

Company registration number 12008248 (England and Wales)

**NETOMNIA LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

FRIDAY



\*AC5C02VD\*

A26

09/06/2023

#98

COMPANIES HOUSE

# NETOMNIA LIMITED

## COMPANY INFORMATION

---

**Directors**

J Chelot  
W Wadsworth  
C A J Dick

**Company number**

12008248

**Registered office**

Unit H The Courtyard  
Tewkesbury Business Park  
Tewkesbury  
GL20 8GD

**Auditor**

RSM UK Audit LLP  
Chartered Accountants  
25 Farringdon Street  
London  
EC4A 4AB

---

# NETOMNIA LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

The directors present their annual report and financial statements for the year ended 31 December 2022.

#### Principal activities

The principal activity of the company is to develop, operate and wholesale full fibre broadband infrastructure throughout the United Kingdom.

#### Directors

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

J Chelot  
W Wadsworth  
C A J Dick

#### Auditor

RSM UK Audit LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

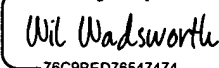
#### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

#### Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

DocuSigned by:  
  
78C9BED76547474...  
W Wadsworth  
Director

30 May 2023

## **NETOMNIA LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022**

---

The directors are responsible for preparing the annual report 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.

# NETOMNIA LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBER OF NETOMNIA LIMITED

---

#### Opinion

We have audited the financial statements of Netomnia Limited (the 'company') for the year ended 31 December 2022 which comprise the profit and loss account, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with *International Standards on Auditing (UK)* (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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

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

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

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in 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.

## **NETOMNIA LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF NETOMNIA LIMITED**

---

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. We have nothing to report in respect of the following matters 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

#### **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.

## **NETOMNIA LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF NETOMNIA LIMITED**

---

#### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the company operates in and how the company is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health & safety and employment taxes. We performed audit procedures to inquire of management whether the company is in compliance with these law and regulations and reviewed legal expenditure for any indication of non-compliance.

The audit engagement team identified the risk of management override of controls, impairment of fixed assets and loan note accuracy as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates applied in the valuation of fixed assets and loan notes.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## **NETOMNIA LIMITED**

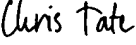
### **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF NETOMNIA LIMITED**

---

#### **Use of our report**

This report is made solely to the company's member 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 member those matters we are required to state to the member 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 member, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

  
FBF43056170B4CB...

**Christopher Tate**

**Senior Statutory Auditor**

**For and on behalf of RSM UK Audit LLP**

30 May 2023

Chartered Accountants  
25 Farringdon Street  
London  
EC4A 4AB



**NETOMNIA LIMITED****PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2022**


---

|  | <b>2022</b>                | <b>2021</b>               |
|--|----------------------------|---------------------------|
|  | <b>£</b>                   | <b>£</b>                  |
| <b>Turnover</b>                        | 3,912,305                  | 509,955                   |
| Cost of sales                          | (1,494,940)                | (185,041)                 |
| <b>Gross profit</b>                    | <u>2,417,365</u>           | <u>324,914</u>            |
| Administrative expenses                | (9,862,448)                | (3,350,135)               |
| <b>Operating loss</b>                  | <u>(7,445,083)</u>         | <u>(3,025,221)</u>        |
| Interest receivable and similar income | 14,762                     | 198                       |
| Interest payable and similar expenses  | 4 (4,384,268)              | (1,098,638)               |
| <b>Loss before taxation</b>            | <u>(11,814,589)</u>        | <u>(4,123,661)</u>        |
| Tax on loss                            | <u>-</u>                   | <u>-</u>                  |
| <b>Loss for the financial year</b>     | <u><u>(11,814,589)</u></u> | <u><u>(4,123,661)</u></u> |

---

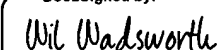
**NETOMNIA LIMITED****BALANCE SHEET****AS AT 31 DECEMBER 2022**

|  | Notes | 2022<br>£            | £ | 2021<br>£           | £ |
|--|-------|----------------------|---|---------------------|---|
| <b>Fixed assets</b>  |       |                      |   |                     |   |
| Intangible assets  | 5     | 635,210              |   | 292,499             |   |
| Tangible assets  | 6     | 151,219,387          |   | 40,738,835          |   |
|  |       | <u>151,854,597</u>   |   | <u>41,031,334</u>   |   |
| <b>Current assets</b>  |       |                      |   |                     |   |
| Debtors  | 7     | 8,012,985            |   | 4,819,454           |   |
| Cash at bank and in hand                                       |       | 5,620,782            |   | 993,297             |   |
|  |       | <u>13,633,767</u>    |   | <u>5,812,751</u>    |   |
| <b>Creditors: amounts falling due within one year</b>          | 8     | <u>(26,033,522)</u>  |   | <u>(6,958,900)</u>  |   |
| <b>Net current liabilities</b>                                 |       | <u>(12,399,755)</u>  |   | <u>(1,146,149)</u>  |   |
| <b>Total assets less current liabilities</b>                   |       | 139,454,842          |   | 39,885,185          |   |
| <b>Creditors: amounts falling due after more than one year</b> | 9     | <u>(156,525,245)</u> |   | <u>(45,140,999)</u> |   |
| <b>Net liabilities</b>   |       | <u>(17,070,403)</u>  |   | <u>(5,255,814)</u>  |   |
| <b>Capital and reserves</b>                                    |       |                      |   |                     |   |
| Called up share capital  |       | 1,000                |   | 1,000               |   |
| Profit and loss reserves                                       |       | <u>(17,071,403)</u>  |   | <u>(5,256,814)</u>  |   |
| <b>Total equity</b>  |       | <u>(17,070,403)</u>  |   | <u>(5,255,814)</u>  |   |

These 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 30 May 2023 and are signed on its behalf by:

DocuSigned by:



 78C9BED76547A74...  
 W Wadsworth
**Director****Company Registration No. 12008248**

# NETOMNIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

---

### 1 Accounting policies

#### Company information

Netomnia Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit H The Courtyard, Tewkesbury Business Park, Tewkesbury, GL20 8GD.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

#### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the Company and the group of which the company is a member ("the Group") have adequate resources to continue in operational existence for a minimum period of 12 months from date of signature. Thus, the business has considered the Company's ongoing ability to fund its network roll out plan and continued operational expenditure and is satisfied that the Company can meet its obligations with the cash on hand and further loan notes and funding available.

Investment in new network areas continues to grow, requiring significant funding. In March 2023 the group secured £230m in bank loans to continue the fibre network rollout. Digital Bridge continues as a key financial investor to support the business ensuring the group has sufficient working capital to deliver its growth plans.

#### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Revenue is recognised either at a point in time or over time when or as the company satisfies its performance obligations by transferring goods or services to customers.

Revenue from fees charged for providing access to the internet is recognised on a straight line basis over the period for which the internet connection is provided.

#### 1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|          |                                  |
|----------|----------------------------------|
| Software | Straight line over 5 or 10 years |
|----------|----------------------------------|

#### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

# NETOMNIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                                 |                                    |
|---------------------------------|------------------------------------|
| Construction in progress        | Not depreciated                    |
| Network infrastructure          | Straight line over 10 and 25 years |
| Computers and office equipments | Straight line over 3 years         |
| Connection assets               | Straight line over 25 years        |
| Tools and equipment             | Straight line over 3 years         |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are 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 asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

#### 1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# NETOMNIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **1.9 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **1.10 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.11 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.12 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### **1.13 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

**NETOMNIA LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022****2 Judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**3 Employees**

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

|       | <b>2022</b>   | <b>2021</b>   |
|-------|---------------|---------------|
|       | <b>Number</b> | <b>Number</b> |
| Total | 74            | 21            |

**4 Interest payable and similar expenses**

|   | <b>2022</b> | <b>2021</b> |
|---|-------------|-------------|
|   | <b>£</b>    | <b>£</b>    |
| Interest payable and similar expenses includes the following: |             |             |
| Interest payable to group undertakings                        | 4,384,247   | 1,098,638   |

**5 Intangible fixed assets**

|                                    | <b>Software</b> |
|------------------------------------|-----------------|
|                                    | <b>£</b>        |
| <b>Cost</b>                        |                 |
| At 1 January 2022                  | 313,733         |
| Additions                          | 391,275         |
| At 31 December 2022                | 705,008         |
| <b>Amortisation and impairment</b> |                 |
| At 1 January 2022                  | 21,234          |
| Amortisation charged for the year  | 48,564          |
| At 31 December 2022                | 69,798          |
| <b>Carrying amount</b>             |                 |
| At 31 December 2022                | 635,210         |
| At 31 December 2021                | 292,499         |

**NETOMNIA LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022****6 Tangible fixed assets**

|  | Construction<br>in progress | Network<br>infrastructure | Computers<br>and office<br>equipments | Connection<br>assets | Tools and<br>equipment | Total       |
|--|-----------------------------|---------------------------|---------------------------------------|----------------------|------------------------|-------------|
|  | £                           | £                         | £                                     | £                    | £                      | £           |
| <b>Cost</b>                            |                             |                           |                                       |                      |                        |             |
| At 1 January 2022                      | 10,336,580                  | 29,441,388                | 64,116                                | 1,473,002            | -                      | 41,315,086  |
| Additions                              | 38,904,962                  | 67,890,903                | 133                                   | 6,197,945            | 237,082                | 113,231,025 |
| At 31 December 2022                    | 49,241,542                  | 97,332,291                | 64,249                                | 7,670,947            | 237,082                | 154,546,111 |
| <b>Depreciation and<br/>impairment</b> |                             |                           |                                       |                      |                        |             |
| At 1 January 2022                      | -                           | 548,282                   | 10,863                                | 17,106               | -                      | 576,251     |
| Depreciation charged in the<br>year    | -                           | 2,533,509                 | 21,019                                | 185,788              | 10,157                 | 2,750,473   |
| At 31 December 2022                    | -                           | 3,081,791                 | 31,882                                | 202,894              | 10,157                 | 3,326,724   |
| <b>Carrying amount</b>                 |                             |                           |                                       |                      |                        |             |
| At 31 December 2022                    | 49,241,542                  | 94,250,500                | 32,367                                | 7,468,053            | 226,925                | 151,219,387 |
| At 31 December 2021                    | 10,336,580                  | 28,893,106                | 53,253                                | 1,455,896            | -                      | 40,738,835  |

**7 Debtors**

|   | 2022<br>£        | 2021<br>£        |
|---|------------------|------------------|
| <b>Amounts falling due within one year:</b> |                  |                  |
| Trade debtors                               | 959,834          | 137,331          |
| Amounts owed by group undertakings          | 6,297,211        | 3,047,037        |
| Other debtors                               | 755,940          | 1,635,086        |
|   | <u>8,012,985</u> | <u>4,819,454</u> |

The amounts due from group undertakings, per the formal loan agreements in place, are due for final repayment on 31 March 2030 and as such have been shown in debtors falling due after more than one year, accruing at a rate of 5% PA.

**8 Creditors: amounts falling due within one year**

|                              | 2022<br>£         | 2021<br>£        |
|------------------------------|-------------------|------------------|
| Trade creditors              | 4,153,571         | 6,469,690        |
| Taxation and social security | 305,591           | 89,890           |
| Other creditors              | 21,574,360        | 399,320          |
|                              | <u>26,033,522</u> | <u>6,958,900</u> |

The amounts owed to group undertakings are unsecured and are repayable on demand.

**NETOMNIA LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022****9 Creditors: amounts falling due after more than one year**

|                                    | <b>2022</b> | <b>2021</b> |
|------------------------------------|-------------|-------------|
|                                    | <b>£</b>    | <b>£</b>    |
| Amounts owed to group undertakings | 156,525,245 | 45,140,999  |

The amounts owed to group undertakings, per the formal loan agreements in place, are due for final repayment on 31 March 2030 and as such have been shown in creditors falling due after more than one year, at a rate of 5%.

**10 Financial commitments, guarantees and contingent liabilities**

There are fixed and floating charges over the assets and undertaking of the company to secure loans made to a group company, Substantial Midco Limited, totalling £51,690,856 (2021 £51,690,856) and accrued interest and charges on these loans totalling £8,549,525 (2021: £3,682,686).

There are also fixed and floating charges over the assets and undertaking of the company to secure loans made to another group company, Substantial Bidco Limited, totalling £73,000,000 (2021 £40,000,000) and accrued interest and charges on these loans totalling £6,818,639 (2021: £1,138,882).

The company is included in a group registration for VAT. At 31 December 2022 the company had no potential liability under this group registration (2021: £nil) as all companies in the group registration were owed refunds of VAT by HM Revenue & Customs at the year end.

**11 Operating lease commitments****Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

|                            | <b>2022</b>    | <b>2021</b>    |
|----------------------------|----------------|----------------|
|                            | <b>£</b>       | <b>£</b>       |
| Within one year            | 261,215        | 51,077         |
| Between two and five years | 522,429        | 77,311         |
|                            | <u>783,644</u> | <u>128,388</u> |

**12 Events after the reporting date**

On 17 March 2023, the group agreed a 7 year facility for £230m debt funding to support the next stage of the group's development from ING Bank N.V., HSBC UK Bank Plc, NIBC Financing N.V., Royal Bank of Canada, Standard Chartered Bank and UK Infrastructure Bank Limited.

Under the terms of the debt facility, the group is committed to fixing the interest rate on at least 70% of its expected drawings across the term of the facility. On 31 March 2023, the group entered into appropriate levels of interest rate swap instruments to mitigate its exposure to interest rate volatility. Management does not consider unhedged portions of the facility to be a significant risk to the business.



## **NETOMNIA LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 DECEMBER 2022**

---

#### **13 Related party transactions**

During the year the company entered into the following transactions with related parties:

The company has made purchases from a company in which a director has a financial interest. During the year total purchases amounted to £16,892,505 (2021: £241,961). At the year end £114,125 (2021: £20,136) was due to the company. At the year end there was a payment on account of £1,618,419 (2021: £2,508,216)

The company has made sales to a company in which a director has a financial interest. During the year total sales amounted to £204,496 (2021: £nil). At the year end £85,854 (2021: £nil) was due to the company.

#### **14 Parent company**

Substantial Group Limited is the immediate parent company. The registered office of Substantial Group Limited is Unit H The Courtyard, Tewkesbury Business Park, Tewkesbury, United Kingdom, GL20 8GD.

Substantial Topco Limited is the ultimate parent company. The registered office of Substantial Topco Limited is Unit H The Courtyard, Tewkesbury Business Park, Tewkesbury, United Kingdom, GL20 8GD. Substantial Topco Limited is the only company that prepares consolidated financial statements which includes Netomnia Limited.