Zoom Holding Limited

Report and Financial Statements

Year Ended

31 December 2020

Registered number 05777758

Zoom Holding Limited

Report and financial statements
for the year ended 31 December 2020

Contents

Page:

2	Strategic report
11	Report of the Directors
13	Directors' responsibilities statement
14	Independent Auditor's report
23	Consolidated statement of comprehensive income
24	Consolidated balance sheet
25	Consolidated statement of changes in equity
26	Consolidated statement of cash flows
27	Company balance sheet
28	Company statement of changes in equity
29	Notes forming part of the financial statements

Directors
Anna Dellis
Nick Horler
Paul Miles
Kevin O'Connor
Sebastian Schwengber
Bernardo Sottomayor

Secretary and registered office
Beach Secretaries Limited, 1st Floor, Bluebird House, Mole Business Park, Leatherhead, KT22 7BA

Company number
05777758

Auditor

Deloitte LLP, 1 New Street Square, London. EC4A 3BZ

Principal Activities

Zoom Holding Limited ("the Company") is the ultimate holding company for the ESP Utilities Group of companies. The Company has five trading subsidiaries (together "the Group"): one subsidiary is an electrical distribution company engaged in the development of electrical distribution grids as an independent operator, together with four subsidiaries operating as gas transporter companies engaged in the development of gas pipelines, the transportation of gas and metering services throughout mainland UK.

ESP Utilities Group can trace its roots to 1999 when E.S. Pipelines Limited was formed to concentrate mainly on gas infill projects to bring supply to areas, both rural and urban, which had previously not been connected to the national network.

In June 2017 3i MIA Holdings Limited purchased the Group as part of a portfolio of 5 assets owned by private equity fund Eiser Infrastructure Limited. 3i MIA Holding Limited is wholly owned by 3i Managed Infrastructure Acquisitions LP (3i MIA LP). 3i MIA LP was a new fund formed to hold these assets in a £700m unlisted fund which was closed in 2017. 3i MIA LP is managed by 3i Investments plc, which is a wholly owned subsidiary of 3i Group plc. The general partner of 3i MIA LP is 3i Managed Infrastructure GP (2017) LLP. 3i Group plc is listed on the London Stock Exchange.

3i Investments plc actively manages and supports portfolio companies to deliver sustainable growth. Key elements of the Investment Manager's collaborative asset management approach are (i) Access to 3i's considerable network of business leaders and experts, (ii) Access to financing expertise to ensure the business has an appropriate, sustainable and flexible financial structure.

The Investment Manager is represented on the board by Anna Dellis, Bernardo Sottomayor and Sebastian Schwengber. 3i MIA LP has Limited partners. 3i MIA LP is the ultimate controlling party.

Business Model and future developments

Through its subsidiary brands E.S. Pipelines Limited, ESP Electricity Limited, ESP Networks Limited, ESP Connections Limited and ESP Pipelines Limited – ESP Utilities Group works with housing developers, social landlords, industry and individuals to extend the gas and electricity networks throughout Great Britain. The Group does not build new networks, instead purchasing completed connections from accredited Utility Infrastructure Providers (UIPs) and Independent Connection Providers (ICPs), partnering to ensure the adoption of safe, quality networks.

As the network owner and operator, the Group is responsible for maintaining the network, and repairing any faults that cause interruptions to supply as quickly and safely as possible. Revenue is generated from Utility providers who then pay a monthly income per connection to the Group for use of the 'last mile' of infrastructure.

The Group is the UK's second largest owner and operator of independent gas and electricity networks with 796,825 connections as of December 2020. The Group continues to expand its portfolio of assets through three main areas of activity. First, through the adoption of gas and electricity networks for newly built housing installed by Utility Infrastructure Providers and Independent Connection Providers ("UIPs and ICPs"); second, through developing extensions to the gas network installed to connect existing properties previously not served by the national gas system (known as infill) and third, through adopting gas and electricity industrial and commercial ("I&C") connections for commercial properties.

The Group's strategy is to drive growth by increasing connections numbers. To achieve this the Group aims to deliver a customer focussed culture in the business. By providing technical guidance, competitive and sustainable asset values, and excellent service, the Group aims to become the asset adopter of choice to Utility Construction partners, enabling them in turn to deliver for their end clients.

In parallel the Group aims to deliver and develop the best possible service for consumers who depend on the Group's electricity and gas networks.

As a transporter of gas and distributor of electricity to predominantly domestic properties there was no impact on the income or costs of the business during 2020 due to Covid-19.

Business Model and future developments (continued)

In January 2021 the Group launched ESP Water, which will support our existing customers by adopting water and wastewater networks as part of a multi-utility proposition. This will serve to protect and grow our existing dual utility gas and electric propositions and provide the Group with additional regulated, sustainable revenue.

With long term housebuilder forecasts remaining positive, but subject to the short/medium term impact of Covid-19, based on the government's target of building 300,000 homes a year by the mid-2020s the Group is forecasting the level of new connections won each year will be sustainable, leading to continued growth in the order book and subsequent connection numbers.

The Directors have considered the future of the Group's gas networks in the context of the goal for decarbonisation of heat by 2050 and have concluded that a lack of a clear technology roadmap or a public policy framework means our gas networks will have a useful economic life well beyond 2050. As detailed in the Committee on Climate Change's Net Zero report in May 2019, we believe the future of heat is reliant on a mix of technologies and fuels, with an ongoing role for gas.

The future of heat is uncertain and is dependent on the future development of new and emerging technologies. There is inherent uncertainty in this development and we do not believe that any of these technologies can, in the next 30 years, reach a sufficient scale to replace the need for gas networks.

Financial review

On 21st December 2019 E.S. Pipelines Limited (ESP) entered into an agreement with Fulcrum Utility Services Limited to purchase its domestic customer gas connection assets, including the order book and associated meters for circa £46m. The first tranche of the deal completed on 31 March 2020, with circa £18m paid, and a further £4.7m paid in November 2020 for a second tranche of assets. The balance relating to part-complete networks and the internal and external order books will be payable over the next 5 years, as assets are built out and transferred to ESP.

The purchase has been funded by ESPUG Finance Limited, the immediate holding company of E.S. Pipelines Limited, by the issue of £30m of 2.116% PP loan notes which mature on 13 February 2035.

The Directors consider connections installed and turnover to be the key performance indicators for the Group in monitoring its performance during the year. The number of installed connections owned by its operating subsidiaries as at the end of the year was 796,825 (including 229,311 electricity connections) with a growth of 13.7% in the year, compared to 10.7% in the previous year.

Growth in connections has driven an increase in Group turnover for the year to 31 December 2020 by 13% to £78.253m (2019: £69.329m) and operating profit for the year grew by 9% to £24.5m (2019: £22.2m).

The electricity business grew by 15.9% in the year to 229,311 installed connections (2019: 197,737), producing turnover growth of 19.5% to £35.4m (2019: 29.6m). The total gas business grew by 12.9% in the year to 567,514 installed connections (2019: 502,602) leading to a growth in turnover of 9% at £43.2m (2019: £39.7m). This is partly due to the build out of the Group's order book from previous years, and partly due to the acquisition in connections from Fulcrum Utility Services Limited. Expectations for 2021 are that turnover will continue to grow at a constant rate as the order book for connections is installed.

As at 31 December 2020, the Group's borrowing facilities were as follows:

	Facility	Maturity	Amount drawn down
Senior Secured Tranche A loan note	£54m	6th October 2027	£54m
Senior Secured Tranche B loan note	£85m	6th October 2032	£85m
Senior Secured Tranche C loan note	£85m	6th October 2037	£85m
Senior Secured loan note	£30m	13th February 2035	£30m
Capex Facility	£100m	6th October 2022	£30m
Working Capital facility	£5m	6th October 2022	-
Liquidity facility	£10m	6th October 2022	-

Financial review (continued)

Under the financial arrangements the Group has both interest coverage ratio and leverage ratio covenants of 1.25:1 and 9.5:1 respectively. It has operated within all covenants during the year.

In addition, the Group is funded through Group PIK notes of £249.9m. At the end of the period the Group had net debt of £553.9m (2019 £512.3m), including amounts owed to Group entities, an increase of £41.6m during the year. This comprises £30m of Private Placement loan notes issued, capex loans advanced of £10m and an increase in accrued Group PIK note and loan note interest not paid of £1.6m in the year.

The overall gearing ratio of the Group (net debt/equity) is 4.1:1 (2019: 3.8:1). Excluding the shareholder loan, the Group's net debt was £281.9m resulting in a gearing ratio of 2.1:1 (2019: 1.8:1).

Further information on the Group's capital structure is included in note 15 to the financial statements. Details of how the Group manages risk in respect of capital, interest rates and liquidity is covered later in the Strategic report.

Senior Team

Nick Horler, Non-Executive Chairman
Nick has had a 35 year career in the energy industry. He spent 12 years as an executive with Conoco Phillips in the UK and USA. He was a Board member of E.On UK from 1998 to 2007 and CEO of Scottish Power from 2008 to 2010. Nick served as a Non-Executive on the Boards of the Go-Ahead Group, the Royal Mail and Thames Water. He was Chairman of UK Power Reserve from 2015 to its successful sale in 2019. He became Chairman of Horizon Energy Infrastructure in October 2020.

Other key appointments: Horizon Energy Infrastructure

Kevin O'Connor, Chief Executive Officer
Kevin joined the Group in 2018 from Arriva, where he was Divisional Managing Director of its UK Bus Business. Prior to joining Arriva in 2015, Kevin spent 14 years working across a diverse range of sectors for G4S, the global security solutions provider, serving latterly as the Regional Managing Director for Cash Solutions across the UK and Ireland. Kevin's career has covered regulated and non-regulated sectors, all with a strong focus on delivering for customers in a range of industries. He holds a Masters in Business Administration and holds no other key appointments.

Paul Miles, Chief Financial Officer
Paul has a wealth of experience as a CFO, most recently as Group CFO for GVC Holdings Plc where he led a merger to create the largest listed company by revenue in the sports betting and gaming sector. Previously he held Group CFO roles at The Wonga Group, Capquest and the Phoenix Group. Paul is a Fellow of the Institute of Chartered Accountants in England and Wales and joined the Zoom Holding Group in 2020. He holds no other key appointments.

Anna Dellis, Shareholder Director
Anna joined 3i in 2006, is a Partner in the Infrastructure team, and leads asset management for the portfolio of economic infrastructure investments. Over the last 14 years, Anna has had a leading role on many of the large infrastructure investments made by 3i, including Elenia and Eversholt Rail. Prior to 3i, Anna advised on infrastructure transactions at PWC. She is a member of the Institute of Chartered Accountants in England and Wales.

Other key appointments: Belfast City Airport, Oiltanking Amsterdam B.V., Oiltanking Terneuzen B.V., Oiltanking Ghent N.V., Oiltanking Malta Ltd and Oiltanking Singapore Ltd.

Senior Team (continued)

Bernardo Sottomayer, Shareholder Director
Bernardo joined 3i in 2015 as a Partner with responsibility for origination and execution of new investments across Europe, principally economic infrastructure businesses. He has 20 years of infrastructure investment experience and was most recently a Partner at Antin Infrastructure. Prior to Antin, Bernardo was Managing Director, Head of Acquisitions for Deutsche Bank's European infrastructure fund. Bernardo holds an economics degree from the Nova School of Business & Economics in Lisbon.

Other key appointments: Envol Midco Limited, Envol Investments Limited, Atena Investments Limited

Sebastian Schwengber, Shareholder Director
Sebastian is an Associate Director in 3i's Infrastructure team and joined in 2017. He brings 13 years' experience in strategy development, most recently from National Grid where he was a member of the Group & UK/EU Strategy team, and prior to that from Roland Berger, where he was a core member of the European Energy & Utilities team. Sebastian holds an MBA from INSEAD.

Other key appointments: Belfast City Airport

Employees

The Group culture is geared towards the success of both the business and the individuals within it. Our people are committed to the organisational goals, motivated by delivering excellent levels of service to both our consumers and customers, and supporting the growth ambitions of the business. Staff understand that their efforts will be rewarded and recognised, aspire to do more than the minimum and see a clear link between their efforts and the business results.

The Executive team is committed to regular, honest and effective communication which is key to ensuring employee buy-in to realise our growth ambitions.

The Group is committed to attracting, developing and retaining the best talent in order to achieve its strategic objectives. All staff are encouraged to undertake ongoing training throughout their career, and the business actively encourages a culture of promoting and developing staff from within, wherever possible. Two programs are in place to further this aim;

Step up programme - aimed at high potential employees from our administrative and technical grade roles, to support them with career progression and development, while equipping them with essential skills for future management roles. It is a structure programme including a 360 review, coaching, mentoring, a seminar series from an external provider, alongside exposure and networking opportunities with the Executive team.

Developing Managers - aimed at newly promoted managers to help them transition into their new positions smoothly, with a structured programme including a 360 review, coaching, mentoring and monthly seminar with the Exec to provide in depth knowledge in critical business areas.

Zoom Holding Limited strives to create a work environment free from discrimination, harassment and bullying, where everyone is treated with dignity and respect. All employment decisions are based on merit, qualifications and abilities.

The Group is committed to employment policies which follow best practice, based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status.

Employees (continued)

The following table sets out our diversity balance as between men and women at the end of FY 2020:

	Male	Female
Board of Directors	5	1
Executive Team (excluding Board of Directors)	2	1
Employees	40	43

Senior Management Team

The Directors of the operating companies form the senior management team. In addition to Kevin O'Connor (CEO) and Paul Miles (CFO), the Senior Management Team at year end consisted of;

Simon Lees, Operations Director
Simon joined the Group in 2020 following 13 years at National Grid as a Senior Operations Manager running both electricity transmission and gas distribution networks. Prior to joining National Grid, Simon spent 12 years working internationally within power generation on fossil and nuclear projects. He is a graduate Engineer, Chartered Member of the Institute of Mechanical Engineers and a Member of the Institute of Asset Management.

Vicki Spiers, Business Operations Director
Vicki joined Zoom in 2001 after 10 years working in the deregulated Gas Shipper market. Her responsibilities include all customer facing activities, IT and ensuring Zoom remains compliant with all Regulatory and Licence obligations. She is also the current Chair of the INA (Independent Networks Association).

Adam Miller, Chief Commercial Officer
Adam joined the Group in 2020 having previously supported the Group as a consultant working on strategy and the change management programme. His background is in support services, where he worked for G4S for 8 years, serving latterly as Regional Managing Director in East Africa. Adam is an engineer and holds a Masters in Business Administration.

Corporate and Social Responsibility

The Companies Act 2006 requires us, to the extent necessary for an understanding of the development, performance or position of the Group's business, to include information about human rights issues in this report. The Group has policies and procedures in place to meet this. Given the nature of the business and area of operations, it is deemed to be a very low risk hence we do not believe it necessary to include such information.

It is recognised that ultimate accountability for corporate and social responsibility at Zoom Holding Limited lies with the Board. The sectors in which we operate are highly regulated, and our processes are designed to meet all of the regulatory requirements resulting in a record of strong compliance. The safety of our staff, contractors and customers is the highest priority for our business evidenced by the fact that we:

- Place health and safety on the top of every Executive meeting agenda
- Formally train our staff, including senior management on safety management
- Investigate all Near Misses, Accidents and Incidents
- Pursue continuous improvement in all areas of health, safety and wellbeing

Our full health and safety policy can be located on the ESP Utilities Group website (www.espug.com).

Corporate and Social Responsibility (continued)

The Group has identified two charities to be the focus of corporate donations and staff fundraising.

- Age UK's befriending service to tackle loneliness in the UK, called 'Call in Time' is supported by the Group.
- Transform Housing and Support is a local charity based in the South East of England which provides housing, support and homecare services. The Group are sponsoring their £50 corporate challenge, and the development and publication of a tenancy training module for Transforms clients.

Environmental matters

The Group's activities do not give rise to any specific environmental impacts, however the Board believes that it is important that the Group contributes to protect the environment through sound and responsible operating practices. It is our policy that we will endeavour to:

- Conduct our business activities in such a way as to ensure that compliance with all relevant Environmental legislation, standards and Codes of Practice is achieved;
- Ensure that all associated residual waste materials are disposed of in a safe and responsible manner by both the Group and our external service providers as appropriate;
- Minimise the environmental impact of our staff by encouraging them to recycle, reduce printing, and minimise business travel.

In addition the Group is a member of GRESB, the ESG Benchmarking process for real estate and infrastructure investments across the world.

Our full environmental policy can be located on the ESP Utilities Group website.

Energy and carbon disclosures

All entities within the Group, including Zoom Holding Limited are exempt from reporting on energy and carbon as no individual entity has consumption which exceeds the 40,000kWh reporting threshold.

Principal risks and uncertainties

Description	Mitigation	Change
Competitive environment		
The business strategy relies fundamentally on the ability to increase our connections whilst keeping costs low. However, the markets we operate in are extremely competitive. The actions of the Group's competitors, and/or or own inaction can have a significant and adverse impact on the Group.	The Group continually focuses on providing competitive pricing combined with excellent levels of service to our customers and partners. By maintaining close working relationships with our UIPs and ICPs we are able to manage these risks.	=
Macro-economic factors		
Successful delivery of the Zoom growth strategy is heavily reliant on the UK new housing market remaining buoyant. Any downturn in the economy as a result of Covid-19, or any other influence will affect this.	Whilst there may be a significant delay in growth plans, ultimately the UK has growing requirement for more new homes than are currently being built.	=
Interest rate risk	All existing loans are at a fixed rate of interest.	
Working capital management and funding		
To retain debt funding we are required to ensure we do not default on our current facilities.	Compliance with our financing facilities is closely monitored on both an actual and forecast basis.	=
In order to grow the business Zoom requires funding to support the growth strategy.	We have facilities in place to fund growth plans for the foreseeable future.	
Health and safety		
The health and safety of our employees, subcontractors, suppliers and customers is of paramount importance to us. Incidents on our networks could lead to reputational damage and financial penalties.	The Group has a comprehensive safety strategy, which includes bringing safety to the forefront of our culture, measuring safety performance and strong risk management procedures.	=
Gas and electricity connections market and regulatory environment		
Stated Government target of 'No new gas connections after 2025'.	The Groups gas networks can be repurposed to transport hydrogen. Any cessation of gas connections will result in increased electricity demand.	+
Price risk		
A significant proportion of income is regulated by Ofgem. Changes to this framework could have a material impact on our revenues.	The Group takes a leading role in industry bodies to remain informed and ensure that the interests of the industry are represented effectively.	+
Credit Risk		
Arising principally from the Group's trade and other receivables.	Likelihood of increased bad debts as a consequence of the ongoing Covid-19 economic downturn. Enhanced credit control and increased provisions in 2021.	=

Key
= No change + Risk increased - Risk decreased

Directors duties

The Directors of the Group, as those of all UK companies, must act in accordance with a set of general duties. These duties are detailed in section 172 of the UK Companies Act 2006 which is summarised as follows:

'A director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole and, in doing so have regard (amongst other matters) to:

- The likely consequences of any decision in the long term;
- The interests of the company's employees;
- The need to foster the company's business relationships with suppliers, customers and others;
- The impact of the company's operations on the community and environment;
- The desirability of the company, maintaining a reputation for high standards of business conduct; and
- The need to act fairly as between members of the company.'

As part of their induction, a Director is briefed on their duties and they can access professional advice on these. It is important to recognise that the Directors fulfil their duties partly through a governance framework that delegates day-to-day decision making to employees of the Group.

Risk Management

Consideration of risk is an integral part of how the Company operates on a daily basis and is part of any transactional appraisal. The Board also formally revisits the level of oversight and the monitoring of risks is reviewed by the Board on a regular basis.

Our People

As a relatively small Group with less than 100 employees operating in one location, we recognise that our employees are fundamental to the success of the business and every single person's contribution counts. The health, safety and well-being of our employees is one of our primary considerations in the way we do business.

Business Relationships

Developing strong relationships with stakeholders is fundamental to the company's strategy. ESP Utilities Group Limited (ESPUG) Directors have regular contact with our Customers to ensure we continue to understand their needs and can act as a partner to deliver growth. Engagement with the Regulator and Government Departments is a key priority which ESPUG undertakes bilaterally and as part of the Independent Networks Trade Association (INA), which is Chaired by Vicki Spiers, a member of the ESPUG Senior Management Team. Liaison with our key suppliers is through attendance at industry forums and working groups where modifications to sector codes are developed.

Community and Environment

The Directors are aware of the impact the Group's operations on the community and environment. The Group is an active participant in the GRESB ESG benchmarking process and are committed to improving their compliance score.

Shareholders

As a Board of Directors, our intention is to behave responsibly towards our shareholders, working closely with them to deliver growth and add value. Key decisions, such as the decision to launch ESP Water and enter the water adoption market in 2021 are made in conjunction with shareholders, whose interests are represented by their three Board appointees.

Key decisions made in the year

Decision	Effect
Decision to form ESP Water and enter the water adoption market	
Shareholders	Add to the value of the business through secure long-term increase in revenues.
Employees	Increased profitability provides secure employment prospects.
Suppliers	Enables ESP infrastructure partners to provide a more comprehensive offering to developers, improving their competitiveness in the market.

Going Concern

The Directors have a reasonable expectation that the Group has adequate resources to continue operating for the foreseeable future and have prepared the consolidated financial statements on a going concern basis as set out in note 1.

For and on behalf of the Board

P Miles
Director

7 May 2021

A review of the business and principal risks and uncertainties has been included with the Strategic report on page 2.

The Directors consider the annual report and financial statements to comply with all aspects of the Guidelines for Disclosure and Transparency in Private Equity.

Directors

The Directors of the Company throughout the year were:

Anna Dellis	(appointed by 3i MIA LP)
Nick Horler	
Paul Miles	
Kevin O'Connor	
Sebastian Schwengber	(appointed by 3i MIA LP)
Bernardo Sottomayor	(appointed by 3i MIA LP)

The Directors appointed by 3i MIA LP have oversight of the Group.

Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Group's auditor is unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

Directors' indemnities

The Company maintains directors' and officers' liability insurance, which gives appropriate cover for any legal action brought against its directors. The Company has also granted indemnities to each of its directors to the extent permitted by law. Qualifying third party indemnity provisions (as defined in Section 234 of the Act) were in force during the year ended 31 December 2020 and remain in force, in relation to certain losses and liabilities that the directors may incur to third parties in the course of acting as directors or employees of the Company. Neither the Company's indemnity nor its insurance provides cover in the event that a director is proven to have acted dishonestly or fraudulently.

Results and dividend

The consolidated statement of comprehensive income is set out on page 16 and shows the Group's loss for the year (2019: loss). No dividend was paid during the year (2019: nil).

Financial instruments

As shown in note 15, the Group has no hedging in place. The majority of debt is secured on fixed rate terms.

Likely future developments in the business of the Company

Information on likely future developments in the business of the Company has been included in the Strategic report on page 2.

Post Balance sheet event

ESPUG Finance Limited has raised a further £30m to fund ongoing capital expenditure through the issue of 2.74% Private Placement Loan Notes which mature on 13th May 2041.

Auditor

Deloitte LLP were appointed Auditors to the Group in October 2020 following a tender process. A resolution to reappoint Deloitte LLP will be proposed at the next Annual General Meeting.

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

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

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

From and on behalf of the Board

P Miles
Director

7 May 2021

Directors' responsibilities

The Directors are responsible for preparing the Strategic report, the Directors' 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 Group and Company 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 in 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 Group and Company and of the profit or loss of the Group 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Report on the audit of the financial statements

1. Opinion

In our opinion the financial statements of Zoom Holding Limited (the 'parent company') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2020 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated statement of comprehensive income;
- the consolidated and parent company balance sheets;
- the consolidated and parent company statements of changes in equity;
- the consolidated statement of cash flows; and
- the related notes 1 to 24.

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).

2. 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 group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed entities, 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.

3. Summary of our audit approach

Key audit matters	The key audit matters that we identified in the current year were: • Goodwill impairment assessment • Recoverability of parent company's investment in subsidiaries
Materiality	The materiality that we used for the group financial statements was £5,500k which was determined on the basis of 1.5% of total assets.
Scoping	We performed full audit scope procedures for the Group and all components. Audit work to respond to the risks of material misstatement was performed directly by the group audit engagement team.

4. 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.
Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included:

- Obtained an understanding of relevant controls related to the management assessment of the going concern;
- Obtained third party confirmation for the group's borrowing facilities available, including drawn and undrawn amounts;
- Considered the reasonableness of the cash flows projections and the appropriateness of the sensitivities performed by management;
- Performed integrity checks of management's going concern model, including checking for mathematical and clerical accuracy;
- Recalculated debt covenants and assessed compliance over the forecasted period;
- Assessed consistency of the forecasted cash flows with the forecasts prepared for the goodwill and investments impairment models;
- Performed independent sensitivity scenarios tests; and
- Assessed the disclosures over going concern included within the financial statements in view of the latest guidance from the FRC.

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 group's and parent 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.

5. Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1. Goodwill Impairment assessment

Key audit matter description	The Group has goodwill across five cash generating units ("CGUs") as at 31 December 2020: £30,700k (2019: 36,100k). The Group's assessment of goodwill impairment is a judgemental process which requires estimating future cash flows based on management's view of future business prospects, incorporated in a discounted cash flow model. Our key audit matter focuses on the robustness of the revenue, profit and cash flow forecasts and discount rate. Given the significant level of judgement involved, we identified this key audit matter as a potential fraud risk. Refer to page 31 for the respective accounting policy and note 10 to the consolidated financial statements.
How the scope of our audit responded to the key audit matter	We performed the following procedures in response to the key audit matter identified: • Obtained an understanding of relevant controls related to the management assessment of goodwill impairment; • Met with management and understood their underlying assumptions on the forecasted future cash flows; • Performed an assessment of the accuracy of discounted cash flow forecasts prepared in the prior year; • Reviewed the impairment model for mathematical and clerical accuracy; • Benchmarked management's assumptions against historical and forecasted growth rates, government legislation, economic data (eg Office for National Statistics for inflation and Libor, Government website for tax rates) and other third party reports; • Performed sensitivity analysis on key assumptions, including the discount rate and profit growth, in order to determine the robustness of the model; • Assessed the completeness and accuracy of disclosures within the financial statements in accordance with FRS 102.
Key observations	Based on the audit procedures performed we concluded that the valuation of goodwill is appropriate.

5.2. Recoverability of parent company's investment in subsidiaries

Key audit matter description	The parent company has investments in 10 subsidiaries as at 31 December 2020: £113,600k (2019: £113,600k). Under FRS 102, an impairment test is required where indicators of impairment are identified. Management noted that the announcement by the UK government to ban gas in new build housing from the year 2025 is considered to be an indicator of impairment for the investments in subsidiaries. Furthermore, each of the investments are noted to have carrying values in excess of their net asset value which could be a potential indicator of impairment. There is significant level of judgement involved in determining the recoverability of the investments in subsidiaries based on the financial position and future prospects of the subsidiaries. This takes into consideration a range of factors such as the trading performance of the subsidiaries, the expected revenue and profit growth, cash flow forecasts and discount rate, as incorporated in management's model. Refer to page 31 for the respective accounting policy and note 12 to the consolidated financial statements.
How the scope of our audit responded to the key audit matter	We performed the following procedures in response to the key audit matter identified: • obtained an understanding of relevant controls over the preparation and use of cash flow forecasts used in the impairment reviews; • Assessed any impairment indicators of each investment's value as at 31 December 2020; • Validated the integrity of the model used by management including testing its mechanical accuracy; • Assessed management's historical forecasting accuracy; • Performed sensitivity on key assumptions, including the discount rate, revenue and profit growth analysis to determine the robustness of the model; • Performed an assessment of any contradictory information, including the expected government restrictions on new gas connections; • Assessed management's disclosures including in relation to the transparency of the assumptions, in line with the requirements of FRS 102.
Key observations	Based on the audit procedures performed we concluded that the investments in subsidiaries are appropriately stated in the financial statement.

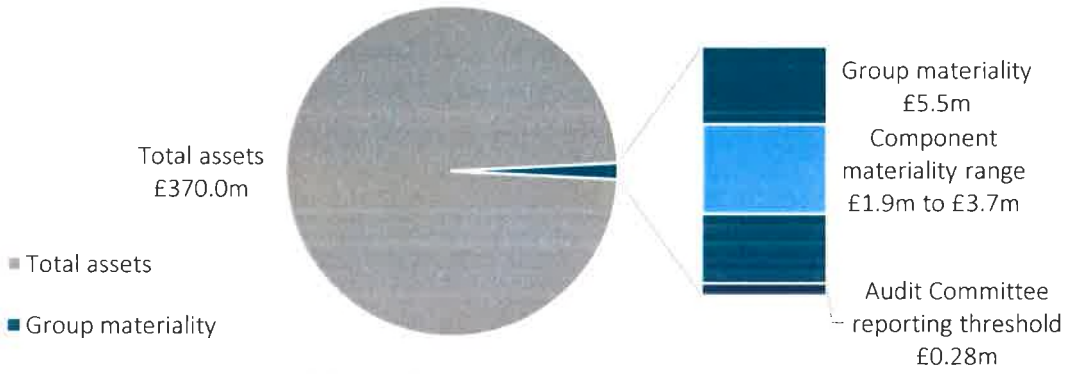
6. Our application of materiality

6.1. Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Parent company financial statements
Materiality	£5,500k	£3,700k
Basis for determining materiality	1.5% of total assets	0.9% of total assets
Rationale for the benchmark applied	As the main objective of the entity is growth of its connections, this is linked to the assets value of the entity. Therefore, we determined that the primary line users of the financial statements will base judgements on total assets.	As the parent company of the Group it does not generate significant revenues but instead holds investments such that total assets are an appropriate base to use to determine materiality.



6.2 Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

	Group financial statements	Parent company financial statements
Performance materiality	70% of group materiality	70% of parent company materiality
Basis and rationale for determining performance materiality	In determining performance materiality, we considered the following factors: a) the current year is the first year audit; b) our risk assessment, including our assessment of the group's overall control environment; c) the low turnover in key management personnel; and d) a low number of corrected and uncorrected misstatements identified in prior periods.	

6.3 Error reporting threshold

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £280k, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

7. An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the entity and its environment, including internal control, and assessing the risks of material misstatement. Audit work to respond to the risks of material misstatement was performed directly by the group audit engagement team. We performed full audit scope procedures for all components, with a component materiality range of £1.9m to £3.7m, covering 100% of the group revenue, profit and net assets.

8. 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.

9. 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

10.Auditor's responsibilities for the audit of the financial statements

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

11. Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

11.1. Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the group's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management and the audit committee about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the group's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement and relevant internal specialists, including tax, IT, and industry specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: goodwill impairment assessment and recoverability of parent company's investment in subsidiaries. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.
We also obtained an understanding of the legal and regulatory framework that the group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, Listing Rules, tax legislation, pension legislation.
In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included the group's operating licence, regulatory solvency requirements and environmental regulations.

11.2. Audit response to risks identified

As a result of performing the above, we identified goodwill impairment assessment and recoverability of parent company's investment in subsidiaries as key audit matters related to the potential risk of fraud. The key audit matters section of our report explains the matters in more detail and also describes the specific procedures we performed in response to those key audit matters.

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

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management, concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

12. Opinions on other matters prescribed by the Companies Act 2006

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

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

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

13. Matters on which we are required to report by exception

13.1. Adequacy of explanations received and accounting records

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

13.2 Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made.

We have nothing to report in respect of this matter.

14. 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.

Jacqueline Holden, FCA, Senior statutory auditor
For and on behalf of Deloitte LLP
Statutory Auditor
London, UK
7 May 2021

Zoom Holding Limited

Consolidated statement of comprehensive income
for the year ended 31 December 2020

	Note	2020 £'000	2019 £'000
Turnover	3	**78,253**	69,329
Cost of sales		**(34,490)**	(31,100)
Gross profit		**43,763**	38,229
Administrative expenses		**(19,510)**	(16,050)
Group operating profit	4	**24,253**	22,179
Interest receivable and similar income		**4**	25
Interest payable and similar charges	7	**(32,049)**	(30,820)
Loss on ordinary activities before taxation		**(7,792)**	(8,616)
Taxation on loss on ordinary activities	8	**(3,789)**	(1,056)
Loss for the financial year and total comprehensive (expense) for the year		**(11,581)**	(9,672)

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes on pages 29 to 46 form part of these financial statements.

Zoom Holding Limited

Consolidated balance sheet
As at 31 December 2020

	Note	2020 £'000	2020 £'000	2019 £'000	2019 £'000
Fixed assets					
Intangible assets	10		**30,654**		36,144
Tangible assets	11		**348,051**		309,084
Deferred tax asset	17		**13,493**		17,282
			392,198		362,510
Current assets					
Debtors	13	**8,740**		7,608	
Cash at bank and in hand		**16,789**		18,104	
		25,529		25,712	
Creditors: amounts falling due within one year	14	**(23,756)**		(23,991)	
Net current assets			**1,773**		1,721
Total assets less current liabilities			**393,971**		364,231
Creditors: amounts falling due after more than one year	15		**(586,392)**		(545,071)
Net liabilities			**(192,421)**		(180,840)
Capital and reserves					
Called up share capital	19		**134,241**		134,241
Profit and loss account			**(326,662)**		(315,081)
			(192,421)		(180,840)

The financial statements were approved by the Board of Directors and authorised for issue on 7 May 2021

P Miles
Director

The notes on pages 29 to 46 form part of these financial statements.

Zoom Holding Limited

Consolidated statement of changes in equity for the year ended 31 December 2020

	Share capital	Profit and loss account	Total equity	Share capital	Profit and loss account	Total equity
	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
1 January	**134,241**	**(315,081)**	**(180,840)**	134,241	(305,409)	(171,168)
Comprehensive expense for the year						
	-	**(11,581)**	**(11,581)**	-	(9,672)	(9,672)
Total comprehensive (expense) for the year	-	**(11,581)**	**(11,581)**	-	(9,672)	(9,672)
Contributions by and distributions to owners	-	-	-	-	-	-
Total contributions by and distributions to owners	-	-	-	-	-	-
31 December	**134,241**	**(326,662)**	**(192,421)**	134,241	(315,081)	(180,840)

The notes on pages 29 to 46 form part of these financial statements.

Zoom Holding Limited

Consolidated statement of cash flows
for the year ended 31 December 2020

	Note	2020 £'000	2019 £'000
Cash flows from operating activities			
Loss for the financial year		**(11,581)**	(9,672)
Adjustments for:			
Depreciation, amortisation and impairment of fixed assets	10/11	**15,535**	15,335
Net interest payable		**32,045**	30,795
Taxation expense	8	**3,789**	1,056
(Increase)/Decrease in trade and other debtors		**(1,132)**	927
Decrease/(Increase) in trade creditors		**869**	(1,848)
Gain on disposal of tangible fixed assets		**(33)**	(44)
Cash from operations		**39,493**	36,549
Finance costs paid		**(30,250)**	(23,290)
Net cash generated from operating activities		**9,243**	13,259
Cash flows from investing activities			
Proceeds from sale of tangible fixed assets	11	**136**	62
Purchases of tangible fixed assets	11	**(50,698)**	(34,064)
Interest received		**4**	25
Net cash used in investing activities		**(50,558)**	(33,977)
Cash flows from financing activities			
Capex loan advanced		**10,000**	20,000
Loan notes issued		**30,000**	-
Net cash generated from financing activities		**40,000**	20,000
Net decrease in cash and cash equivalents		**(1,315)**	(718)
Cash and cash equivalents at beginning of year		**18,104**	18,822
Cash and cash equivalents at end of year		**16,789**	18,104
Cash and cash equivalents comprise:			
Cash at bank and in hand		**16,789**	18,104
		16,789	18,104

The notes on page 29 to 46 form part of these financial statements.

Zoom Holding Limited

Company balance sheet
at 31 December 2020

	Note	2020 £'000	2020 £'000	2019 £'000	2019 £'000
Fixed assets					
Investments	12		**113,610**		113,610
			113,610		113,610
Current assets					
Debtors	13	**286,407**		287,953	
Cash at bank and in hand		**189**		258	
		286,596		288,211	
Creditors: amounts falling due within one year	14	**(2,015)**		(2,016)	
Net current assets			**284,581**		286,195
Total assets less current liabilities			**398,191**		399,805
Creditors: amounts falling due after more than one year	15		**(272,097)**		(271,697)
Net assets			**126,094**		128,108
Capital and reserves					
Called up share capital	19		**134,241**		134,241
Profit and loss account			**(8,147)**		(6,133)
			126,094		128,108

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements. The Company has made a loss for the financial year of £2,014,000 (2019: £1,345,000).

The financial statements were approved by the Board of Directors and authorised for issue on

P Miles
Director

The notes on pages 29 to 46 form part of these financial statements.

Zoom Holding Limited

Company statement of changes in equity for the year ended 31 December 2020

	Share capital 2020 £'000	Profit and loss account 2020 £'000	Total equity 2020 £'000	Share capital 2019 £'000	Profit and loss account 2019 £'000	Total equity 2019 £'000
1 January	**134,241**	**(6,133)**	**128,108**	134,241	(4,788)	129,453
Comprehensive expense for the year	**-**	**(2,014)**	**(2,014)**	-	(1,345)	(1,345)
Total comprehensive expense for the year	**-**	**(2,014)**	**(2,014)**	-	(1,345)	(1,345)
Contributions by and distributions to owners	**-**	**-**	**-**	-	-	-
Total contributions by and distributions to owners	**-**	**-**	**-**	-	-	-
31 December	**134,241**	**(8,147)**	**126,094**	134,241	(6,133)	128,108

The notes on pages 29 to 46 form part of these financial statements.

1 Accounting policies

Zoom Holding Limited is a private company, limited by shares, incorporated in England & Wales under the Companies Act.

The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland. 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 £1,000.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 2).

Parent Company disclosure exemptions

In preparing the separate financial statements of the Parent Company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- Only one reconciliation of the number of shares outstanding at the beginning and end of the year has been presented as the reconciliations for the Group and the Parent Company would be identical;
- No cash flow statement has been presented for the Parent Company;
- Disclosures in respect of the Parent Company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the Group as a whole; and
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the Group as a whole.

The following principal accounting policies have been applied:

Going concern

The financial statements have been prepared on a going concern basis, notwithstanding that at 31 December 2020 the Group is loss making and had net liabilities of £192,421,000 (2019: £180,840,000). The Group is financed by a mixture of finance provided by shareholders in the form of £24,398,000 12% PIK notes (2019: £23,492,000); £247,669,000 8% PIK notes (2019: £248,205,000) listed on the Channel Islands Stock Exchange, and bank loans which totalled £281,863,000 (2019: £240,657,000) at the balance sheet date.

The Directors have concluded that the Group will be able to operate within its current facilities and comply with its covenants for the foreseeable future.

The Directors have considered and reviewed projections and cash flow forecasts that cover the period to fifteen months from the date of approval of these financial statements. In addition, stress cash flows have been prepared at Zoom Holding Limited level to assess an increased impact of Covid-19. Based on the lack of any detriment to the business from Covid-19 during 2020 the Directors do not believe there will be any material financial or operational impact from Covid-19 in the future. As a transporter of gas to predominantly domestic properties the Directors' assessment is that Covid-19 will continue not have a significant impact on either the income or costs of the Company.

Based on this, the Group and Company will have adequate resources to continue in operational existence for the foreseeable future. On this basis the Directors believe it is appropriate to present the accounts on the going concern basis.

1 Accounting policies *(continued)*

On 6 October 2017 ESPUG Finance Limited entered into new loan note agreements to refinance the Group's external debt borrowings. The new facilities consist of lenders providing up to £339m of private loan placements, working capital, capital expenditure and liquidity facilities. The external private loan placements have maturities of ten, fifteen and twenty years at fixed rates of interest, as shown in note 15. These loans have an investment grade credit rating of Baa2 from Moody's Investor Services.

The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Basis of consolidation

The consolidated financial statements present the results of Zoom Holding Limited and its subsidiaries as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. New asset purchases are initially recorded at cost and subsequently depreciated over their estimated useful life. In the consolidated balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

Turnover

Turnover represents the amount (excluding value added tax) derived from the provision of gas transportation and measurement for gas suppliers, together with electricity distribution charges from its IDNO business during the period. Income from the transport of gas through the Group's pipelines is recognised on the basis of actual or estimated volumes delivered in the financial period and rental income of metering equipment is recognised for rental periods covered by the financial statements. Electricity income is recognised on the basis of actual or estimated consumption in the financial period. Turnover arises solely within the United Kingdom.

Intangible fixed assets - Goodwill

Goodwill arising on the acquisition of a subsidiary undertaking is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. Positive goodwill is capitalised and amortised through the consolidated statement of comprehensive income over the Directors' estimate of its useful economic life that is considered to be 20 years. Goodwill amortisation is calculated by applying the straight-line method to its estimated useful life.

Tangible fixed assets

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

a) Depreciation

Depreciation is calculated so as to write off the cost of tangible fixed assets by equal instalments over their estimated useful lives as follows:

Fixtures, fittings, tools & equipment	4 to 8 years
Gas networks	60 years
Motor vehicles	4 years
Meters	20 years
Prepayment meters	10 years
Electricity networks	40 years

1 Accounting policies *(continued)*

Tangible fixed assets (continued)

b) Third party contributions

Contributions, from owner-occupiers of premises, which partly offset the capital expenditure on the infill networks, are received at the time of initial connection. These receipts are treated as deferred income and released to turnover in the statement of comprehensive income, over the useful life of the related assets.

Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit ("CGU") to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flow (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

Investments

Investments are stated at cost less amounts written off where the Directors believe that there is a permanent diminution of value.

Employee Benefits

The Group operates a defined contribution pension scheme. Contributions to the scheme are charged to the statement of comprehensive income in the period in which they become payable. The assets of the scheme are held separately in an independently administered fund.

Finance costs

Finance costs are charged to the statement of comprehensive income over the term of the debt so that the amount charged is at a constant rate on the carrying amount. Finance costs include issue costs that are initially recognised as a reduction in the proceeds of the associated capital instrument.

Leased assets: Lessee

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they have been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the statement of comprehensive income over the shorter of estimated useful economic life and the term of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the statement of comprehensive income over the term of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases and their annual rentals are charged to the statement of comprehensive income on a straight-line basis over the term of the lease.

1 Accounting policies *(continued)*

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company's subsidiaries operate and generate taxable income.

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

- The recognition of deferred tax assets is limited to the extent that is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries and the Group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have enacted or substantively enacted by the reporting date.

Financial Assets

Financial assets, other than investments are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities excluding convertible debt and derivatives, and initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

Derivative financial instruments

The Group had entered into inflation and interest rate swaps to manage its exposure to interest rate cash flow risk on part of its external debt. These derivatives were measured at fair value at each reporting date with movements in the fair value been recognised in the statement of comprehensive income.

1 Accounting policies *(continued)*

Reserves

The Group and Company's reserves are as follows:

- Called up share capital represents the nominal value of shares issued.
- Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the Directors have made the following judgements:

- Determine whether there are indicators of impairment of the Group's tangible and intangible assets, including goodwill. This is a judgemental process which requires estimating the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit, the long term growth rate and the discount rate.

- Tangible fixed assets are depreciated over their useful lives. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles, Government policy industry trends are taken into account.

- The most significant area of estimation uncertainty is the Group's use of the discounted cashflow methodology when assessing the parent company's investments where estimates regarding revenue growth and a suitable discount rate are made.

3 Analysis of Turnover

	2020	2019
	£'000	£'000
Analysis by class of business:		
Gas transportation	**31,978**	28,347
Gas metering	**10,211**	11,350
Electricity distribution	**35,353**	29,632
Release of deferred income on third party contributions	**711**	-
	78,253	69,329

The Group's revenue is generated in the United Kingdom (excluding Northern Ireland).

The release of deferred income has been reported as turnover for 2020 in accordance with FRS102. Previously this was credited to cost of sales. Prior year figures have not been restated as the amount is not deemed material, and there is no change to the operating profit of the Company.

4 Operating profit

This is arrived at after charging/(crediting):	**2020 £'000**	2019 £'000
Depreciation of tangible fixed assets	**9,956**	9,845
Amortisation of intangible assets, including goodwill	**5,490**	5,490
Release of deferred income on third party contributions	**(711)**	(701)
Fees payable to the Company's auditor for the audit of the Company's annual accounts	**9**	9
Fees payable to the Company's auditor for other services to the Group:		
The audit of the Company's subsidiaries pursuant to legislation	**149**	80
Other services	**2**	2
Operating lease – land and buildings	**232**	232

5 Employees

Group

Staff costs (including Directors) consist of:	**2020 £'000**	2019 £'000
Wages and salaries	**4,953**	5,202
Social security costs	**578**	631
Cost of defined contribution pension scheme	**385**	315
	5,916	6,148

The average number of employees for the Group during the year was as follows:

	2020 Number	2019 Number
Gas	**53**	56
Electricity	**35**	28
	88	84

Company

The Company does not directly employ any individuals.

6 Directors' remuneration

	2020 £'000	2019 £'000
Group		
Directors' emoluments	**1,820**	1,152
Compensation for loss of office	**-**	135
Group contributions to defined contribution pension schemes	**80**	8

There were four paid directors during the year (2019: four). The remuneration of the highest paid director who served during the period was as follows:

	2020 £'000	2019 £'000
Directors' emoluments	**608**	615
Group contributions to defined contribution pension schemes	**-**	-

6 Directors' remuneration (continued)

Company
The directors received no remuneration or fees in respect of their services to the Company for the year ended 31 December 2020 (2019: nil). The Directors are considered to be the only key management personnel.

7 Interest payable and similar charges

	2020 £'000	2019 £'000
Bank loans	**9,547**	8,819
12% PIK loan note	**2,574**	2,457
8% PIK loan note	**19,928**	19,544
	32,049	30,820

8 Taxation on profit on ordinary activities

	2020 £'000	**2020 £'000**	2019 £'000	2019 £'000
UK corporation tax				
Current tax on profits of the year		-		-
Adjustment in respect of previous periods		-		-
Total current tax		-		-
Deferred tax				
Deferred tax current period	**3,840**		3,690	
Effect of change in tax rate	**(1,824)**		(385)	
Prior year adjustment	**1,773**		(2,249)	
		3,789		1,056
Total tax charge		**3,789**		1,056

8 Taxation on profit on ordinary activities (continued)

Tax reconciliation

The current tax charge for the period is higher (2019: higher) than the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below.

	2020	2019
	£'000	£'000
Loss on ordinary activity before tax	**(7,792)**	(8,616)
Current tax at 19% *(2019: 19%)*	**(1,471)**	(1,644)
Effects of:		
Expenses not tax deductible	**5,387**	5,334
Other permanent difference	**(36)**	(385)
Effect of change in tax rate	**(2,007)**	-
Prior year adjustment	**1,773**	(2,249)
Deferred tax not recognised	**143**	-
	3,789	1,056

For further information on deferred tax balances see note 17.

9 Parent company loss for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements. The Company has made a loss for the financial year of £2,014,000 (2019: £1,345,000).

10 Intangible assets

Group	Goodwill on consolidation £'000
Cost or valuation	
At 1 January 2020	109,067
At 31 December 2020	**109,067**
Amortisation	
At 1 January 2020	72,923
Provision for year	5,490
At 31 December 2020	**78,413**
Net book value	
At 31 December 2020	**30,654**
At 31 December 2019	36,144

11 Tangible fixed assets

Group	Electricity & Gas Networks £'000	Meters £'000	Fixtures, fittings, tools and equipment £'000	Motor vehicles £'000	Total £'000
Cost					
At 1 January 2020	340,310	29,954	3,068	578	373,910
Additions	44,689	3,468	592	58	48,807
Disposals	-	(2,276)	-	(244)	(2,520)
At 31 December 2020	**384,999**	**31,146**	**3,660**	**392**	**420,197**
Depreciation					
At 1 January 2020	52,017	10,528	2,081	200	64,826
Provision for year	7,234	2,316	286	120	9,956
Disposals	(219)	(2,276)	-	(141)	(2,636)
At 31 December 2020	**59,032**	**10,568**	**2,367**	**179**	**72,146**
Net book value					
At 31 December 2020	**325,967**	**20,578**	**1,293**	**213**	**348,051**
At 31 December 2019	288,293	19,426	987	378	309,084

A reduction in the non-cash flow fixed asset accrual of £1,671,132 (2019: reduction £1,491,693) has been accrued at the end of the year.

The PP loan notes in the immediate holding company, ESPUG Finance Limited, are secured by an All Assets charge over the assets of the Group.

12 Fixed asset investments

Company

	Group undertakings £'000
Cost	
At 1 January 2020 and 31 December 2020	**113,610**

12 Fixed asset investments *(continued)*

The undertakings in which the Company has interest at the year end are as follows:

Name	Country of incorporation or registration	Proportion of voting rights and ordinary share capital held	Nature of business
*Zoom Infrastructure Limited**	*England & Wales*	*100%*	*Holding company*
Zoom Gas Pipelines Limited	*England & Wales*	*100%*	*Holding company*
ESP Utilities Group Limited	*England & Wales*	*100%*	*Holding company*
ESPUG Finance Limited	*England & Wales*	*100%*	*Finance & Holding company*
E.S. Pipelines Limited	*England & Wales*	*100%*	*Gas transport*
ESP Connections Limited	*England & Wales*	*100%*	*Gas transport*
ESP Networks Limited	*England & Wales*	*100%*	*Gas transport*
ESP Pipelines Limited	*England & Wales*	*100%*	*Gas transport*
Gas Newco 1 Limited	*England & Wales*	*100%*	*Gas transport*
ESP Electricity Limited	*England & Wales*	*100%*	*Independent distribution network operator*

* Directly owned

The registered address for all investments listed above is Bluebird House, Mole Business Park, Leatherhead, Surrey, KT22 7BA.

13 Debtors

	Group 2020 £'000	Group 2019 £'000	**Company 2020 £'000**	Company 2019 £'000
Trade debtors	**7,385**	6,325	**-**	-
Loans owed by Group undertakings	**-**	-	**285,957**	287,503
Other amounts owed by Group undertakings	**-**	-	**450**	450
Other debtors	**32**	20	**-**	-
Prepayments and accrued income	**1,323**	1,263	**-**	-
	8,740	7,608	**286,407**	287,953

The amounts owed by group undertakings relate to intercompany balances which do not bear interest and are repayable on demand by the Company when sufficient funds are available to do so.

14 Creditors: amounts falling due within one year

	Group 2020 £'000	Group 2019 £'000	**Company 2020 £'000**	Company 2019 £'000
Trade creditors	**12,924**	16,019	**-**	-
Other creditors	**1,541**	972	**-**	-
Accruals and deferred income	**9,145**	6,859	**9**	10
Other taxation and social security	**146**	141	**-**	-
Loan due to Group undertaking	**-**	-	**2,006**	2,006
	23,756	23,991	**2,015**	2,016

The amounts owed by group undertakings relate to intercompany balances which do not bear interest and are repayable on demand by the Company when sufficient funds are available to do so.

15 Creditors: amounts falling due after more than one year

	Group 2020 £'000	Group 2019 £'000	**Company 2020 £'000**	Company 2019 £'000
Loan notes	**251,863**	220,657	**-**	-
Capex loan	**30,000**	20,000	**-**	-
12% PIK notes	**24,398**	23,492	**24,398**	23,492
8% PIK notes	**247,699**	248,205	**247,699**	248,205
Deferred income	**32,432**	32,717	**-**	-
	586,392	545,071	**272,097**	271,697

The loan notes are secured by an All Assets charge over the assets of the Group, and are structured as follows :-
£54m at 2.69% Senior Secured Tranche A note due 6th October 2027
£85m at 3.05% Senior Secured Tranche B note due 6th October 2032
£30m at 2.116% Senior Secured note due 13 February 2035
£85m at 3.35% Senior Secured Tranche C note due 6th October 2037

£10m was drawn down against the £100m capital expenditure facility during 2020, taking total amount drawn down to £30m. Interest is payable at Libor +1.5%. The balance is repayable on 5 October 2022.

The 12% and 8% PIK loan notes are listed on the Channel Island Stock Exchange and mature in 2036.

The deferred income relates to contributions, from owner-occupiers of premises, partly to offset the capital expenditure on the infill networks that are received at the time of initial connection. These receipts are released to the statement of comprehensive income, as turnover, over the useful life of the related assets.

The maturity of sources of debt finance is as follows:

Group	**Loans and overdrafts 2020 £'000**	Loans and overdrafts 2019 £'000
In one year or less, or on demand	**-**	-
In more than one year but not more than five years	**30,000**	20,000
In more than five years	**523,960**	492,354
	553,960	512,354

15 Creditors: amounts falling due after more than one year *(continued)*

Company

	Loans and overdrafts 2020 £'000	Loans and overdrafts 2019 £'000
In one year or less, or on demand	**-**	-
In more than one year but not more than five years	**-**	-
In more than five years	**272,097**	271,697
	272,097	271,697

16 Financial instruments

The Group's financial instruments may be analysed as follows:

	Group 2020 £'000	Group 2019 £'000
Financial assets		
measured at amortised cost:		
Cash at bank	**16,789**	18,104
Trade debtors	**7,385**	6,325
Other debtors	**32**	20
Deposits	**-**	-
Financial liabilities		
measured at amortised cost:		
Trade creditors	**12,924**	16,019
Other creditors	**1,541**	972
Accrual	**8,446**	6,168
Loan notes	**251,863**	220,657
Capex loan	**30,000**	20,000
12% PIK notes	**24,398**	23,492
8% PIK notes	**247,699**	248,205

17 Deferred tax

	2020	2019
	£'000	£'000
Group		
At 1 January	**17,282**	18,338
Charged to profit or loss	**(3,789)**	(1,056)
At 31 December	**13,493**	17,282
Comprising:		
Deferred tax asset	**29,616**	28,257
Deferred tax liability	**(16,123)**	(10,975)
	13,493	17,282

As at 31 December 2020, the Group has losses carried forward of £ £1,733k on which no deferred tax asset has been recognised on the grounds that suitable profits against which the losses could be offset are not forecast.

Deferred tax - Group

	31 December 2020 £'000	31 December 2019 £'000
Difference between accumulated depreciation and amortisation and capital allowances	**(16,123)**	(10,975)
Other timing differences	**29,231**	21,787
Tax losses	**385**	6,470
	13,493	17,282

It is estimated that deferred tax liabilities arising on fixed assets will not reverse in the next accounting period.

In the March 2021 Budget, the UK Government announced that legislation will be introduced in Finance Bill 2021 to increase the main rate of UK corporation tax from 19% to 25%, effective 1 April 2023. As the changes had not been substantively enacted at the balance sheet date, the deferred tax balances as at 31 December 2020 continue to be measured at a rate of 19%. If the 25% tax rate had been used at the balance sheet date, the deferred tax asset would have been c. £4.261m higher. The company is in the process of assessing the full impact of this announcement, but if the amended tax rate had been used, it is possible that the deferred tax asset would be materially higher.

18 Pensions

Defined contribution scheme

The amount recognised in the statement of comprehensive income as an expense in relation to the Group's defined contribution schemes is £315,000 (2019: £329,303). The balance outstanding at year end was £nil (2019: £nil).

19 Share capital

	2020	2019
	£'000	£'000
Allotted, called up and fully paid		
134,201,000 ordinary shares of £1 each	**134,201**	134,201
40,000 'B' shares of £1 each	**40**	40
	134,241	134,241

The holders of the B shares shall have no rights to any distribution of profits of the Company, secondly they shall have no rights to vote on any question, and thirdly the holders of the B shares shall between them be entitled to the B shareholder proportion of the Capitalisation Value on the occurrence of a Liquidity Event as laid down within the Articles of Association.

20 Commitments under operating leases

The Group had minimum lease payments under non-cancellable operating leases as set out below:

	2020	2019
	£'000	£'000
Not later than 1 year	**232**	232
Later than 1 year and not later than 5 years	**928**	928
Later than 5 years	**59**	291
Total	**1,219**	1,451

The Company had no commitments under non-cancellable operating leases as at the balance sheet date.

21 Capital commitments

	Group 2020 £'000	Group 2019 £'000	**Company 2020 £'000**	Company 2019 £'000
Contracted but not provided for	**145,874**	115,793	**-**	-

Capital commitments are in respect of electricity and gas networks capital expenditure contracted but not provided for as at 31 December 2020.

22 Related party disclosures

The parent undertaking is 3i MIA Holdings Limited, which is wholly owned by 3i Managed Infrastructure Acquisitions LP ("3i MIA LP").

The Company is ultimately controlled by 3i MIA LP, an English limited partnership, which is managed by 3i Investments plc. 3i Investments plc is wholly owned by 3i Group plc. The general partner of 3i MIA LP is 3i Managed Infrastructure GP (2017) LLP.

The largest and smallest group in which the results of the Group are consolidated is that headed by Zoom Holding Limited.

Debt instruments due to the parent undertaking, the 12% and 8% PIK Notes, are disclosed in note 1 and 15 and interest accrued on these instruments disclosed in note 7.

The Directors consider that all related party transactions have been appropriately disclosed.

23 Segmental information

Description of segments

The Group has five trading subsidiaries licenced by Ofgem: one subsidiary is an electrical distribution company engaged in the development of electrical distribution as an independent operator together with four subsidiaries operating as gas transporter companies engaged in the development of gas pipelines, the transportation of gas and metering services throughout mainland UK.

Factors that management use in identification of segments

The Group's reportable segments are based along the lines of i) Gas Transportation companies of which there are four licenced companies and ii) One Electrical distribution licence company.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the management team and Directors of ESP Utilities Group Limited.

Measurement of operating segment profit, assets and liabilities

The Group evaluates segmental performance on the basis of profit or loss from operations calculated in accordance with FRS102 but excluding non-recurring losses, such as goodwill impairment, financing loans and deferred tax movements relating to financing loans.

Segment assets exclude tax assets and assets used primarily for corporate purposes. Segment liabilities exclude tax liabilities.

23 Segmental information *(continued)*

	Electricity 2020 £'000	**Gas 2020 £'000**	**Total 2020 £'000**	Electricity 2019 £'000	Gas 2019 £'000	Total 2019 £'000
Group's turnover per consolidated statement of comprehensive income	**35,358**	**42,895**	**78,253**	29,632	39,697	69,329
Depreciation	**(1,526)**	**(8,430)**	**(9,956)**	(1,263)	(8,582)	(9,845)
Segment profit	**9,098**	**7,807**	**16,905**	7,703	8,640	16,343
Cost of Sales			**(229)**			(229)
Administrative expenses			**(774)**			(491)
Amortisation			**(5,490)**			(5,490)
Financial expenses			**(18,208)**			(18,774)
Financial income			**4**			25
Group loss before tax			**(7,792)**			(8,616)

23 Segmental information *(continued)*

	Electricity 2020 £'000	**Gas 2020 £'000**	**Total 2020 £'000**	Electricity 2019 £'000	Gas 2019 £'000	Total 2019 £'000
Additions to non-current assets	**7,796**	**40,947**	**48,743**	11,239	21,335	32,574
Reportable segment assets	**67,600**	**298,574**	**366,174**	61,530	262,403	323,933
Intangible assets			**30,653**			36,144
Tangible assets			**1,365**			1,783
Tax assets			**13,493**			17,282
Cash at bank and in hand			**6,042**			9,080
Total Group assets			**417,727**			388,222
Reportable segment liabilities	**8,994**	**58,206**	**67,200**	9,973	60,067	70,040
Loans and borrowings (excluding leases and overdrafts)			**553,995**			512,354
Deferred tax and group relief			**(11,388)**			(14,343)
Other liabilities			**341**			1,011
Total Group liabilities			**610,148**			569,062

Analysis of the Group's Revenue has identified that the Group has two Key customers (combined gas and electricity utilities) whose turnover is greater than 10% and their percentages are: 23.8% and 12.5% (2019: two customers 23.8%, 12.5%).

24 Post Balance sheet event

ESPUG Finance Limited has raised a further £30m to fund ongoing capital expenditure through the issue of 2.74% Private Placement Loan Notes which mature on 13th May 2041.