii) De-recognition of financial assets and liabilities

IFRS 1 requires a first-time adopter to apply the de-recognition provisions of IFRS 9 prospectively for transactions occurring on or after the date of transition to IFRS. However, IFRS 1 allows a first-time adopter to apply the de-recognition requirements in IFRS 9 retrospectively from a date of the entity's choosing, provided that the information needed to apply IFRS 9 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has elected to apply the de-recognition provisions of IFRS 9 prospectively from the date of transition to IFRS.

(ix) Previous financial year figures

Previous financial year figures have been regrouped/reclassified, where necessary, to conform to this financial year's classification.

Notes to the financial statements

For the financial year ended 31 December 2020

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentation currency is GBP (£).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income.

2.4 Revenue

Revenue from operations primarily includes telecommunication property business, focused on the acquisition, design and build of shared telecommunication infrastructure which requires the Company to provide the services to the Wireless Mobile Network Operators and others. The Company also provides tower related services.

Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs;
- the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

Performance obligations are generally satisfied over time for the duration of the arrangements. The Company's revenue from arrangements, including fixed escalation clauses, is reported on a straight-line basis over the term of the respective arrangement. Escalation clauses tied to a consumer price index ("CPI"), or other inflation-based indices, and other incentives present in agreements with the customers are excluded from the straight-line calculation.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied. In accordance with IFRS 15, the Company recognises reimbursement of expenses and recharge of costs as part of revenue from operations.

Notes to the financial statements

For the financial year ended 31 December 2020

2. Accounting policies (continued)

2.4 Revenue (continued)

In order to determine, if it is acting as principal or as an agent, the entity shall determine whether the nature of its promise is a performance obligation to provide the specified services itself (i.e. the entity is a principal) or to arrange for those services to be provided by the other party (i.e. the entity is an agent) for all its revenue arrangements.

Unbilled receivables and Unearned revenue

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Other contract assets have been disclosed as contract assets within other assets.

Unearned revenue ("contract liability") is recognised when there are billings in excess of revenues. The billing schedules agreed with customers could include periodic performance-based payments and/or milestone-based progress payments. Invoices are payable within the contractually agreed credit period. Advances received for services are reported as liabilities until all conditions for revenue recognition are met.

On transition to FRS 101, the presentation of "deferred revenue" has been changed to "contract liabilities" and the presentation of "unbilled receivables" and "accrued income" has been changed to "contract assets" on the accompanying balance sheet.

Contract modifications - Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Interest Income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included under Finance income in the profit or loss within the Consolidated statement of comprehensive income.

2.5 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Costs that are directly attributable to a project's development phase are recognised as intangible assets, provided they meet the following recognition requirements is incurred.

- the development costs can be measured reliably
- the project is technically and commercially feasible
- the Company intends to and has sufficient resources to complete the project
- the Company has the ability to use or sell the asset
- the asset will generate probable future economic benefits.

Notes to the financial statements

For the financial year ended 31 December 2020

2. Accounting policies (continued)

2.5 Intangible assets (continued)

Development costs not meeting these criteria for capitalisation are expensed as incurred. Directly attributable costs include employee costs incurred on development along with an appropriate portion of relevant overheads and borrowing costs.

Intangible assets are amortised on straight line basis over the estimated useful economic life which is in line with the underlying agreements. All intangible assets are considered to have a finite useful life. The following useful lives are applied

Ground leases	– 18 to 50 years
Church projects	– 10 to 20 years
Mobile tower related assets	– Over the period of the lease
Software	– 4 years

Gains or losses arising from de-recognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amounts of the assets and are recognised in the Statement of Comprehensive Income when the assets are derecognised.

2.6 Property and equipment

Property and equipment under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Capital work-in-progress is stated at cost less any accumulated impairment losses and not depreciated. Depreciation on capital work-in-progress commences when the assets are ready for their intended use.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	– Over 50 years
Office equipment	– Over 3 years
Constructed assets	– Over the period of the lease
Right of use assets	– Expected useful lives are determined by reference to comparable owned assets or the lease term, if shorter

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

Notes to the financial statements

For the financial year ended 31 December 2020

2. Accounting policies (continued)

2.7 Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.

Notes to the financial statements

For the financial year ended 31 December 2020

2. Accounting policies (continued)

2.8 Impairment of non-financial assets

The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are companied together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of profit and loss.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.9 Financial instruments

Recognition, initial measurement and de-recognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Notes to the financial statements

For the financial year ended 31 December 2020

2. Accounting policies (continued)

2.9 Financial instruments (continued)

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

In the periods presented the Company does not have any financial assets categorised as FVTPL and FVOCI.

The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

Subsequent measurement of financial assets

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Impairment of financial assets

IFRS 9's impairment requirements use forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of the requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ("Stage 1") and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ("Stage 2").

Notes to the financial statements

For the financial year ended 31 December 2020

2. Accounting policies (continued)

2.9 Financial instruments (continued)

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date. '12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables and contract assets

The Company makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at and point during the life of the financial instrument. In calculating, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Company assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics they have been grouped based on the days past due.

Classification and subsequent measurement of financial liabilities

The Company's financial liabilities include trade and other payables. Financial liabilities are measured subsequently at amortised cost using the effective interest method.

Trade and other payables

Trade and other payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

As at reporting dates, there are no financial instruments that are subsequently measured at fair value and all categories of financial instruments are carried at amortised cost. The fair value of the financial instruments carried at amortised cost is considered as equivalent to the carrying amounts, after duly considering the values at which the instruments could be exchanged between willing parties, other than in a forced or liquidation sale.

Notes to the financial statements

For the financial year ended 31 December 2020

2. Accounting policies (continued)

2.10 Taxation

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.11 Cash at bank

Cash is represented by cash in deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.12 Pensions

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

2.13 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Notes to the financial statements

For the financial year ended 31 December 2020

3. Going concern

The financial statements of the Company have been prepared by the directors on a going concern basis. The directors have considered the performance of the Company against expectations and projections, as well as the capital and liquidity position of the Company. Management monitors the performance of the Company closely and continues to take actions to ensure that the Company is profitable in the future through an increase in activity and turnover together with managing expenses and overheads, preparation of forecasts of expected performance and cashflows to assist in managing the capital and liquidity position.

As at the reporting date, the Company is in a net liability position, a significant part of total liabilities represents amounts owing to fellow group undertakings, and the demand for repayment of this is wholly within the control of the Shared Access Group. As such the Board is satisfied that this does not present any liquidity issues for the Company. The Company has received a Letter of Support from its ultimate parent company who have agreed to provide continuing support for 12 months from the signing date of these financial statements. Furthermore, management and the directors are satisfied that the Group have sufficient funding in the form of debt and equity to meet the working capital requirements.

Accordingly, based on historical experience, the group's positive performance up to the current date and forecasts for the following twelve months and beyond, coupled with the continued support of the shareholders, the directors have a reasonable expectation that the Company will have sufficient financial resources available to it to continue in operational existence for the foreseeable future. Therefore, the directors have concluded it is appropriate to prepare the financial statements on the going concern basis.

4. Significant management judgements in applying accounting policies

When preparing the financial statements, the management makes a number of judgments, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Going concern

The Directors have assessed the Company's ability to continue as a going concern based on forecast information and support from Parent Company, and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis (see Note 3).

Revenue recognition

In order to determine, if it is acting as principal or as an agent, the Company determines whether the nature of its promise is a performance obligation to provide the specified services itself (i.e. the Company is a principal) or to arrange for those services to be provided by the other party (i.e. the Company is an agent) for all its revenue arrangements.

Estimating useful lives of tangible and intangible assets

The Company estimates the useful lives of property and equipment and intangible assets based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment and intangible assets are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets. In addition, estimation of the useful lives of property and equipment and intangible assets is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. Actual results, however, may vary due to changes in estimates brought about by changes in factors earlier mentioned.

Notes to the financial statements

For the financial year ended 31 December 2020

4. Significant management judgements in applying accounting policies (continued)

Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the Company's stand-alone credit rating).

Impairment of non financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID in the preparation of these financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions, the Company has, at the date of approval of these financial statements, used internal and external sources of information and expects that the carrying amount of these assets will be recovered. As a result of this assessment, the Company has not identified any impairment indicators as at balance sheet date. The impact on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

Determination of realisable amount of deferred tax assets

The Company reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Estimating loss allowance for expected credit losses

The Company measures expected credit losses of a financial instrument in a way that reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, the time value of money and information about past events, current conditions and forecasts of future economic conditions. When measuring ECL the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

5. Operating profit

The operating profit is stated after charging/(crediting):

	2020	2019
	£	£
Foreign exchange differences, net	(2,851,584)	(1,470,078)
Pension expense	96,542	128,520
	<u>96,542</u>	<u>128,520</u>

Shared Access Ltd

Notes to the financial statements

For the financial year ended 31 December 2020

6. Employees

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

	2020 No.	2019 No.
Management and administrative staff	37	35

7. Directors remuneration

	2020 £	2019 £
Directors emoluments*	229,285	228,630

*Includes total pension expense of £5,000 (2019: £5,000) for one director.

8. Interest receivable

	2020 £	2019 £
Other interest receivable	3,070	27,260

9. Interest payable and similar expenses

	2020 £	2019 £
Interest expense on lease liability	123,908	46,227

10. Taxation

	2020 £	2019 £
Current tax on profits for the year	-	-
Taxation on profit on ordinary activities	-	-

Notes to the financial statements

For the financial year ended 31 December 2020

10. Taxation (continued)

Factors affecting tax charge for the financial year

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

	2020	2019
	£	£
(Loss)/profit on ordinary activities before tax	<u>(43,025)</u>	<u>327,560</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the United Kingdom of 19% (2019 - 19%)	(8,175)	62,236
Effects of:		
Non-deductible expenditure and other timing differences	<u>8,175</u>	<u>(62,236)</u>
Total tax charge for the financial year	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

The Company has trading losses of £13,733,744 (2019: £13,421,157) to utilise against future profits. The corresponding potential deferred tax asset has not been recognised in the financial statements as its recoverability against future trading profits is uncertain.

Shared Access Ltd

Notes to the financial statements

For the financial year ended 31 December 2020

11. Intangible assets

	Ground leases £	Church leases £	Mobile tower related assets £	Software £	Total £
Cost					
At 1 January 2020	4,744,656	2,047,763	-	1,133,630	7,926,046
Additions	-	-	12,056,700	-	12,056,700
Transfer from construction in progress	-	-	-	383,516	383,516
At 31 December 2020	4,744,656	2,047,763	12,056,700	1,517,146	20,366,262
Amortisation					
At 1 January 2020	834,414	180,797	-	283,408	1,298,619
Charge for the financial year	164,151	121,916	301,418	475,164	1,062,649
At 31 December 2020	998,565	302,713	301,418	758,572	2,361,268
Net book value					
At 31 December 2020	3,746,088	1,745,050	11,755,282	757,574	18,004,994
At 31 December 2020	3,910,239	1,866,966	-	850,222	6,627,427

Shared Access Ltd

Notes to the financial statements

For the financial year ended 31 December 2020

12. Tangible fixed assets

	Freehold property £	Office equipment £	Major Construction £	Construction in Progress £	Special Projects £	Right-of-use assets £	Total £
Cost or valuation							
At 1 January 2020	41,720	512,928	14,295,712	7,398,679	6,716,070	915,728	29,880,837
Additions	-	200,640	955,800	267,308	-	1,075,908	2,499,656
Disposals	-	(35,368)	-	(1,089,810)	-	-	(1,125,178)
Transfers between classes	-	-	689,447	(1,165,326)	92,363	-	(383,516)
At 31 December 2020	41,720	678,200	15,940,959	5,410,851	6,808,433	1,991,636	30,871,799
Depreciation							
At 1 January 2020	4,726	433,151	1,159,846	-	319,806	27,870	1,945,399
Charge for the financial year	834	52,015	631,597	-	359,691	71,771	1,115,988
At 31 December 2020	5,560	485,166	1,791,443	-	679,497	99,641	3,061,307
Net book value							
At 31 December 2020	36,160	193,034	14,149,516	5,410,851	6,128,936	1,891,995	27,810,492
At 31 December 2019	36,994	79,777	13,135,866	7,398,679	6,396,264	887,858	27,935,438

Notes to the financial statements

For the financial year ended 31 December 2020

12. Tangible fixed assets (continued)

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

	2020	2019
	£	£
Freehold	<u>36,160</u>	<u>36,994</u>

The Company has leases for the various land and buildings. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected in the Statement of financial position as a right-of-use asset and a lease liability. The Company classifies its right-of-use assets in a consistent manner to its property and equipment.

The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised in the Statement of financial position:

Right-of use asset	No. of right-of-use assets leased	Range of remaining term	Average remaining lease term
Land and buildings	11	6 - 30 years	17 years

The total cash outflow for leases in 2020 was £261,872 (2019: £73,990).

13. Fixed asset investments

	Investments in subsidiary company £
Cost or valuation	
At 1 January 2020	<u>1</u>
At 31 December 2020	<u>1</u>
Net book value	
At 31 December 2020	<u>1</u>
At 31 December 2019	<u>1</u>

Shared Access Ltd

Notes to the financial statements
For the financial year ended 31 December 2020

14. Debtors: Amounts falling due within one year

	2020	2019
	£	£
Trade debtors	611,126	880,419
Amounts owed by group undertakings	7,756,761	5,039,923
Prepayments	158,458	242,117
Contract assets	530,598	453,556
	<u>9,056,943</u>	<u>6,616,015</u>

Trade debtors are non-interest bearing and are generally on 30/90 days term credit. As the reporting date the Company has recognised £Nil (2019: £Nil) allowance for credit losses on outstanding trade debtors.

Amounts owed by group undertakings are unsecured, interest free and are payable on demand.

The terms of the contract assets and contract liabilities are based on the underlying contracts with the customers.

15. Cash and cash equivalents

	2020	2019
	£	£
Cash at bank and in hand	<u>1,585,496</u>	<u>1,350,138</u>

16. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	432,556	181,971
Amounts owed to group undertakings	61,114,285	48,975,811
Taxation and social insurance	282,652	243,994
Lease liabilities	122,301	31,959
Accruals	1,680,358	2,457,898
Contract liabilities	3,333,125	1,418,814
	<u>66,965,277</u>	<u>53,310,447</u>

Notes to the financial statements

For the financial year ended 31 December 2020

16. Creditors: Amounts falling due within one year (continued)

Trade payables and accruals are payable at various dates over the coming months in accordance with the suppliers' usual and customary credit terms. The net carrying value of trade payables and accruals is considered a reasonable approximation of fair value.

Amounts owed to group undertakings are unsecured, interest free and are payable on demand.

Corporation tax and other taxes including social insurance are repayable at various dates over the coming months in accordance with the applicable statutory provisions.

The terms of the contract assets and contract liabilities are based on the underlying contracts with the customers.

	2020	2019
	£	£
Other taxation and social insurance		
PAYE/PRSI	93,368	147,179
VAT	189,284	96,815
	<u>282,652</u>	<u>243,994</u>

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

	2020	2019
	£	£
Lease liabilities	1,699,619	803,103
Contract liabilities	4,261,411	4,840,825
	<u>5,961,030</u>	<u>5,643,928</u>

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

18. Share capital

	2020	2019
	£	£
Authorised, allotted, called up and fully paid		
100 (2019 - 100) Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

Notes to the financial statements

For the financial year ended 31 December 2020

19. Reserves

Profit and loss account

This account includes all current and prior period retained profits and losses.

Called up share capital

Called up share capital represents the nominal value of shares that have been issued.

20. Post balance sheet events

Apart from the ongoing Covid-19 crisis, finalisation of the Brexit and its potential macroeconomic impact, there have been no other significant events affecting the company since the year end. The directors are satisfied that despite the current crisis the company has sufficient financial resources to enable it to continue to operate as a going concern.

21. Controlling party

The company's ultimate parent company is Shared Access Holdings LLC, a company incorporated in the United States of America, whose registered address is Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States and the principal executive office is located at 35 Watergate Dr Ste 1205 Sarasota, FL-34236 United States. The smallest and the largest group to consolidate these financial statements is Shared Access Holdings LLC. The Group's ultimate controlling party is The Goldman Sachs Group, Inc.

22. Charge on assets

Post Road Administrative LLC holding the following security over the debts of its ultimate parent company:

- A fixed first charge over all the company's respective property, assets and book debts.

23. Related party transactions

The company availed the disclosure exemptions in accordance with FRS101 from disclosing transactions with other wholly owned subsidiaries and group undertakings.

24. Approval of financial statements

The board of directors approved these financial statements for issue on 2 March 2021.