

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 JUNE 2021
FOR
BAI COMMUNICATIONS EUROPE LIMITED**



BAI COMMUNICATIONS EUROPE LIMITED

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for the Year Ended 29 June 2021**

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BAI COMMUNICATIONS EUROPE LIMITED

COMPANY INFORMATION
for the Year Ended 29 June 2021

DIRECTORS: M J H Keys (resigned 12 August 2021)
S S Matthews
W G D'Arcy
I Leprince
J MacMillian (appointed 12 August 2021)
J C Hassell (resigned 31 December 2020)

SECRETARY: J S Mackay (resigned 12 August 2021)
A Moore (appointed 12 August 2021)

REGISTERED OFFICE: Level 2
2 Kingdom Street
London
W2 6BD

REGISTERED NUMBER: 10086948 (England and Wales)

AUDITOR: Deloitte LLP
Statutory Auditor
Abbots House
Abbey Street
Reading
RG1 3BD
United Kingdom

BAI COMMUNICATIONS EUROPE LIMITED

REPORT OF THE DIRECTORS for the Year Ended 29 June 2021

The directors present their report with the financial statements of the company for the year ended 29 June 2021.

This Directors' report has been prepared in accordance with the special provisions relating to small companies under s415A of the Companies Act 2006 and has also taken the exemption under s414B from the requirement to prepare a Strategic report.

DIRECTORS

The directors shown below have held office during the period from 30 June 2021 to the date of this report.

M J H Keys (resigned 12 August 2021)

S S Matthews

W G D'Arcy

I Leprince

J MacMillian (appointed 12 August 2021)

J C Hassell (resigned 31 December 2020)

The Company has made qualifying third party indemnity provisions for the benefit of its directors which remain in force at the date of this report.

DIVIDENDS

No dividends were paid or received during the year (2020: £Nil).

GOING CONCERN

As highlighted on the Balance Sheet, the Company has net assets through investments of £53.1m (2020: £17.6m). Whilst the company does not hold any cash balances, as an intermediate holding company, it does not have any liabilities to settle on an ongoing basis. The company has received the financial support of the ultimate parent company and has confirmed that it has the ability to provide such support if required. On the basis of these reviews of the financial position and the ability of the ultimate parent company having the ability to provide any required financial support, the Company's directors have no reason to believe that an uncertainty exists that may cast doubt about the ability of the company to continue as a going concern. Accordingly, they expect that the company will be able to continue in operational existence for the foreseeable future and hence continue to adopt the going concern basis of accounting in preparing the annual financial statements. Further details of going concern are documented in Note 1.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

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

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

BAI COMMUNICATIONS EUROPE LIMITED

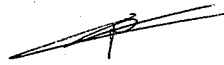
REPORT OF THE DIRECTORS (CONTINUED)
for the Year Ended 29 June 2021

AUDITORS

The Board appointed Deloitte LLP as auditor replacing Oury Clark Chartered Accountants for the year ended 29 June 2021 and they are deemed to be re-appointed under Section 487 (2) of the Companies Act 2006.

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

Signed on behalf of the Board:



I Leprince – Director

Date: 22nd November 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BAI COMMUNICATIONS EUROPE LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of BAI Communications Europe Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 29 June 2021 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the balance sheet;
- the related notes 1 to 5.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BAI COMMUNICATIONS EUROPE LIMITED (CONTINUED)

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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 auditor's report.

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

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislation and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the valuation of the investment held, and our specific procedures performed to address it are described below;

- Perform design and implementation testing of the assessment of impairment of the investments; and
- Assess the assumptions and underlying forecasts used in management's assessment of the existence of indicators of impairment.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
BAI COMMUNICATIONS EUROPE LIMITED (CONTINUED)**

Report on other legal and regulatory requirements

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

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

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Use of our report

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



Sandy Sullivan FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Reading, United Kingdom

26th November 2021

BAI COMMUNICATIONS EUROPE LIMITED

**INCOME STATEMENT
for the Year Ended 29 June 2021**

	Year Ended 29.6.21 £	Year Ended 29.6.20 £
TURNOVER	-	-
OPERATING PROFIT and PROFIT BEFORE TAXATION	<u>-</u>	<u>-</u>
Tax on profit	-	-
PROFIT FOR THE FINANCIAL YEAR	<u>-</u> <u>==</u>	<u>-</u> <u>==</u>

The notes form part of these financial statements

BAI COMMUNICATIONS EUROPE LIMITED (REGISTERED NUMBER: 10086948)

BALANCE SHEET
As at 29 June 2021

	Notes	29.6.21 £	29.6.20 £
FIXED ASSETS			
Investments	4	53,100,001	17,600,001
TOTAL ASSETS LESS CURRENT LIABILITIES		53,100,001	17,600,001
CAPITAL AND RESERVES			
Called up share capital	5	53,100,001	17,600,001
SHAREHOLDERS' FUNDS		53,100,001	17,600,001

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

The financial statements were approved by the Board of Directors and authorised for issue on 22 November 2021 and were signed on its behalf by:


I Leprince - Director

The notes form part of these financial statements

BAI COMMUNICATIONS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 29 June 2021

1. STATUTORY INFORMATION

BAI Communications Europe Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

The company is an intermediate holding company and has not traded through the current or previous year.

Preparation of consolidated financial statements

The financial statements contain information about BAI Communications Europe Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Investments

Investments in the financial statements are held at cost and subject to impairment reviews in line with FRS102, and adjusted as and when required. Interests in subsidiaries are assessed for indicators of impairment at each reporting date. Impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

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

Deferred tax

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

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

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

Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the companies accounting policies the directors continually evaluate and verify any estimates and judgements about the carrying values of assets and liabilities based on historical experience and expectations of future events that are considered reasonable and relevant.

Estimates and assumptions are reviewed on an ongoing basis and revisions are recognised in the period of the revision and future periods where the revision affects both current and future periods. There are not considered to be any estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year.

The notes form part of these financial statements

BAI COMMUNICATIONS EUROPE LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 29 June 2021

In respect of judgements, the directors have reviewed the carrying value of the company's investment in its subsidiary in order to assess whether the value is supported by the underlying net assets of the company. Based on this assessment they are confident that the value of investment made into the subsidiary company is supported and will enable the company to recover the carrying value of its investment. Based on the above the directors therefore do not consider that any provision for impairment is required at 31 March 2021.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was £Nil (2020 - £Nil). The Directors are also Directors of the other group companies and are remunerated in these associated undertaking and do not have qualifying services in respect of BAI Communications Europe Limited that need to be disclosed.

4. FIXED ASSET INVESTMENTS

	Other investments £
COST	
At 30 June 2020	17,600,001
Additions	35,500,000
At 29 June 2021	53,100,001
NET BOOK VALUE	
At 29 June 2021	53,100,001
At 29 June 2020	17,600,001

4. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			29.6.21	29.6.20
Number:	Class:	Nominal value:	£	£
53,100,001	Ordinary	£1	53,100,001	17,600,001

35,500,000 Ordinary shares of £1 each were allotted and fully paid for cash at par during the year.

5. ULTIMATE CONTROLLING PARTY AND PARENT COMPANY

The directors believe that there is no ultimate controlling party.

BAI COMMUNICATIONS EUROPE LIMITED

DETAILED PROFIT AND LOSS ACCOUNT
for the Year Ended 29 June 2021

	Year Ended 29.6.21 £	Year Ended 29.6.20 £
Income	-	-
NET PROFIT	-	-
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This page does not form part of the statutory financial statements