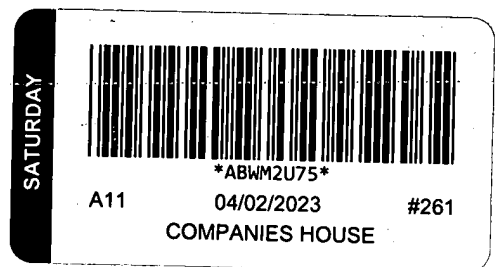


WHP TELECOMS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2022

Company Registration No. 03601208 (England and Wales)



WHP TELECOMS LIMITED

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WHP TELECOMS LIMITED

COMPANY INFORMATION

Directors	Mr D C Humphreys Mr P N Hullah Mr M J Cheyne Mr C Tracey Mr R M Potter
Company number	03601208
Registered office	Faraday Court 401 Faraday Street Birchwood Park Warrington WA3 6GA
Auditor	DSG Castle Chambers 43 Castle Street Liverpool L2 9TL
Bankers	Royal Bank of Scotland Customer Service Centre Drummond House 1 Redheughs Avenue Edinburgh EH12 9JW
Solicitors	Addleshaw Goddard LLP 1 St Peter's Square Manchester M2 3DE

WHP TELECOMS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MAY 2022

The directors present the strategic report for the year ended 31 May 2022.

The company provides high quality end to end services within the mobile and fixed line telecommunications network and infrastructure sector including acquisition, design, deployment and maintenance of sites. The service offering is unique in this market space and allows the company to trade with all the mobile network operators, as well as key equipment vendors, tower companies, infrastructure owners and managed service providers.

Promoting the success of the company

The group comprises five main trading companies in addition to several intermediate holding companies.

The Board of Directors, in line with their duties under s172 of the Companies Act 2006, act in a 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 to a range of matters when making decisions for the long term. Key decisions and matters that are of strategic importance to the Company are appropriately informed by s172 factors.

Details of the Company's key stakeholders and how we engage with them are set out below.

Shareholders

Maximising the long-term value for our shareholders, comprising both private equity investment and management, is very important. We have monthly meetings with our main investor which cover not only financial performance but also operational outputs and strategic options available to the group. The companies acquired during the prior year - Redhall Network Solutions Limited group, Blue Clarity Design Services Limited, and Intelligent Communications Solutions Limited - have now been embedded which has strengthened the group's overall offering.

Colleagues

Our people are crucial to our success as a company and, with that in mind, we have continued to engage closely with them and invest in appropriate training and development. We ensure that all appropriate policies and procedures are in place to promote employee wellbeing and that employees have access to support where needed, be that via health schemes or confidential whistleblowing lines. The group has obtained Investors In People status and also introduced a group-wide staff incentive scheme linked to both the group's financial performance and individual appraisals, which in turn are based on agreed objectives and group-wide values and behaviours.

Customers

We strive to ensure that our customers receive class-leading service across their networks, built on our long-standing and deeply embedded relationships. We use our knowledge of their networks to ensure that our service proposition and programme management best serves their needs and that our detailed customer account plans are aligned with their requirements.

Suppliers

We engage closely with our suppliers to ensure that our relationships are mutually beneficial and long lasting. We onboard suppliers in a controlled manner to ensure they have appropriate insurances, risk assessments and qualifications that will allow them to be best placed to help us deliver our customers' requirements across their networks.

Communities

We aim to work closely with the communities in which we operate and have ensured that where possible we support charitable work carried out by our employees. We also ensure that all staff are aware of the Modern Slavery Act 2015 policy and statement.

In terms of supporting the environment, the Company is ESOS (Energy Savings Opportunity Scheme) compliant and is currently in the process of sourcing its office energy requirements from carbon-free suppliers.

Government and regulators

A key area of focus for the business is ensuring compliance with all applicable laws and regulations. To that end we have a dedicated Safety, Health, Environment and Quality (SHEQ) department which ensures compliance and that the group also retains all applicable ISO accreditations including 9001, 14001, 27001 and 45001. The company is also Safe Contractor and Achilles registered.

The board is kept fully abreast of any legal and regulatory developments as and when they arise.

WHP TELECOMS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

Business review

The company reported record revenues of £138.4m, an annual increase of 16% on the back of continued investment by the mobile operators to roll out new 5G infrastructure and the continued removal of Huawei kit from networks in line with targets set by the UK government.

Investment within resources to help deliver the above and future growth, resulted in average headcount increasing by 74 to 517. Coupled with changes in project and client mix and a reduction in works on the Scottish government towers project, operating profit of £14.9m was down £2.6m vs prior year.

Principal risks and uncertainties

Principal risks and uncertainties include competition and loss of customers, loss of key employees, product liability, public and employer liability, health and safety, I.T. failure and loss of reputation.

Competitors are monitored for new products and services. Great attention is paid to customer service, with regular and frequent visits to customers by company representatives (both sales and technical).

The company sets out to attract capable employees, and to retain and motivate them once they are employed. It does so by a combination of offering market rates of pay and benefits in kind, and training, together with involvement in some of the decision making process, and consultation about major changes.

Product, public and employee liability are covered by the company's insurances, which are arranged by independent brokers with reputable underwriters, and the cover is reviewed annually.

The company has a Health & Safety policy, which is reviewed annually by the Board. The directors are responsible for its implementation. Health & Safety is of paramount importance to the business.

I.T. failure is covered by the use of standard hardware and software, which are regularly monitored and maintained by reliable outside professionals and by staff training. Computer equipment is written off very fast and renewed or updated at least every 4 years. Critical data and records are backed up daily, and stored securely off site.

Reputational risk is managed by careful design and quality assurance processes, and compliance with industry standards. The company responds rapidly to any problems which may arise, and continuously pays close attention to customer needs, and also to UK industry codes of practice.

The Board, having reviewed the above risk management policies and procedures, confirm that the procedures comply with the policies, and that no significant failures or weaknesses have been identified during the past year.

Following the resignation of the position of the United Kingdom from the European Union, the terms of the future trading relationship between the UK and the EU remain uncertain. The directors have considered factors that could impact the company including access to skilled labour, the supply of materials and the location of customers. None of these factors are expected to be significantly adversely impacted by the UK leaving the EU and as a result the directors do not believe there to be any significant risk to the company going forward.

Impact of COVID-19

The Group of which the Company is part has been fortunate not to have suffered any significant financial or operational impact as a result of the ongoing COVID-19 pandemic. All office-based staff have successfully operated from either their own home environment or returned to office-based working, where the directors have implemented safety measures, including social distancing, temperature checks and the provision of appropriate personal protective equipment ("PPE"). For field-based staff, the sector in which the Group operates has been classified as part of the United Kingdom's critical infrastructure and appropriate permissions have been gained from all customers to allow continuous working on their respective networks. Continued investment has been made to ensure availability of all appropriate PPE for those staff. The directors have also put in place return-to-work policies and risk assessments are made at all sites before work commences.

Overall, the directors are satisfied with the measures put in place and believe that the group will continue to deliver excellent output for its clients.

WHP TELECOMS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

Key performance indicators

Management use a range of performance measures to monitor and manage the business. Key financial and non financial indicators are:

Financial indicators:

- | | | |
|--------------------|-------------|----------------------|
| • Revenue per FTE | £264,750 | (2021 - £268,500) |
| • Operating profit | £14,903,458 | (2021 - £17,475,964) |

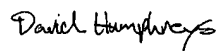
Working Capital measurement:

- | | | |
|------------------|---------|------------------|
| • Debtor days: | 99 days | (2021 - 86 days) |
| • Creditor days: | 96 days | (2021 - 90 days) |

Non financial indicators:

- Conformance against client Health & Safety requirements
- Measurement of compliance with Health & Safety regulations and quality assurance by subcontractors
- Output of key delivery milestones including but not limited to site access levels, quantity of design outputs (general arrangement drawings, detailed designs), site build completes, handover packs and final accounts

On behalf of the board



Mr D C Humphreys

Director

11 January 2023

WHP TELECOMS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MAY 2022

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

Principal activities

The principal activity of the company during the year was supplying professional services, project management and engineering services to the UK telecommunications and broadband industry.

Directors

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

Mr D C Humphreys
Mr P N Hullah
Mr M J Cheyne
Mr C Tracey
Mr R M Potter

Results and dividends

The profit for the year, after taxation, amounted to £13,379,799 (2021: £16,797,262).

Interim dividends were paid amounting to £nil (2021: £nil). The directors do not recommend payment of a final dividend.

Financial risk management objectives and policies

The company's operations expose it to a variety of financial risks that principally include the effects of changes in price risk, credit risk and liquidity risk.

Price risk

The company operates under a series of framework contracts with its end clients and to agreed schedules of rates which minimise the company exposure to any significant price risk.

Credit risk

The company has policies that require appropriate credit checks on customers to be made before trading commences. The nature of the company's customers are such that any credit risks are deemed low.

Liquidity risk

The company's policy throughout the period has been that, to ensure continuity of funding, the repayment profiles for its borrowings is such that repayments can be adequately satisfied from forecast future cash surpluses generated from operations.

The company has access to a group revolving credit facility that is designed to ensure sufficient funds are available for operations and planned expansion.

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the company continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

WHP TELECOMS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

Employee involvement

It is the company's policy to promote the health, safety and welfare of its employees, to provide equal opportunity in recruitment, and to maximise the opportunities for the employment, retention and development of its employees. The company has continued to place a high priority on the training and development of its employees and considerable emphasis has been placed on reviewing and improving health and safety procedures.

The board recognises the need for effective communication with, and the involvement of, employees to ensure good relations and the improvement of the company's performance and continue to hold briefings, training sessions, and presentations to ensure that employees are actively engaged in and effectively contribute to the principal decisions taken by the business.

Post reporting date events

On 4 November 2022, the company transferred the business and assets of its tower portfolio to WHP Estates Limited, a wholly owned subsidiary.

The financial effect of the above transaction is not provided as the information is commercially sensitive.

Future developments

The Group of which the company is part will continue to deliver successful roll out programs for clients both in the mobile and fixed line sectors. The Group is now beginning to roll out build programs as part of significant investment in the Shared Rural Network by the mobile operators.

Within the fixed line business, the group has begun work on a five year multi million pound network roll out for one of the key fibre providers which has resulted in the establishment of a new business unit within WHP Telecoms.

Ongoing consolidation within the telecoms sector is also expected to create additional revenue and growth opportunities for the group.

Auditor

In accordance with the company's articles, a resolution proposing that DSG be reappointed as auditor of the company will be put at a General Meeting.

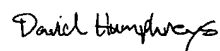
Energy and carbon report

The company is a subsidiary undertaking and included within the consolidated accounts of Whistler Topco Limited at 31 May 2022 which include the required disclosures on energy consumption.

Statement of disclosure to auditor

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

On behalf of the board



Mr D C Humphreys
Director

11 January 2023

WHP TELECOMS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MAY 2022

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

WHP TELECOMS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF WHP TELECOMS LIMITED

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

WHP TELECOMS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF WHP TELECOMS LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

WHP TELECOMS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF WHP TELECOMS LIMITED

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.

Discussions were held with, and enquiries made of, management and those charged with governance with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law, Tax and Pensions legislation, and distributable profits legislation.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the business and therefore may have a fundamental effect on the financial statements including compliance with the electronic communications code, health and safety regulations (principally working at height and lifting regulations), and ISO 9001, 14001, 27001, and 45001 accreditation.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: enquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of entries in the nominal ledger, including journal entries; reviewing transactions around the end of the reporting period; review of board meeting minutes; and the performance of analytical procedures to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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

WHP TELECOMS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF WHP TELECOMS LIMITED

Use of our report

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

N. Kelly

Neil Kelly BA FCA
Senior Statutory Auditor
For and on behalf of DSG

11 January 2023

Chartered Accountants
Statutory Auditor

Castle Chambers
43 Castle Street
Liverpool
L2 9TL

WHP TELECOMS LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MAY 2022

		2022	2021
	Notes	£	£
Turnover	3	138,381,827	118,945,716
Cost of sales		(115,282,463)	(95,224,891)
Gross profit		23,099,364	23,720,825
Administrative expenses		(8,195,906)	(6,327,465)
Other operating income	3	-	82,604
Operating profit	4	14,903,458	17,475,964
Interest payable and similar expenses	7	(990,644)	(725,865)
Profit before taxation		13,912,814	16,750,099
Tax on profit	10	(533,015)	47,163
Profit for the financial year		13,379,799	16,797,262

There was no other comprehensive income for the current or prior year.

WHP TELECOMS LIMITED

BALANCE SHEET

AS AT 31 MAY 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Goodwill	9		50,000		75,000
Other intangible assets	9		1,215,552		-
			<u>1,265,552</u>		<u>75,000</u>
Total intangible assets			1,265,552		75,000
Tangible assets	11		22,183,355		18,317,693
Investments	12		1		-
			<u>23,448,908</u>		<u>18,392,693</u>
Current assets					
Stocks	14	237,928		212,368	
Debtors	15	68,691,793		53,797,053	
Cash at bank and in hand		4,665,871		4,198,089	
		<u>73,595,592</u>		<u>58,207,510</u>	
Creditors: amounts falling due within one year	16	(58,632,480)		(51,545,071)	
Net current assets			14,963,112		6,662,439
Total assets less current liabilities			38,412,020		25,055,132
Provisions for liabilities					
Deferred tax liability	17	-		22,911	(22,911)
		<u>-</u>		<u>22,911</u>	<u>(22,911)</u>
Net assets			38,412,020		25,032,221
			<u><u>38,412,020</u></u>		<u><u>25,032,221</u></u>
Capital and reserves					
Called up share capital	19		18		18
Capital redemption reserve	20		83		83
Profit and loss reserves	21		38,411,919		25,032,120
			<u>38,411,919</u>		<u>25,032,120</u>
Total equity			38,412,020		25,032,221
			<u><u>38,412,020</u></u>		<u><u>25,032,221</u></u>

The financial statements were approved by the board of directors and authorised for issue on 11 January 2023 and are signed on its behalf by:

David Humphreys

Mr D C Humphreys
Director

Company Registration No. 03601208

WHP TELECOMS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MAY 2022

	Share capital	Capital redemption reserve	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 June 2020	18	83	8,234,858	8,234,959
Year ended 31 May 2021:				
Profit and total comprehensive income for the year	-	-	16,797,262	16,797,262
Balance at 31 May 2021	18	83	25,032,120	25,032,221
Year ended 31 May 2022:				
Profit and total comprehensive income for the year	-	-	13,379,799	13,379,799
Balance at 31 May 2022	18	83	38,411,919	38,412,020

WHP TELECOMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

Company information

WHP Telecoms Limited is a private company limited by shares incorporated in England and Wales. The registered office is Faraday Court, 401 Faraday Street, Birchwood Park, Warrington, WA3 6GA.

The principal activities of the company are disclosed in the Directors' Report.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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 £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position': Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Whistler Topco Limited as at 31 May 2022 and these financial statements may be obtained from the address given in note 26.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

WHP TELECOMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

1.2 Going concern

The accounts have been prepared on a going concern basis, which assumes the company will have sufficient funds to continue to pay its debts as and when they fall due and thus continue to trade for a period of not less than 12 months from the date of signing these financial statements. In making their assessment the directors have reviewed and considered the expected performance across the company's key projects using their understanding of expected volumes and pricing. They have also taken into consideration the timing of when key debts fall due and the impact these have upon expected cash flows.

The group of which the company is part has a revolving credit facility ("RCF") and overdraft facility which is due for renewal on 6 April 2023. The directors of the group are in advanced discussions regarding the extension of the RCF and overdraft and are not aware of any matters which will prevent renewal of the facilities. The group also has other loans expiring on 6 July 2023 for which the directors have begun the process of refinancing and expect to conclude matters well in advance of the repayment date.

Having due consideration to each of the above factors, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and so the accounts are prepared on a going concern basis.

1.3 Turnover

Revenue is recognised over the course of projects as activity progresses. Revenue is based on estimated total turnover (project value) and the degree of estimated stage of completion (measured as total costs incurred compared to total costs forecast to the end of the project) for each individual project. Where calculated revenue exceeds the value that has been invoiced this is disclosed as amounts recoverable on projects in debtors, where revenue is below amounts invoiced this is disclosed as payments on account in creditors.

Profit on projects is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated to reflect the proportion of the work carried out at the year end date. Full provision is made for losses on all projects in the year in which they are first foreseen.

1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.5 Intangible fixed assets - goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Income Statement over its useful economic life.

1.6 Intangible fixed assets other than goodwill

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

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

WHP TELECOMS LIMITED

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

1 Accounting policies

(Continued)

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

Software	25% straight line
Development costs	25% straight line

1.7 Tangible fixed assets

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

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

Plant and equipment	4% straight line
Fixtures and fittings	25% straight line

Assets under construction are not depreciated. Assets transferred to plant and equipment from assets under construction are depreciated from the date they are brought into use.

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

1.8 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.9 Impairment of fixed assets

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

WHP TELECOMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Stocks

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving items. Work in progress includes all materials and direct costs for projects which have not substantially started. Provision is made for any irrecoverable amounts where appropriate.

1.11 Cash and cash equivalents

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

1.12 Financial instruments

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

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

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

Basic financial assets

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

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

WHP TELECOMS LIMITED

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

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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

Basic financial liabilities

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

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

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

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

WHP TELECOMS LIMITED

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

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.13 Equity instruments

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

1.14 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.15 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

WHP TELECOMS LIMITED

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

1 Accounting policies

(Continued)

1.16 Employee benefits

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

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

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

1.17 Retirement benefits

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

1.18 Leases

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

1.19 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

WHP TELECOMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

2 Judgements and key sources of estimation uncertainty

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

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

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Assessing operating lease commitments

The company has entered into leases as a lessee obtaining the use of land and buildings and other tangible fixed assets. The classification of such leases as operating or finance lease requires management to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Valuation of amounts recoverable on projects

Amounts recoverable on projects are based on a stage of completion determined by the company on the basis of expected total revenue and expected total costs on projects. The recoverability of such amounts are subject to negotiation with customers which may cause adjustments up and down in determining final accounts.

Estimating value in use

Where an indication of impairment exists, the directors will carry out an impairment review to determine the recoverable amount, being the higher of fair value less cost to sell and value in use. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the asset or the cash generating unit and a suitable discount rate in order to calculate present value.

Recoverability of receivables

The company establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the directors consider factors such as the ageing of the receivables, past experience of recoverability and the credit profile of individual or groups of customers.

WHP TELECOMS LIMITED

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

2 Judgements and key sources of estimation uncertainty (Continued)

Determining and reassessing residual values and useful economic lives of tangible and intangible assets

The company depreciates tangible assets, and amortises intangible assets, over their estimated useful lives. In determining appropriate useful lives of assets, the directors have considered historic performance as well as future expectations for factors such as expected usage of the asset, physical wear and tear, technical and commercial obsolescence and legal limitations of the usage of the asset, such as lease terms. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Judgement is applied to determine the residual values for tangible assets. When determining the residual values, the directors have assessed the amount that the company would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. At each reporting date, the directors have also assessed whether there have been any indicators, such as a change in how the asset is used, significant unexpected wear and tear and changes in market prices, which suggest previous estimates may differ from current expectations. Where this is the case, the residual value and/or useful life is amended and accounted for on a prospective basis.

3 Turnover and other revenue

The whole of the turnover is attributable to the one principal activity of the company.

	2022	2021
	£	£
Turnover analysed by geographical market		
United Kingdom	138,381,827	118,945,716

	2022	2021
	£	£
Other significant revenue		
Grants received	-	82,604

4 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging/(crediting):		
Government grants	-	(82,604)
Depreciation of owned tangible fixed assets	866,735	796,380
Impairment of owned tangible fixed assets	385,259	-
Amortisation of intangible assets	509,605	25,000
Operating lease charges	642,980	589,273

WHP TELECOMS LIMITED

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

5 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	40,450	32,825
Audit of the financial statements of other group entities	36,500	36,875
	<u>76,950</u>	<u>69,700</u>
For other services		
All other non-audit services	<u>14,500</u>	<u>13,500</u>

The company settles auditor's fees for the entire Whistler Topco Limited group without management recharge. The charges to the Income Statement in respect of the auditor's fees for the other group entities are £36,500 (2021: £36,875).

6 Employees

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

	2022	2021
	Number	Number
Direct staff	467	389
Administrative staff	44	48
Directors	6	6
Total	<u>517</u>	<u>443</u>

Their aggregate remuneration comprised:

	2022	2021
	£	£
Wages and salaries	20,165,442	17,568,301
Social security costs	1,942,439	1,717,385
Pension costs	217,653	510,714
	<u>22,325,534</u>	<u>19,796,400</u>

7 Interest payable and similar expenses

	2022	2021
	£	£
Interest on invoice finance arrangements	<u>990,644</u>	<u>725,865</u>

WHP TELECOMS LIMITED

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

8 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	Notes	2022 £	2021 £
In respect of:			
Property, plant and equipment	11	385,259	-
Recognised in:			
Administrative expenses		385,259	-

The directors consider it necessary to recognise an impairment loss arising on items of plant and machinery held at 31 May 2022. The impairment loss is measured as the difference between the carrying value of the assets concerned and the recoverable amount (being the higher of fair value less costs to sell and value in use). Fair value less costs to sell is based on a binding sale agreement entered into by the company post year-end.

9 Intangible fixed assets

	Goodwill £	Software £	Development costs £	Total £
Cost				
At 1 June 2021	500,000	-	-	500,000
Additions	-	-	820,670	820,670
Transfers	-	185,520	1,396,342	1,581,862
At 31 May 2022	500,000	185,520	2,217,012	2,902,532
Amortisation and impairment				
At 1 June 2021	425,000	-	-	425,000
Amortisation charged for the year	25,000	34,429	450,176	509,605
Transfers	-	145,937	556,438	702,375
At 31 May 2022	450,000	180,366	1,006,614	1,636,980
Carrying amount				
At 31 May 2022	50,000	5,154	1,210,398	1,265,552
At 31 May 2021	75,000	-	-	75,000

WHP TELECOMS LIMITED

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

10 Taxation

	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	497,227	229,309
Adjustments in respect of prior periods	119,523	(231,823)
Total current tax	<u>616,750</u>	<u>(2,514)</u>
Deferred tax		
Origination and reversal of timing differences	<u>(83,735)</u>	<u>(44,649)</u>
Total tax charge/(credit)	<u>533,015</u>	<u>(47,163)</u>

The actual charge/(credit) for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022	2021
	£	£
Profit before taxation	<u>13,912,814</u>	<u>16,750,099</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	2,643,435	3,182,519
Tax effect of expenses that are not deductible in determining taxable profit	104,693	49,671
Tax effect of income not taxable in determining taxable profit	(1,088,892)	(1,574,992)
Adjustments in respect of prior years	119,523	(231,823)
Group relief	(1,311,518)	(1,480,482)
Non-tax deductible amortisation of goodwill and impairment	77,949	4,750
Other timing differences leading to an increase in taxation	2,423	3,194
Other differences leading to a decrease in taxation	(14,598)	-
Taxation charge/(credit) for the year	<u>533,015</u>	<u>(47,163)</u>

Factors that may affect future tax charges

Finance Act 2021 includes provisions to increase the corporation tax rate from 19% to 25% with effect from 1 April 2023.

WHP TELECOMS LIMITED

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

11 Tangible fixed assets

	Assets under construction	Plant and equipment	Fixtures and fittings	Total
	£	£	£	£
Cost				
At 1 June 2021	2,450,394	14,591,511	3,122,961	20,164,866
Additions	5,731,009	-	266,134	5,997,143
Transfers	(6,856,665)	6,856,665	(1,581,862)	(1,581,862)
At 31 May 2022	1,324,738	21,448,176	1,807,233	24,580,147
Depreciation and impairment				
At 1 June 2021	-	261,635	1,585,538	1,847,173
Depreciation charged in the year	-	544,259	322,476	866,735
Impairment losses	-	385,259	-	385,259
Transfers	-	-	(702,375)	(702,375)
At 31 May 2022	-	1,191,153	1,205,639	2,396,792
Carrying amount				
At 31 May 2022	1,324,738	20,257,023	601,594	22,183,355
At 31 May 2021	2,450,394	14,329,876	1,537,423	18,317,693

More information on impairment movements in the year is given in note 8.

Total transfers out of tangible fixed assets represent the reclassification of the cost and accumulated depreciation of software and development costs as intangible fixed assets.

12 Fixed asset investments

	Notes	2022 £	2021 £
Investments in subsidiaries	13	1	-

Movements in fixed asset investments

	Shares in subsidiaries £
Cost or valuation	
At 1 June 2021	-
Additions	1
At 31 May 2022	1
Carrying amount	
At 31 May 2022	1
At 31 May 2021	-

WHP TELECOMS LIMITED

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

13 Subsidiaries

Details of the company's subsidiaries at 31 May 2022 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
WHP Estates Limited	Faraday Court, 401 Faraday Street, Birchwood, Warrington, WA3 6GA	Ordinary	100.00

14 Stocks

	2022 £	2021 £
Raw materials and consumables	220,526	212,368
Work in progress	17,402	-
	<u>237,928</u>	<u>212,368</u>

15 Debtors

Amounts falling due within one year:	2022 £	2021 £
Trade debtors	10,118,802	9,341,330
Amounts recoverable on projects	32,749,042	25,150,177
Corporation tax recoverable	769,673	1,086,423
Amounts owed by group undertakings	24,220,724	17,604,480
Other debtors	6,537	5,174
Prepayments and accrued income	766,191	609,469
	<u>68,630,969</u>	<u>53,797,053</u>
Deferred tax asset (note 17)	60,824	-
	<u>68,691,793</u>	<u>53,797,053</u>

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

16 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	5,741,400	4,306,567
Amounts owed to group undertakings	22,741,254	21,395,728
Taxation and social security	2,767,497	2,259,411
Other creditors	61,892	127,134
Accruals and deferred income	27,320,437	23,456,231
	<u>58,632,480</u>	<u>51,545,071</u>

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

WHP TELECOMS LIMITED

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

17 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2022 £	Liabilities 2021 £	Assets 2022 £	Assets 2021 £
Balances:				
Accelerated capital allowances	-	22,911	60,824	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
				2022
Movements in the year:				£
Liability at 1 June 2021				22,911
Credit to profit or loss				(83,735)
Asset at 31 May 2022				<u>(60,824)</u>

18 Retirement benefit schemes

	2022 £	2021 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	217,653	510,714
	<u> </u>	<u> </u>

The company contributes to defined contribution pension schemes for all qualifying employees. The assets of these schemes are held separately from those of the company in independently administered funds. At 31 May 2022 there were contributions payable of £139,999 (2021: £116,805).

19 Share capital

	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital Issued and fully paid				
B Ordinary shares of £1 each	18	18	18	18
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

20 Capital redemption reserve

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

21 Profit and loss reserves

The profit and loss reserve includes all current and prior period retained profits and losses.

WHP TELECOMS LIMITED

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

22 Financial commitments, guarantees and contingent liabilities

WHP Telecoms Limited has given a debenture to Glas Trust Corporation Limited (the security agent for the "Lenders": Permira Credit Solutions and The Royal Bank of Scotland Plc) to secure a cross guarantee given under an intercreditor deed in respect of loan borrowings owed to the Lenders due from Whistler Topco Limited, Whistler Midco Limited, Whistler Bidco Limited, Cooper Topco Limited, Cooper Bidco Limited, WHP (Holdings) Limited, Paragon Telecoms Limited, Sitec Infrastructure Services Limited, Redhall Network Solutions Holdings Limited, Redhall Network Solutions Limited, Blue Clarity Design Services Ltd, and Intelligent Communications Solutions Limited.

23 Operating lease commitments

Lessee

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

	2022	2021
	£	£
Within one year	614,663	651,937
Between two and five years	1,784,355	2,122,759
In over five years	228,315	502,292
	<u>2,627,333</u>	<u>3,276,988</u>

24 Events after the reporting date

On 4 November 2022, the company transferred the business and assets of its tower portfolio to WHP Estates Limited, a wholly owned subsidiary.

The financial effect of the above transaction is not provided as the information is commercially sensitive.

25 Related party transactions

The company has taken advantage of the reduced disclosure exemption available under Financial Reporting Standard 102 relating to the disclosure of related party transactions between wholly owned group companies.

No other transactions with related parties were undertaken such as are required to be disclosed Financial Reporting Standard 102.

26 Ultimate controlling party

The immediate parent company is WHP (Holdings) Limited, a company registered in England and Wales, company number 08444904. The registered address is the same as WHP Telecoms Limited.

The ultimate controlling party is Whistler Topco Limited, a company registered in England and Wales, company number 11198084. The registered address is the same as for WHP Telecoms Limited. Whistler Topco Limited is the largest group of companies into which the company's results are consolidated where the financial statements are available to the public. Copies of the consolidated financial statements of Whistler Topco Limited may be obtained from the Registrar of Companies at Crown Way, Cardiff, CF14 3UZ.

The ultimate controlling party of Whistler Topco Limited is Equistone LLP, a Limited Liability Partnership registered in England and Wales, registration number OC360196. The registered address is One New Ludgate, 60 Ludgate Hill, London, England, EC4M 7AW.