

Registered no. 03400157

ip.access Limited
Annual Report and Financial Statements
Period ended 31 January 2021



IP.ACCESS LIMITED

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DIRECTORS, OFFICERS AND ADVISERS

Directors	C Gilbert T Hungle M Knobloch R Thorn
Auditors	MHA MacIntyre Hudson Moorgate House 201 Silbury Boulevard Milton Keynes MK9 1LZ
Bankers	Lloyds TSB Bank Plc Gonville Place 95/97 Regent Street Cambridge CB2 1BQ United Kingdom
Registered office	Building 1010 Cambourne Business Park Cambourne CB23 6DP United Kingdom

STRATEGIC REPORT

The directors present their Annual Report and financial statements for the period ended 31 January 2021.

Principal activity

ip.access is a UK company with two primary lines of business, Communications Networks providing public cellular service and Private Networks, deployed with system integrators, providing cellular radio solutions for critical infrastructure, security and surveillance.

The principal activity of the Company is the design, manufacture and sale of 2G, 3G, 4G and 5G wireless base stations ("small cells"), presence Sensor solutions, and the ancillary network support products to provide GSM, UMTS and LTE based voice, data and surveillance services, indoors and outside.

End customers for ip.access products and solutions include licensed mobile network operators, rural operators and customers in the aviation, maritime and security market sectors.

Review of the business

During the period the Company was acquired by Mavenir Systems Limited, a company incorporated in England and Wales who purchased 100% of the shareholding from ZIP Wireless Limited.

The Company's key financial performance indicators during the period were as follows:

	2021	2020	Change
	<i>(10mths)</i>	<i>(12mths)</i>	%
	£000	£000	
Revenue	7,283	9,323	(22)
Operating loss	(1,451)	(1,303)	(11)
Profit/(Loss) after taxation	34,064	(2,266)	1,603
Shareholders' deficit	(6,153)	(40,216)	85
Cash	357	545	(35)

Following the acquisition of the Company by Mavenir Systems Limited during the period the Company made the decision to change the accounting period end to 31st January in line with Mavenir Systems Limited.

The Company focussed its activity in the past 10 months on continuing to serve its large installed base of 2G, 3G and 4G (LTE) small cell customers, while continuing to develop and introduce its LTE, 5G and presence Sensor products and solutions to the marketplace.

The Directors believe that the Company is a leading, end-to-end, supplier of small cells solutions and will continue to differentiate based on multi-mode (2G/3G/4G/5G) capabilities. The Directors further believe that ip.access has a unique offering with the "presence Sensors for Security" solution, offering advanced cellular surveillance capabilities to the security market sectors. The Company sees strong demand, albeit nascent, for the "presence Sensor" solution and believes that the offering can be deployed to improve security at cellular base station sites to provide data on the proximity of mobile phone users in the event of a malicious attack. Furthermore, the Company sees benefit in deploying "presence Sensors" at strategic locations to measure the physical distances between consumer phones to complement NHSX initiatives for social distancing and Covid-19 contact tracing.

The Company delivered a strong performance throughout the period despite the worldwide impact of Covid-19. The Company maintained a steady course, similar to the previous year, capitalising on a strong order book directionally aligned with the Company's strategy.

The Directors feel that the Company has a steady platform to build on going into the new financial year, with a strong order book for the first half, this is based on predictable and linear revenue growth in some core market verticals as well as significant growth opportunity within Private Networks for enterprise and security, and the "presence Sensors solution for security."

The Company continued to invest heavily on its future product development programmes, this development was funded by organic revenue growth, and not investor cash injection. The focus on development during the period was on continued LTE small cell development, 5G and unique features for the security markets.

Prior to the acquisition by Mavenir Systems Limited, £35,848,000 of the Intercompany Loan Note and associated interest due to ZIP Wireless Limited was waived by ZIP Wireless Limited, its immediate parent at the time of the waiver. The remaining balance of £4,924,000 was repaid via an Intercompany Loan with Mavenir Systems Limited.

STRATEGIC REPORT (continued)**Future developments**

The Directors forecast continued revenue across the service provider market (mobile network operators) and plan for growth across the vertical, higher margin, markets including Private Networks for enterprise and security, whilst continuing to develop “presence Sensors for security.”

The Company continues to place importance on development of ongoing programs, such as enhancing their Software suite for security, and developing a homegrown 5G software stack which they believe significantly enhances their intellectual property and long-term strategic and financial value.

On-going development activities will continue to ensure that the Company remains at the forefront of the marketplace.

Principal risks and uncertainties

The Company’s activities expose it to a number of financial risks including credit risk, cash flow risk, liquidity risk, and competitor risk. The Company’s principal financial assets are bank balances and cash, trade and other receivables.

The Company’s credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

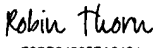
The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company aims to mitigate liquidity risk by managing cash generation by its operations and applying cash collection targets throughout the Company. The going concern section of the Directors Report discusses the specific risks the Company has faced and is facing in this respect.

Cash flow risk is the risk of exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability such as future interest payments on a variable rate debt.

Like all growth technology markets the competitor risk to the Company is increasing as the small cell market becomes more established and more entrants are therefore potentially attracted. To mitigate this risk the Company continues to invest significantly in research and development and product testing to ensure the Company remains at the forefront of the marketplace.

On behalf of the board

DocuSigned by:

E8BD34895EA6434...
R Thorn

Director

23 June 2021

DIRECTORS' REPORT**Results and dividends**

The Company achieved revenue of £7,283,000 (2020: £9,323,000) for the 10 month financial period. The loss on ordinary activities before exceptional items and tax was £2,235,000 (2020: £2,903,000). The Directors do not recommend the payment of a dividend and the retained loss has been transferred to reserves.

Going Concern

The Company incurred a net loss on ordinary activities of £2,235,000 during the period ended 31 January 2021 and, at that date, the Company's current liabilities exceeded its total assets by £6,069,000. The write off of the Intercompany Loan and associated interest with ZIP Wireless Limited resulted in a net profit after tax of £34,064,000 and a positive improvement to the net liability position of the company. The Company intends to continue to invest in research, development and support activities to ensure that it remains in a position to fully exploit the growing opportunities for its expanding end-to-end small cell solution ranges on a worldwide basis and will continue to differentiate based on multi-mode (2G/3G/4G/5G) capabilities. The Company is now well positioned with an established range of 2G, 3G and 4G (LTE) small cell customers and continues to develop and introduce its LTE, 5G and presence Sensor products and solutions to the marketplace.

The Company is currently forecasting a positive EBITDA for the year ending 31 January 2022. The Directors expect that liabilities will be met as they fall due from existing resources combined with support from the new parent company as required.

The Directors have considered the impact of COVID-19 on going concern. The Group is able to continue to operate with its employees and its supply chain in order to continue to support customers. The customer base is telecommunication companies and mobile network operators who are resilient to COVID-19, as critical infrastructure that is even more in demand. Credit risk on customers is also considered to remain low. Customers may defer starting projects, but this is not expected to significantly impact results in the next 12 months.

The financial statements have been prepared on the going concern basis, which assumes that the Company will continue in operational existence and will be able to meet liabilities as they fall due, for the foreseeable future. A letter of support has been obtained from the parent company that indicates that the parent will enable the Company to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of the financial statements. Based on the cash flow forecasts and support provided, the Directors have therefore prepared the accounts on a going concern basis.

Research and development

Development of the small cell solutions has continued with further development of LTE products, virtualisation and the presence Sensor during the ten months ending 31 January 2021. The average number of research and development employees decreased to 15 (2020: 22). Staff costs and contractors spend on research and development decreased to £873,000 (2020: £936,000). Total spend on external research and development project costs in the period, excluding staff costs and contractors, has decreased to £63,000 (2020: £366,000) due to restrictions on spending due to Covid-19.

Directors

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

C Bataillard (resigned 27th September 2020)

S Salty (resigned 27th September 2020)

A Traversone (resigned 27th September 2020)

A Fox (resigned 27th September 2020)

R Staveley (resigned 27th September 2020)

C Gilbert (appointed 27th September 2020)

T Hungle (appointed 27th September 2020)

M Knobloch (appointed 27th September 2020)

R Thorn (appointed 27th September 2020)

DIRECTORS' REPORT (continued)

Statement as to disclosure of information to auditors

The directors who comprised the board at the time of approving this report are listed on page 2. Having made enquiries of fellow officers and of the Company's auditors, the directors confirm that:

- to the best of their knowledge and belief, there is no information relevant to the preparation of this report of which the Company's auditors are unaware; and
- they have taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

A resolution to reappoint MHA MacIntyre Hudson as auditors will be put to the members at the next Annual General Meeting.

On behalf of the board

DocuSigned by:
Robin Thorn
E8BD34895EA6434...

R Thorn

Director

23 June 2021

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing their 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), including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland'. 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 proper 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IP.ACCESS LIMITED

Opinion

We have audited the financial statements of ip.access Limited (the 'Company') for the period ended 31 January 2021, which comprise the Statement of Comprehensive Income, the Statement of Changes in Equity, the Balance Sheet, and the related notes, 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 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 January 2021 and of its profit 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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 or apparent material misstatements, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IP.ACCESS LIMITED (continued)

We have nothing to report in this regard.

Opinion 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have 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 obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or 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' exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 7, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IP.ACCESS LIMITED (continued)

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:

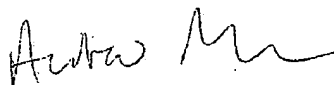
- Enquiry of management and entity's solicitors around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with law and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rational of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our 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.

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.



Andrew Moyser FCA FCCA (Senior Statutory Auditor)
for and on behalf of
MHA MacIntyre Hudson
Chartered Accountants
Moorgate House
201 Silbury Boulevard
Milton Keynes
MK9 1LZ
Date: 23 June 2021

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 JANUARY 2021**

	Note	<i>Period Ended</i> 31 January 2021 £000	<i>Year Ended</i> 31 March 2020 £000
Turnover	2	7,283	9,323
Change in stocks of finished goods and work in progress		359	(79)
Purchases of raw materials and consumables		(4,618)	(1,710)
Staff costs	3	(3,343)	(3,365)
Depreciation and amortisation	5	(162)	(245)
Other operating expenses	5	(970)	(5,227)
Operating loss	5	<u>(1,451)</u>	<u>(1,303)</u>
Interest payable	6	(784)	(1,600)
(Loss) on ordinary activities before taxation		<u>(2,235)</u>	<u>(2,903)</u>
Non Operating Exceptional Item	7	35,848	-
Profit/(loss) on activities before taxation		<u>33,613</u>	<u>(2,903)</u>
Tax credit on ordinary activities	8	450	637
Profit/(Loss) on ordinary activities after taxation		<u>34,063</u>	<u>(2,266)</u>
Other comprehensive income		-	-
Total comprehensive profit/(loss)		<u>34,063</u>	<u>(2,266)</u>

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 JANUARY 2021**

	<i>Share capital</i>	<i>Share premium</i>	<i>Capital redemp- tion reserve</i>	<i>Capital contribu- tion</i>	<i>Profit and loss account</i>	<i>Total Share- holders funds/ (deficit)</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
At 1 April 2019	5,439	58,244	1,549	21,028	(124,210)	(37,950)
Total Comprehensive Loss for the year	-	-	-	-	(2,266)	(2,266)
At 1 April 2020	5,439	58,244	1,549	21,028	(126,476)	(40,216)
Total Comprehensive Profit for the period	-	-	-	-	34,063	34,063
At 31 January 2021	5,439	58,244	1,549	21,028	(92,413)	(6,153)

IP.ACCESS LIMITED

REGISTERED NO. 3400157

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**BALANCE SHEET
AT 31 JANUARY 2021**

	<i>Note</i>	<i>31 January 2021 £000</i>	<i>31 March 2020 £000</i>
Fixed assets			
Intangible assets	9	31	92
Tangible assets	10	343	205
Investments	11	221	221
		<u>595</u>	<u>518</u>
Current assets			
Stock	12	789	1,350
Debtors	13	3,448	2,977
Cash at bank and in hand		357	545
		<u>4,594</u>	<u>4,872</u>
Creditors: amounts falling due within one year	14	(11,258)	(45,606)
		<u>(6,664)</u>	<u>(40,734)</u>
Net current liabilities		(6,664)	(40,734)
Total assets less current liabilities		(6,069)	(40,216)
Creditors: amounts falling due after more than one year	14	(84)	-
		<u>(6,153)</u>	<u>(40,216)</u>
Net liabilities		(6,153)	(40,216)
Capital and reserves			
Called up share capital	16	5,439	5,439
Share premium account	17	58,244	58,244
Capital redemption reserve	17	1,549	1,549
Capital contribution	17	21,028	21,028
Profit and loss account	17	(92,413)	(126,476)
		<u>(6,153)</u>	<u>(40,216)</u>
Shareholders' deficit		(6,153)	(40,216)

The financial statements were approved by the board on 23 June 2021 and signed on its behalf by:

DocuSigned by:

 R Thorn
 Director

NOTES TO THE FINANCIAL STATEMENTS
31 JANUARY 2021**1. ACCOUNTING POLICIES****Statement of compliance**

ip.access Limited is a private company limited by shares incorporated in England. The Registered Office and principal place of business is Building 1010, Cambourne Business Park, Cambourne, CB23 6DP. From 1st April 2020 to 4th October 2020 the Registered Office was Building 2020 Cambourne Business Park, Cambourne, CB23 6DW

The Company's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the Company for the period ended 31 January 2021. Prior year accounts were for the full year to 31st March 2020 and therefore comparative amounts in the financial statements (including the related notes) are not entirely comparable.

The Company has taken advantage of the disclosure exemptions in FRS 102 1.12(b), (c) and (e) and therefore does not disclose a Cash Flow Statement, disclosures relating to Financial Instruments nor disclosures of Related Party transactions with wholly owned subsidiaries.

The financial statements are consolidated in the Group financial statements of the parent company, Mavenir Group Holdings Limited, which may be obtained from the Registered Office at 11th Floor 200 Aldersgate Street, London, United Kingdom, EC1A 4HD. The Company is therefore exempt from preparing consolidated financial statements in accordance with Companies Act under s.400.

Basis of preparation

The financial statements of ip.access Limited were authorised for issue by the Board of Directors on June 2021. The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The financial statements are prepared in sterling which is the functional currency of the company and rounded to the nearest £'000.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following are the Company's key sources of judgements and estimation uncertainty:

Impairment of non-financial assets

The Company holds significant levels of stocks comprising raw materials, work in progress and finished goods. Management make judgements about the net realisable value of stocks thereby identifying the need for impairment provisions. Impairment may arise from reductions in selling prices or obsolescence.

Going concern

The Company incurred a net loss on ordinary activities of £2,235,000 during the period ended 31 January 2021 and, at that date, the Company's current liabilities exceeded its total assets by £6,153,000. The write off of the Intercompany Loan and associated interest with ZIP Wireless Limited resulted in a net profit after tax of £34,063,000 and a positive improvement to the net liability position of the company. The Company intends to continue to invest in research, development and support activities to ensure that it remains in a position to fully exploit the growing opportunities for its expanding end-to-end small cell solution ranges on a worldwide basis and will continue to differentiate based on multi-mode (2G/3G/4G/5G) capabilities. The Company is now well positioned with an established range of 2G, 3G and 4G (LTE) small cell customers and continues to develop and introduce its LTE, 5G and presence Sensor products and solutions to the marketplace.

The Company is currently forecasting a positive EBITDA for the year ending 31 January 2022. The Directors expect that liabilities will be met as they fall due from existing resources combined with support from the new parent company as required.

NOTES TO THE FINANCIAL STATEMENTS**31 JANUARY 2021 (continued)****1. ACCOUNTING POLICIES (continued)****Going concern (continued)**

The Directors have considered the impact of COVID-19 on going concern. The Group is able to continue to operate with its employees and its supply chain in order to continue to support customers. The customer base is telecommunication companies and mobile network operators who are resilient to COVID-19, as critical infrastructure that is even more in demand. Credit risk on customers is also considered to remain low. Customers may defer starting projects, but this is not expected to significantly impact results in the next 12 months.

The financial statements have been prepared on the going concern basis, which assumes that the Company will continue in operational existence and will be able to meet liabilities as they fall due, for the foreseeable future. A letter of support has been obtained from the parent company that indicates that the parent will enable the Company to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of the financial statements. Based on the cash flow forecasts and support provided, the Directors have therefore prepared the accounts on a going concern basis.

Revenue

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on dispatch of the goods, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Written purchase authorisations are obtained from customers for a specified amount of product at a specified price and delivery is considered to have occurred at the time of shipment, dependent on agreed shipping terms. If goods are maintained at a consigned location, revenue is recognised when customers take the product for its use.

Rendering of services

Revenue for professional services is invoiced in line with customer contracts and recognised on the basis of work performed. Where contracts indicate time and materials, as the basis for charges, revenue is recognised directly in line with work completed. Where this is not the case project plans detailing resource requirement during a project are used to establish percentage completion at any point in time. In relation to Support and Maintenance contracts there are recognised on a pro-rata basis through the year.

Royalties

Revenue for licence and royalties fees is recognised when persuasive evidence for the arrangement exists, delivery has occurred, fees are fixed or determinable, non-refundable and require no further commitments with fee collection being probable. Royalties are recognised on receipt of appropriate third party evidence.

Interest income

Revenue is recognised as interest accrues using the effective interest method.

Revenue is accrued on the above elements when revenue can be recognised but has not been invoiced.

Revenue is deferred on the above elements when it has not been recognised but the invoice has been raised.

Revenue relating to contracts with multiple elements is allocated based on the fair value of each element and is recognised in accordance with the accounting principles for each element described above.

NOTES TO THE FINANCIAL STATEMENTS
31 JANUARY 2021 (continued)

1. ACCOUNTING POLICIES (continued)

Government grants

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

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments.

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

Intangible assets

Intangible assets acquired separately from a business are capitalised at cost. Intangible assets, excluding development costs, created within the business are not capitalised and expenditure is charged against profits in the year in which it is incurred.

Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment. Intangible assets are amortised on a straight line basis over their estimated useful lives. The carrying value of intangible assets is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

The useful economic lives of intangible assets are as follows:

Software Licences	2 to 5 years
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If there are indicators that the residual value or useful life of an intangible asset has changed since the most recent annual reporting period previous estimates shall be reviewed and, if current expectations differ, the residual value, amortisation method or useful life shall be amended. Changes in the expected useful life or the expected pattern of consumption of benefit shall be accounted for as a change in accounting estimate.

Impairment of non-financial assets

The Company assesses at each reporting date whether an asset may be impaired. If any such indication exists the Company estimates recoverable amount of the asset. If it is not possible to estimate the recoverable amount of the individual asset, the Company estimates, the recoverable amount of the cash-generating unit to which the asset belongs. The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. If the recoverable amount is less than its carrying amount, the carrying amount of the asset is impaired and it is reduced to its recoverable amount through an impairment in profit and loss unless the asset is carried at a revalued amount where the impairment loss of a revalued asset is a revaluation decrease.

An impairment loss recognised for all assets, including goodwill, is reversed in a subsequent period if and only if the reasons for the impairment loss have ceased to apply.

Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all property, plant and equipment, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Leasehold improvements	remaining life of the lease, or useful life, whichever is the shorter
Plant and equipment	2 to 5 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying values may not be recoverable.

NOTES TO THE FINANCIAL STATEMENTS**31 JANUARY 2021 (continued)****1. ACCOUNTING POLICIES (continued)****Leasing and hire purchase commitments**

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the group, and hire purchase contracts are capitalised in the balance sheet and are depreciated over the shorter of the lease term and the asset's useful lives. A corresponding liability is recognised for the lower of the fair value of the leased asset and the present value of the minimum lease payments in the balance sheet. Lease payments are apportioned between the reduction of the lease liability and finance charges in the income statement so as to achieve a constant rate of interest on the remaining balance of the liability.

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term. Lease incentives are recognised over the lease term on a straight line basis.

Investments

Investments comprise investments in unquoted equity instruments. Investments are recognised initially at fair value which is the transaction price. Subsequently, they are measured at fair value through profit or loss except for those whose fair value cannot otherwise be measured reliably which are recognised at cost less impairment until a reliable measure of fair value becomes available.

If a reliable measure of fair value is no longer available, the equity instrument's fair value on the last date the instrument was reliably measurable is treated as the cost of the instrument.

Stock

Stock is stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition, as follows:

Components/raw materials	- purchase cost on an average cost basis
Work in progress and finished goods	- cost of direct materials and labour plus attributable overheads based on normal levels of activity

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Long term contract work-in-progress is stated at cost, as defined above, less amounts transferred to the profit and loss account, provision for any known or anticipated losses and payments on account received and receivable.

Equipment held at customer sites for trials is stated at cost, as defined above, less amounts transferred to the profit and loss account, provision for any known or anticipated losses and payments on account received and receivable.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

Research and development

Research and development expenditure is written off as incurred.

Provisions for liabilities

A provision is recognised when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

NOTES TO THE FINANCIAL STATEMENTS**31 JANUARY 2021 (continued)****1. ACCOUNTING POLICIES (continued)****Deferred taxation**

Deferred tax is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements, except that unrelieved tax losses and other deferred tax assets are recognised only to the extent that the directors consider that it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Classification of shares as debt or equity

An equity instrument is a contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Accordingly, a financial instrument is treated as equity if:

- (i) there is no contractual obligation to deliver cash or other financial assets or to exchange financial assets or liabilities on terms that may be unfavourable; and
- (ii) the instrument is a non-derivative that contains no contractual obligations to deliver a variable number of shares or is a derivative that will be settled only by the Company exchanging a fixed amount of cash or other assets for a fixed number of the Company's own equity instruments.

When shares are issued, any component that creates a financial liability of the Company is presented as a liability in the balance sheet; measured initially at fair value net of transaction costs and thereafter at amortised cost until extinguished on conversion or redemption. The corresponding dividends relating to the liability component are charged as interest expense in the income statement. The initial fair value of the liability component is determined using a market rate for an equivalent liability without a conversion feature.

The remainder of the proceeds on issue is allocated to the equity component and included in shareholders' equity, net of transaction costs. The carrying amount of the equity component is not re-measured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the shares based on the allocation of proceeds to the liability and equity components when the instruments are first recognised.

Foreign currency

Transactions in foreign currencies are initially recorded in the Company's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

NOTES TO THE FINANCIAL STATEMENTS

31 JANUARY 2021 (continued)

1. ACCOUNTING POLICIES (continued)

Pensions

During the year the Company participated in a defined contribution Company pension scheme with St James' Place and offers employees the option of making payments to the pension scheme by way of salary sacrifice. Contributions made under all schemes are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Interest-bearing loans and borrowings

All interest-bearing loans and borrowings which are basic financial instruments are initially recognised at the present value of cash payable to the bank (including interest). After initial recognition they are measured at amortised cost using the effective interest rate method, less impairment. The effective interest rate amortisation is included in interest payable in the income statement.

NOTES TO THE FINANCIAL STATEMENTS**31 JANUARY 2021 (continued)****2. TURNOVER**

Turnover represents the amounts derived from the provision of good and services which fall within the company's ordinary activities, stated net of value added tax. It arises from one class of business. The company operates within multiple geographical markets. Turnover is analysed as follows:

	<i>2021</i>	<i>2020</i>
	<i>(10mths)</i>	<i>(12mths)</i>
	<i>£000</i>	<i>£000</i>
Sale of goods	3,586	6,711
Rendering of services	3,697	2,612
	<u>7,283</u>	<u>9,323</u>

	<i>2021</i>	<i>2020</i>
	<i>£000</i>	<i>£000</i>
North America	883	2,895
Europe	2,054	3,101
United Kingdom	464	910
Rest of World	3,882	2,417
	<u>7,283</u>	<u>9,323</u>

3. STAFF COSTS

	<i>2021</i>	<i>2020</i>
	<i>(10mths)</i>	<i>(12mths)</i>
	<i>£000</i>	<i>£000</i>
Salaries	2,743	2,597
Social security costs	292	342
Pension costs	308	426
	<u>3,343</u>	<u>3,365</u>

Total amounts paid to key management personnel in the year amounted to £610,000 (2020: £755,000), key management personnel are those who are involved in the strategic decisions of the Company.

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NOTES TO THE FINANCIAL STATEMENTS
31 JANUARY 2021 (continued)
3. STAFF COSTS (continued)

The average weekly number of persons employed by the company during the year was:

	<i>2021</i>	<i>2020</i>
	<i>(10mths)</i>	<i>(12mths)</i>
	<i>No.</i>	<i>No.</i>
Research and development	20	23
Administration	10	11
Sales and marketing	7	8
	<u>37</u>	<u>42</u>

4. DIRECTORS' REMUNERATION

	<i>2021</i>	<i>2020</i>
	<i>(10mths)</i>	<i>(12mths)</i>
	<i>£000</i>	<i>£000</i>
Aggregate remuneration in respect of qualifying services	<u>134</u>	<u>259</u>
Pension contributions	<u>13</u>	<u>22</u>

The emoluments of the highest paid director were:

	<i>2021</i>	<i>2020</i>
	<i>£000</i>	<i>£000</i>
Emoluments	<u>134</u>	<u>259</u>
Pension contributions	<u>13</u>	<u>22</u>

Remuneration of other directors was paid by other group companies

NOTES TO THE FINANCIAL STATEMENTS
31 JANUARY 2021 (continued)
5. OPERATING LOSS

	<i>2021</i>	<i>2020</i>
	<i>(10mths)</i>	<i>(12mths)</i>
	<i>£000</i>	<i>£000</i>
This is stated after charging/(crediting):		
Depreciation (note 10)	101	182
Amortisation (note 9)	61	63
Auditor's remuneration – audit services	14	15
Research and development costs	63	366
Loss on foreign currency translation	(358)	(47)
Operating lease rentals – land and buildings	94	228
	<u>784</u>	<u>1,600</u>

6. INTEREST PAYABLE

	<i>2021</i>	<i>2020</i>
	<i>(10mths)</i>	<i>(12mths)</i>
	<i>£000</i>	<i>£000</i>
Interest payable to group undertakings	784	1,589
Interest payable on venture debt	-	11
	<u>784</u>	<u>1,600</u>

7. EXCEPTIONAL ITEMS

During the period the Company was acquired by Mavenir Systems Limited, a company incorporated in England and Wales who purchased 100% of the shareholding from ZIP Wireless Limited. Prior to the acquisition £35,847,722 of the Intercompany Loan Note and associated interest due with ZIP Wireless Limited was waived by ZIP Wireless Limited.

NOTES TO THE FINANCIAL STATEMENTS
31 JANUARY 2021 (continued)
8. TAX ON LOSS ON ORDINARY ACTIVITIES

	<i>2021</i>	<i>2020</i>
	<i>(10mths)</i>	<i>(12mths)</i>
	<i>£000</i>	<i>£000</i>
UK corporation tax – current	(500)	(690)
Overseas tax – withholding tax	50	53
Tax credit	<u>(450)</u>	<u>(637)</u>
	<i>2021</i>	<i>2020</i>
	<i>£000</i>	<i>£000</i>
Factors affecting the tax credit for the year:		
Profit/(Loss) on activities before taxation	33,613	(2,903)
Tax at standard rate of 19%	<u>6,386</u>	<u>(552)</u>
Effect of:		
Non-deductible /(non-taxable income) expenses	(6,809)	(4)
Research and development tax credit – uplift	(370)	(511)
Research and development tax credit – surrender	155	214
Other temporary differences	89	(39)
Group relief surrendered not paid	49	202
Withholding tax suffered	50	53
Total current tax credit	<u>(450)</u>	<u>(637)</u>

The R&D tax receipt for the tax year ended 31 March 2020 was received after the appropriate reclaim was filed and reviewed. The R&D tax credit for the period ended 31 January 2021 has been calculated and included in the tax credit for the current period.

NOTES TO THE FINANCIAL STATEMENTS
31 JANUARY 2021 (continued)

8. TAX ON LOSS ON ORDINARY ACTIVITIES (continued)

The unrecognised deferred tax assets of the Company as at 31 January 2021 are as follows:

	<i>2021</i> <i>(10mths)</i>	<i>2020</i> <i>(12mths)</i>
	<i>£000</i>	<i>£000</i>
Accelerated capital allowances	(8)	(29)
Short term timing differences	7	7
Losses	9,830	9,762
	<hr/>	<hr/>
Deferred tax asset	9,829	9,740
	<hr/> <hr/>	<hr/> <hr/>

Deferred tax assets have not been recognised in respect of these losses on the basis that the Company is still moving towards becoming a sustainable business and profitability will be determinable by the market.

Subject to the agreement by HMRC, there are accumulated tax losses after surrender for an R&D tax credit of approximately £51,736,000 (2020: £51,381,000) which may be carried forward to offset against future trading profits.

9. INTANGIBLE ASSETS

	<i>Software</i> <i>Licences</i> <i>£000</i>
Cost	
At 1 April 2020	999
Additions	-
Disposals	(485)
	<hr/>
At 31 January 2021	514
	<hr/>
Accumulated Depreciation	
At 1 April 2020	907
Provided during the year	61
Disposals	(485)
	<hr/>
At 31 January 2021	483
	<hr/>
Net book value	
At 31 January 2021	31
	<hr/> <hr/>
At 1 April 2020	92
	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS
31 JANUARY 2021 (continued)
10. TANGIBLE ASSETS

	<i>Leasehold improvements £000</i>	<i>Plant and equipment £000</i>	<i>Total £000</i>
Cost			
At 1 April 2020	266	8,902	9,168
Additions	230	10	240
Disposals	(266)	(5,416)	(5,682)
At 31 January 2021	230	3,496	3,726
	<hr/>	<hr/>	<hr/>
Accumulated Depreciation			
At 1 April 2020	266	8,697	8,963
Provided during the year	19	83	102
Disposals	(266)	(5,416)	(5,682)
At 31 January 2021	19	3,364	3,383
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 January 2021	211	132	343
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 1 April 2020	0	205	205
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS
31 JANUARY 2021 (continued)
11. INVESTMENTS

	<i>Investments</i> <i>£000</i>
Cost	
At 1 April 2020 and 31 January 2021	<u>327</u>
Amounts written off	
At 1 April 2020 and 31 January 2021	<u>106</u>
Net book value	
At 31 January 2021	<u>221</u>
At 1 April 2020	<u>221</u>

Name	Holding	Proportion of voting rights and shares held	Nature of Business
ip.access India Private Limited*	Ordinary Shares	99.99%***	Service & Support
ip.access Inc.**	Ordinary Shares	100%	Service & Support
ip.access Presence Limited ∞	Ordinary Shares	100%	Dormant

* incorporated in India, registered office at G-80, Lajpat Nagar-I, New Delhi, 110024, India

** incorporated in the United States, registered office at 1209 Orange Street, Wilmington, Delaware 19801, County of New Castle, USA

*** 0.01% held by ip.access Inc

12. STOCK

	<i>2021</i> <i>£000</i>	<i>2020</i> <i>£000</i>
Raw materials	464	666
Work in progress	-	15
Finished goods	325	669
	<u>789</u>	<u>1,350</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

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NOTES TO THE FINANCIAL STATEMENTS**31 JANUARY 2021 (continued)****13. DEBTORS**

	<i>2021</i>	<i>2020</i>
	<i>£000</i>	<i>£000</i>
Trade debtors	2,334	1,453
Other debtors	26	-
Prepayments and accrued income	588	834
R&D tax credit	500	690
	<u>3,448</u>	<u>2,977</u>

14. CREDITORS: amounts falling due within one year

	<i>2021</i>	<i>2020</i>
	<i>£000</i>	<i>£000</i>
Trade creditors	581	648
Amounts owed to Group undertakings	8,248	42,051
Other taxes and social security costs	275	457
Other creditors	289	414
Accruals	974	903
Deferred Income	891	1,133
	<u>11,258</u>	<u>45,606</u>

CREDITORS: amounts greater than one year

	<i>2021</i>	<i>2020</i>
	<i>£000</i>	<i>£000</i>
Other creditors	84	-
	<u>84</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS
31 JANUARY 2021 (continued)
15 OBLIGATIONS UNDER LEASES*Operating leases*

Future minimum rentals payable under non-cancellable operating leases are as follows:

	<i>2021</i>	<i>2020</i>
	<i>£000</i>	<i>£000</i>
Not later than one year	226	230
Later than one year but not later than five years	879	911
Later than five years	-	133
	<u>1,105</u>	<u>1,274</u>

16 CALLED UP SHARE CAPITAL

	<i>No.</i>	<i>Authorised</i>	<i>No.</i>	<i>Allotted, called up and fully paid</i>
		<i>£</i>		<i>£</i>
As at 31 March 2020 and 31 January 2021				
Ordinary shares of 1 penny each	908,048,177	9,080,482	543,967,430	5,439,674
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Share capital.

Ordinary £0.01 shares carry one vote per share held. On an exit they are entitled to receive amounts in proportion to the total equity.

NOTES TO THE FINANCIAL STATEMENTS
31 JANUARY 2021 (continued)**17. RESERVES****Share Premium account**

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Capital Redemption Reserve

This reserve records the nominal value of shares repurchased by the company.

Capital Contribution

This reserve records the amount of capital received where no shares were provided in exchange, less transaction costs.

Profit and loss account

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

18. PENSION COMMITMENTS

The Company operates a defined contribution pension scheme with St James' Place in an independently administered fund. The Company is also registered as part of the Government controlled auto-enrolment scheme. Employees have the option to participate in either the Government or St James' Place schemes. The pension cost charge represents contributions payable by the Company to both funds and amounted to £307,000 (2020: £426,000). The creditor outstanding at 31 January 2021 was £36,000 (2020: £37,000).

19. CAPITAL COMMITMENTS

Amounts contracted for but not provided in the financial statements amounted to £nil for the Company (2020: £nil).

20. SUBSIDIARIES

The Company owns 100% of the Ordinary shares and voting rights in ip.access Inc., a company registered and operating in the USA, as a sales support function. The company made a trading profit for the ten months to 31 January 2021 of £27,313 (2020: £26,265). The total capital and reserves at 31 January 2021 totalled £923,545 (2020: £1,023,502).

The Company owns 99.99% of the Ordinary shares and voting rights in ip.access India Private Ltd, a company registered and operating in India as a sales and technical support function. The company made a trading loss for the ten months to 31 January 2021 of £25,172 (2020: £4,973). The total capital and reserves at 31 January 2021 totalled £1,109,321 (2020: £1,190,868).

The Company owns 100% of the Ordinary shares and voting rights in ip.access Presence Ltd, a company registered in the UK. The company was dormant for the period ended 31 January 2021 and for the year ended 31 March 2020.

21. RELATED PARTIES

The Company has taken advantage of the exemption in Section 33 'Related Party Disclosures' of FRS 102 not to disclose transactions with wholly owned subsidiaries within the group headed by Mavenir Group Holdings Limited.

NOTES TO THE FINANCIAL STATEMENTS
31 JANUARY 2021 (continued)

22. CONTROLLING PARTY

The Company's immediate parent undertaking is Mavenir Systems Limited, a company incorporated in England and Wales. Mavenir Group Holdings Limited, a company incorporated in England and Wales is the parent undertaking of the smallest group of undertakings ("the Group") to consolidate the results and financial position of the Company at 31 January 2021. The directors consider the ultimate controlling party to be Siris Capital Group, LLC.