Utility Warehouse Limited

Annual Report and Financial Statements

YEAR ENDED 31 MARCH 2023

Company Registration Number 04594421

Utility Warehouse Limited
Report and Accounts
For the year ended 31 March 2023

Contents

Utility Warehouse Limited
Report and Accounts
For the year ended 31 March 2023

Directors of the company

A Lindsay
N Schoenfeld
C Wigoder
S Burnett

Secretary and registered office

D Baxter
Network HQ
508 Edgware Road
The Hyde
London
NW9 5AB

Independent auditor

KPMG LLP
15 Canada Square
London
E14 5GL

Bankers

Barclays Bank PLC
1 Churchill Place
London
E14 5HP

Lloyds Bank PLC
25 Gresham Street
London
EC2V 7HN

Bank of Ireland Group Plc
Bow Bells House
1 Bread Street
London
EC4M 9BE

REVIEW OF THE BUSINESS

Amounts included in the annual accounts relate to the provision of landline telephony (calls and line rental), broadband, mobile, home insurance and our CashBack card to domestic customers.

The profit on ordinary activities before taxation for the period ended 31 March 2023, set out on page 10, was £28,555,000 (31 March 2022: £46,436,000). The Company does not have any financial instruments other than debtors and creditors arising from its normal business activities. Any risks in respect of financial instruments of the parent company are disclosed in its accounts.

The resulting financial position of the Company is set out in the balance sheet on page 11.

DEVELOPMENT AND PERFORMANCE

The Company has traded satisfactorily during the year and is expected to continue to do so.

Services

The table below sets out the number of services supplied by the Company.

	2023	2022
Broadband	354,118	323,623
Mobile	394,145	324,773
Insurance	100,590	44,834
CashBack card	405,118	327,949
Legacy telephony	21,827	23,894
Total	**1,275,798**	**1,045,073**

PRINCIPAL RISKS AND UNCERTAINTIES

The principal specific risks arising from the Company's business model, are ultimately controlled by the Telecom Plus Plc Group ("the Group") and are not managed separately. Accordingly, the principal risks and uncertainties of the Group, which include those of company, are disclosed on pages 24 to 31 of the Telecom Plus Plc's Annual report and accounts for the year ended 31 March 2023, and do not form part of this annual report.

Section 172(1) Statement

Background
The Companies Act 2006 (the "Companies Act") sets out a number of general duties which directors owe to the Company. This help shareholders better understand how directors have discharged their duty to promote the success of the Company, while having regard to the matters set out in section 172(1)(a) to (f) of the Companies Act. In the current financial year, the directors continued to exercise all their duties, while having regard to these and other factors as they managed and governed the Company on behalf of its shareholders.

Engaging with key stakeholders
The success of the Company is dependent on building positive relationships with all of our key stakeholders to deliver long-term sustainable success.

The table below sets out details of engagement with key stakeholders.

Stakeholder	Details
Shareholders	The Company has a close relationship with its only shareholder Telecom Plus PLC.
Partners	The Company relies on the Partners within its independent distribution network for gathering new customers. Communication with our Partners is a key focus for the business and is conducted through various meetings, forums and large-scale conferences. Where appropriate, Partner feedback is sought when significant changes are being considered to the operation of the distribution network.
People	Employees are key to the Company delivering award-winning services to customers. There are many ways we engage with and listen to our employees including weekly email updates, employee surveys, forums, face-to-face briefings (including breakfast with the CEO), and an internal company magazine. Key areas of focus include company development and strategy, health and well-being, development opportunities, pay and benefits. Regular reports about what is important to our employees are made to the CEO ensuring consideration is given to employee needs.
Customers	We build long-lasting relationships with our customers as evidenced by our low levels of churn. We devote considerable resources to understanding customer requirements and soliciting feedback from them on ways to improve our offer and services. We use this knowledge to inform our strategy of helping customers to "get on with their lives" by offering savings, simplicity and service across all the household services we are providing to them.

Suppliers	As a reseller we are required to work closely with our key suppliers to ensure that we are delivering the best possible combination of value and service to our customers; our success in achieving this is demonstrated by the numerous endorsements and consistent recommendations we receive from "Which". The interests of our suppliers are strongly aligned to our own as the number of customers we are able to attract has a direct impact on their own financial performance and market share. This generates close and supportive relationships with our key suppliers which are fostered through regular interaction at a senior management level.
Community	We are committed to building positive relationships within the communities where we operate. We are a significant employer in the local community around our head office and support a number of charitable activities. We have recently set up the UW Foundation to further these endeavours. Our Partner business opportunity allows a range of people from communities across the UK to advance their lives, driving our strategy to help Partners to "get on in life".
Regulators	We operate in highly regulated markets and understand the importance of maintaining a constructive working relationship with Ofcom and the FCA, who between them are responsible for the regulation of the diverse range of services we offer. We engage with officials from these regulators as necessary to make them aware of the Company's views when they are consulting on proposed regulatory changes, or if there are competition issues that need to be raised with them.

BY ORDER OF THE BOARD

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N Schoenfeld
Director
26 July 2023

Utility Warehouse Limited
Directors' Report
For the year ended 31 March 2023

The directors have pleasure in presenting their report and the audited financial statements for the year ended 31 March 2023.

ACTIVITIES

The principal activity of the Company is the supply of telephony services to residential customers. Information on the principal risks and the development of the Company are set out in the Strategic Report on pages 2 to 4. The Company did not make any political donations during the period.

DIRECTORS

The directors of the Company during the year were:

A Lindsay
N Schoenfeld
C Wigoder
S Burnett

REGISTERED OFFICE

Network HQ
508 Edgware Road
The Hyde
London
NW9 5AB

FUTURE PROSPECTS

The Company has traded satisfactorily during the year and is expected to continue to do so.

DIVIDENDS

An interim dividend of £60,000,000 was paid to the parent company Telecom Plus PLC during the year (2022: £50,000,000). The directors recommend that no final dividend is paid (2022: £Nil). The company received an interim dividend of £10,000,000 from its subsidiaries (2022: £Nil).

DISCLOSURE OF INFORMATION

So far as the directors are aware, there is no information needed by the Company's auditor in connection with preparing their report of which they are unaware, and the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Company maintains appropriate insurance to cover directors' and officers' liability and has provided an indemnity, as permitted by the Companies Act 2006, in respect of all of the Company's directors which was in force throughout the financial year and remains in force. Neither the insurance nor the indemnity provides cover where a director has acted fraudulently or dishonestly.

AUDITOR

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

BY ORDER OF THE BOARD

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N Schoenfeld
Director
26 July 2023

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework.*

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the Members of
Utilities Warehouse Limited

Opinion

We have audited the financial statements of Utility Warehouse Ltd ("the company") for the year ended 31 March 2023 which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet and Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, including the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board meeting minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.
- Considering remuneration incentive schemes and performance targets for management and directors.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet profit targets we perform procedures to address the risk of management override of controls, in particular the risk that Group management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates such as expected credit loss provisions. On this audit we do not believe there is a fraud risk related to revenue recognition because revenue constitutes a high volume of individually small transactions with little complexity or judgement.

We identified a fraud risk related to expected credit losses on trade receivables and accrued income because of the significant estimates and judgements required and potential pressures to meet profit targets.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included revenue and cash entries posted to unusual accounts.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: compliance with its licence obligations set by Ofcom, FCA and certain aspects of company legislation recognising the regulated nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 6, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial stastements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

R.M. Seale.

Robert Seale (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square, London
E14 5GL
United Kingdom
26 July 2023

Utility Warehouse Limited
Profit and Loss Account and Other Comprehensive Income
For the year ended 31 March 2023

	Note	Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000
Turnover	2	218,928	201,073
Cost of sales		(139,868)	(111,815)
Gross profit		79,060	89,258
Distribution costs		(20,643)	(14,864)
Administrative expenses		(34,356)	(15,155)
Impairment loss on trade receivables		(2,666)	(1,968)
Other income		1,270	1,175
Operating profit	4	22,665	58,446
Income from shares in group undertakings		10,000	-
Financial income		937	86
Financial expenses		(5,047)	(2,193)
Net financial expense		(4,110)	(2,107)
Loss on disposal of subsidiary	8	-	(8,395)
Impairment of Investment in subsidiary	8	-	(1,508)
Profit on ordinary activities before taxation		28,555	46,436
Taxation	5	(2,138)	(10,525)
Profit on ordinary activities after taxation		26,417	35,911

All amounts relate to continuing activities.

The Company has no other comprehensive income for the year.

The notes on pages 13 to 27 form part of these financial statements.

Company number: 4594421

Utility Warehouse Limited
Balance Sheet
For the year ended 31 March 2023

	Note	2023 £'000	2023 £'000	2022 £'000	2022 £'000
NON-CURRENT ASSETS					
Property, plant and equipment	6	25,793		26,128	
Investment property	6	8,271		8,345	
Intangible assets	7	22,556		20,919	
Investments in subsidiary undertakings	8	241,293		231,690	
Other non-current assets	9	32,969		21,373	
			330,882		308,455
CURRENT ASSETS					
Inventories		3,845		3,010	
Trade and other receivables	11	75,957		103,865	
Prepayments and accrued income		17,526		5,801	
Cost to obtain contracts	16	20,912		15,151	
Cash		180,930		27,208	
			299,170		155,035
CREDITORS: amounts falling due within one year					
Trade and other payables		(253,660)		(56,761)	
Accrued expenses and deferred income		(21,016)		(10,915)	
NET CURRENT ASSETS		(274,676)	24,494	(67,676)	87,359
TOTAL ASSETS LESS CURRENT LIABILITIES			355,376		395,814
NON-CURRENT LIABILITIES					
Long term borrowings	14		(89,721)		(99,215)
Deferred tax	10		(988)		(1,100)
Lease liabilities	13		(655)		(742)
NET ASSETS			264,012		294,757
CAPITAL AND RESERVES					
Called up share capital	15		10,008		10,008
Share premium			252,036		252,036
Profit and loss account			1,968		32,713
SHAREHOLDERS' FUNDS			264,012		294,757

The notes on pages 13 to 27 form part of these financial statements.

The Board of Directors approved these financial statements on 26 July 2023.

Signed and authorised for issue on behalf of the Board of directors:

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N Schoenfeld
Director

Utility Warehouse Limited
Statement of Changes in Equity
For the year ended 31 March 2023

	Note	Called up share capital	Share Premium	Profit and loss account	Total equity
		£000	£000	£000	£000
Balance at 1 April 2021		**10,008**	**252,036**	**45,853**	**307,897**
Profit for the year		-	-	35,911	35,911
Credit arising on share options		-	-	961	961
Deferred tax on share options		-	-	(12)	(12)
Dividends paid to parent company		-	-	(50,000)	(50,000)
Balance at 31 March 2022		**10,008**	**252,036**	**32,713**	**294,757**
Balance at 1 April 2022		**10,008**	**252,036**	**32,713**	**294,757**
Profit for the year		-	-	26,417	26,417
Credit arising on share options		-	-	2,849	2,849
Deferred tax on share options		-	-	(11)	(11)
Dividends paid to parent company		-	-	(60,000)	(60,000)
Balance at 31 March 2023		**10,008**	**252,036**	**1,968**	**264,012**

The notes on pages 13 to 27 form part of these financial statements.

1 ACCOUNTING POLICIES

Utility Warehouse Limited ("the Company") is a company incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 and effective immediately have been applied.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Companies Act 2006 ("UK-Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's parent undertaking, Telecom Plus PLC includes the Company in its consolidated financial statements. The consolidated financial statements of Telecom Plus PLC are prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 ("UK-Adopted IFRSs") and are available to the public and may be obtained from Network HQ, 508 Edgware Road, London, NW9 5AB.

The Company does not need to present consolidated financial statements as the ultimate parent company Telecom Plus PLC produces consolidated financial statements that are available for public use and comply with IFRSs.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Disclosures in respect of transactions with fellow wholly owned subsidiaries and parent company Telecom Plus PLC;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures of transactions with a management entity that provides key management personnel services to the company.

As the consolidated financial statements of Telecom Plus PLC include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

Adopted new standards, amendments and IFRIC interpretations

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 March 2023 that have had a material impact on the company.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Critical accounting estimates, judgements and assumptions

In the process of applying the accounting policies, which are described below, the Directors have made judgements, estimations and assumptions regarding the future. The judgements, estimations, and assumptions that have the most significant impact on the amounts recognised in the financial statements are detailed below.

Significant estimates

Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the year in which the estimates are revised and in any future years affected. The areas involving significant risk resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Recoverability of trade receivables
At each reporting date, the Company evaluates the estimated recoverability of trade receivables and records allowances for expected credit losses based on experience. Estimates associated with these allowances are based on, among other things, the historical collection experience of those categories (principally whether the indebted customer remains with the Company or not, and the age of the debt). The Company also makes an assessment of the expected future losses where appropriate. The actual level of trade receivables collected may differ from the estimated levels of recovery, which could impact operating results positively or negatively.

At 31 March 2023, the allowance for expected credit losses relating to customer invoicing was £4.8m. If the collection experience was to improve/decline by an indicative sensitivity of +/- 5% this would increase / decrease the provision by +/- £0.2m accordingly

Significant Accounting Policies

(a) Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards. The directors have prepared these accounts on a going concern basis.

(b) Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

(c) Revenue recognition

Revenue is the value of goods and services supplied to external customers and Partners excluding value added tax and other sales related taxes. For each of the Company's main income streams from the provision of fixed line telephony, broadband, mobile telephony, transactions are recorded as sales in the month when the transfer of those services or the supply of goods takes place. The Company's customers are invoiced in the month following that in which the services are provided. Tariffs are set by customer, by service, and these can vary depending on the number of services provided. Each element of any package is considered independently for the purposes of a performance obligation to determine how the price is derived.

(c) Revenue recognition (continued)

The Company also generates revenue as a result of providing bill payment protection and accidental death cover to customers for a monthly fee. The Company also offers home insurance and boiler cover services to customers. The Company does not retain the insurance risk for these services.

Revenue recognition - agent versus principal

Management assesses the revenue recognition of each of the Company's service offerings on either an agent or principal basis. The identification of the principal in the contract is not always clear, specifically whether the Company controls the service prior to transfer to the customer. The determination of whether the Company is a principal or an agent for each service offering is evaluated by establishing which entity is responsible for providing the specified goods or services against a list of indicators that could indicate an agency relationship. These include:

(i) Evaluating which entity is primarily responsible for providing the specified goods or services.
(ii) Evaluating whether the Company has inventory risk.
(iii) Evaluating whether the Company has the discretion to establish the pricing structure.

The Company primarily acts as a reseller of utilities and in supplying the majority of these services to customers the Company is considered to be primarily responsible for fulfilment of the service and has the discretion to establish pricing and key terms. Revenue for these services is therefore recognised as a principal.

For services where the Company offers home insurance, boiler and home emergency cover, and bill protection, revenue is recognised on an agency basis as the Company does not retain any underwriting risk and acts as an agent to the underlying insurer. During the period the Company recognised £7.3m (2022: £5.3m) of revenue on an agency basis.

Revenue recognition – Telephony services

The Company principally generates revenue from providing the following telecommunications services where it is responsible to the customer for rendering the underlying services: (i) fixed telephony line rental, call and broadband data charges; (ii) mobile telephony call and data charges; and (iii) mobile handset sales. Both the handset and service are priced on the relative standalone selling prices of each distinct performance obligation. The contract terms for certain fibre broadband services are 18 months and for mobile handsets 24 months. In relation to items (i) and (ii), revenue is recognised over time during the period in which the Company transfers control of the services to the customer as the customer simultaneously receives and consumes the benefits provided by the entity performance. Any unbilled revenue is accrued at each period end. Revenue for mobile handset sales are considered a separate performance obligation recognised at the point in time when the Company transfers control of the devices to the end user.

In the provision of broadband services, the Company provides customers with a broadband router at the start of their contract. The terms and conditions under which broadband routers are supplied to customers mean that routers are accounted for as finance leases. The Company therefore recognises the sale of the router at the retail price and creates a finance lease asset on the balance sheet for the routers shipped to customers at the point in time in a given month. Over the average customer lifetime of 7 years, the Company accrues finance income on the asset at the rate of interest that causes the present value of the future lease payments to equal the sum of the fair value of the asset. Part of the receipts under the service contract are then allocated between reducing the net asset and recognising finance income, resulting in the derecognition of the asset at the end of the 7 year life.

Revenue recognition – CashBack card services

In relation to CashBack cards, the following revenue streams are recognised by the Company at the time the services are supplied and charged to customers: (i) a small fixed monthly fee to cover provision of card management services; and (ii) transaction fees to cover the facilitation of the top-up of customer cards. The majority of the CashBack received from the CashBack card programme manager is passed to customers to reduce the payment they are required to make to the Company for their monthly utilities. Revenue is recognised over time during the period in which the Company transfers control of the services to the customer as the customer simultaneously receives and consumes the benefits provided by the entity performance. Any unbilled revenue is accrued at each period end.

(c) Revenue recognition (continued)

In addition, the Company charges a small administrative fee for facilitating the issue of each CashBack card. Under IFRS 15, as the initial application fee is considered to be a non-refundable upfront fee that does not relate to the transfer of a promised good or services, the associated fee is therefore recognised over the expected life of the customer.

Revenue recognition – bill protection and life cover, and home insurance services

The Company charges customers a small monthly fee for bill payment protection in the event of redundancy and for a small amount of monthly life insurance cover. The Company also offers home insurance services to customers. In relation to the provision of bill protection and life cover, home insurance and boiler cover the Company does not retain any underwriting risk and therefore acts as an agent of the underlying insurer. The Company therefore recognises revenues on a commission income basis over time each month as the services are supplied and billed.

Revenue recognition – other services

The Company also generates revenues from providing customers with paper bills and from charging customers late payment fees. In addition, the Company generates revenues from providing services to its network of Partners. Revenue is recognised over time during the period in which the Company transfers control of the services to the customer, or the late payment fees are incurred, and any unbilled revenue is accrued at each period end.

In marketing the sale of bundled services, the Company formerly offered most "Double Gold" and certain "Gold" customers the provision and installation of LED light bulbs throughout their homes (the 'Daffodil' scheme). The provision of Daffodil light bulbs was distinct from the provision of the other bundled goods and services. This resulted in an allocation of revenue to the light bulbs, which was being recognised at the point in time that control of the light bulbs was passed to the customer – i.e. at the point of installation by a Utility Warehouse fitter. There was a corresponding reduction in revenues from services over the remaining contractual term. The Company ceased these activities during the current year.

(d) Distributor commissions

The Company's Partners earn commissions mainly on the introduction of new customers to the Company ('upfront commissions') and on the ongoing monthly use of the Company's services by the customers they have introduced ('trailing commissions'). Trailing commissions are recognised in the Statement of Comprehensive Income as they are earned by distributors on an accruals basis. Under IFRS 15, upfront commissions are capitalised and amortised over the expected life of the customer.

In relation to certain multi-service customers, distributors are able to bring forward the payment of a limited number of future monthly commission payments expected to be due on the usage of customers they have introduced. These advanced commission payments are held on the Balance Sheet as prepayments and are amortised on a straight-line basis through the Statement of Comprehensive Income over the period during which they are earned and would otherwise have been paid had the payment not been brought forward.

(e) Financial income and expenses

Financial income comprises interest income and is recognised in the Statement of Comprehensive Income as it accrues, using the effective interest rate method. Financial expenses comprise bank interest and non-utilisation fees associates with the Company's debt facilities.

(f) Related parties

The company, as a wholly owned subsidiary undertaking of Telecom Plus PLC, has taken advantage of an exemption contained in FRS 101 in preparing its financial statements. This exemption allows the company not to disclose details of transactions with other group companies or investees of the group qualifying as related parties, as the consolidated financial statements of Telecom Plus PLC, in which the company is included, are publicly available.

(g) Going concern

The directors have prepared base and sensitised forecasts for a period of at least 12 months from the date of authorisation of these financial statements, including the effect of severe, but plausible, downside scenarios. These forecasts indicate that the company has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements.

The Group has total revolving credit facilities of £175.0 million with Barclays Bank PLC, Lloyds Bank PLC and Bank of Ireland Group PLC for the period to 30 June 2024, of which £90 million was drawn down as at 31 March 2023 (2022: £100m drawn down). In light of the track record of the Company and its continued prospects, successful refinancing beyond June 2024 is anticipated by the directors. Until 30 July 2023 the Company has an option, subject to bank approval, to extend the existing facility by another year to 30 June 2025.

Based on the above, the directors believe that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore it remains appropriate to prepare the financial statements on a going concern basis.

(h) Adopted new standards, amendments and IFRIC interpretations

There are no other amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 March 2023 that have had a material impact on the company.

(i) Property, Plant and Equipment

Property, plant and equipment is stated at cost less a provision for depreciation. Depreciation is calculated so as to write off the cost less estimated residual value of the assets in equal instalments over their expected useful lives. No depreciation is provided on freehold land. Depreciation is provided on other assets at the following rates:

Freehold buildings	50 years
Freehold and leasehold improvements	3 to 25 years
Plant and machinery	15 years
Fixtures, fittings and office equipment	7 to 10 years
Computer and office equipment	3 to 5 years
Motor vehicles	4 years

The carrying amounts of property, plant and equipment are reviewed for impairment when there is an indication that they may be impaired.

(j) Investment properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are stated at cost less accumulated depreciation. Rental income from investment properties is accounted for on an accruals basis.

(k) Intangible Assets

Intangible assets which arise (e.g. on the entering into of significant commercial contractual arrangements) are capitalised and amortised over the shorter of their useful life and the term of any contractual arrangement or, where appropriate and an indefinite life is chosen, made subject to an annual impairment review.

IT, software and web development costs are capitalised as intangible assets to the extent that certain projects can be separately identified and involve the production of new and/or enhanced systems that the Company will use over the medium term. It must also be considered probable that the asset will generate future economic benefits, and the development cost can be measured reliably. Where these conditions are not met, development expenditure is recognised as an expense in the year in which it is incurred. Directly attributable costs that are capitalised include employee and external costs specifically incurred in the development of the intangible asset. These costs are amortised on a straight-line basis over their estimated useful economic lives of up to 10 years when each system is brought into use by the Company.

(l) Leases

As a lessee

Recognition of a lease

The contracts are assessed by the Company to determine whether a contract is, or contains, a lease. In general contracts are deemed to contain a lease when the following apply:

• Conveys the right to control the use of an identified asset for a certain period in exchange for consideration;
• The Company has substantially all economic benefits from the use of the asset; and
• The Company can direct the use of the identified asset.

This policy is applied to contracts entered into, or changed, on or after 1 April 2019.

At commencement or on modification of a contract that contains a lease component, the Company recognises a right-of-use asset and a lease liability at the lease commencement date.

Right-of-use asset

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term, or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Lease Liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

The Company includes right-of-use assets within property, plant and equipment and the corresponding lease liabilities in 'lease liabilities' on the balance sheet.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for lease of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

Where the Company is a lessor, it determines at inception whether the lease is a finance or an operating lease. When a lease transfers substantially all the risks and rewards of ownership of the underlying asset then the lease is a finance lease; otherwise the lease is an operating lease.

Income from operating leases is recognised on a straight-line basis over the lease term. Income from finance leases is recognised at lease commencement with interest income recognised over the lease term.

Right-of-use asset

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term, or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

(l) Leases (continued)

Lease Liability
The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

The Company includes right-of-use assets within property, plant and equipment and the corresponding lease liabilities in 'lease liabilities' on the balance sheet.

Short-term leases and leases of low-value assets
The Company has elected not to recognise right-of-use assets and lease liabilities for lease of low value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(m) Trade receivables

Trade receivables are stated at their nominal value as reduced by expected lifetime credit losses in accordance with IFRS 9. Trade receivables are not considered to contain a significant financing component and therefore the simplified approach for Expected Credit Losses is applied.

2 TURNOVER

Turnover is wholly attributable to the principal activities of the Company and arises solely within the United Kingdom.

Contract balances

The following table provides the information about contract assets and contract liabilities from contracts with customers.

	2023 £'000	2022 £'000
Contract assets, which are included in accrued income	-	-
Contract liabilities, which are included in deferred income	349	405

3 DIRECTORS AND EMPLOYEES

Directors' emoluments

	Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000
Salaries, fees and other benefits	336	448
Pension contributions	2	2
	338	450

The amounts included in the table above represent the allocation of directors' emoluments to the Company.

Employee costs during the period

	2023 £'000	2022 £'000
Wages and salaries	76,255	55,879
Social security costs	7,631	5,375
Pension contributions	2,396	1,977
	86,282	63,231

	2023	2022
Average number employed by the Company (excluding directors)	2,001	1,676

4 OPERATING PROFIT

Operating profit is stated after charging:

	Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000
Auditor's remuneration – audit of the financial statements	400	231

Fees paid to the Company's auditor for non-audit services were £Nil (2022: £Nil).

5 TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES

	Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000
The current tax charge comprises:		
Current year	2,719	10,587
Adjustments to tax charge in respect of prior years	(479)	(66)
	2,240	10,521
The deferred tax charge comprises:		
Decelerated capital allowances	433	179
(Reduction)/increase in respect of share options	(845)	(144)
Adjustments to tax charge in respect of prior years	310	(31)
	(102)	4
Tax on profit on ordinary activities	2,138	10,525
Profit on ordinary activities before tax	28,555	46,436
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2022: 19%)	5,425	8,823
Expenses not deductible for tax purposes	109	574
Credit arising on share options	-	182
Loss on disposal of subsidiary	-	1,595
Impairment of Investment in subsidiary	-	287
Adjustment in respect of share options	(1,035)	(394)
Adjustments to tax charge in respect of prior years	(479)	(66)
Income not taxable for tax purposes	(1,900)	-
Group Tax relief claimed	(270)	(436)
Other current tax adjustments	77	8
Other deferred tax adjustments	211	(48)
	2,138	10,525

Factors which may affect future tax charges

The UK corporation tax rate is currently 19%. Section 6 of the Finance Act 2021 (FA 2021) increases the main rate of corporation tax by six percentage points, from 19% to 25%, with effect from the financial year beginning 1 April 2023. The Company's future current tax charge will therefore increase accordingly. The deferred tax balance at 31 March 2023 has been calculated at 25%, (2022: 25%) which reflects that the rate increase from 1 April 2023.

6. PROPERTY, PLANT AND EQUIPMENT

	Investment property	Freehold land & buildings	Leasehold land & buildings	Freehold & leasehold improvements	Plant & machinery	Fixtures, fittings & office equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
2023								
Cost								
At 1 April 2022	13,924	27,147	1,003	266	741	18,132	978	62,191
Additions	206	-	-	-	16	3,430	69	3,721
Adjustments	-	(189)	-	-	-	-	-	(189)
Disposals	-	-	-	-	-	-	(165)	(165)
At 31 March 2023	14,130	26,958	1,003	266	757	21,562	882	65,558
Depreciation								
At 1 April 2022	(5,579)	(6,017)	(283)	(266)	(328)	(14,492)	(753)	(27,718)
Charge for the year	(280)	(841)	(90)	-	(50)	(2,559)	(116)	(3,936)
Disposals	-	-	-	-	-	-	160	160
At 31 March 2023	(5,859)	(6,858)	(373)	(266)	(378)	(17,051)	(709)	(31,494)
Net book amounts								
At 31 March 2023	8,271	20,100	630	-	379	4,511	173	34,064
At 31 March 2022	8,345	21,130	720	-	413	3,640	225	34,473

Leasehold land & buildings comprise right-of-use assets recognised under IFRS16, as per Note 13.

7. INTANGIBLE ASSETS

	IT Software & Web Development
	£'000
Cost	
At 1 April 2022	35,241
Additions	7,480
At 31 March 2023	42,721
Amortisation	
At 1 April 2022	(14,322)
Charge for the period	(5,843)
At 31 March 2023	(20,165)
Net book amount at 31 March 2023	22,556
Net book amount at 31 March 2022	20,919

8 INVESTMENTS

	% of Holding	2023 £'000	2022 £'000
Electricity Plus Supply Limited	100%	109,172	109,172
Gas Plus Supply Limited	100%	117,926	117,926
Telecommunications Management Limited	100%	4,592	4,592
UWI Limited	100%	9,600	-
UW Spain S.L.U	100%	3	-
		241,293	231,690

As of 31 March 2022, the Company had injected a capital of £8.3m in UW Home Services Limited ("UWHS"). The Company disposed of its shareholding in UWHS on 31 March 2022 for a consideration of £1 to Lowri Beck Holdings Limited, a specialist meter operator owned by the Calisen Group. In light of this transaction the Company has recorded a loss on disposal of £8.3m, which is reflected separately on the face of the Profit and Loss account.

9 OTHER NON-CURRENT ASSETS

	2023 £'000	2022 £'000
Finance lease assets	19,550	14,875
Trade & other receivables	13,419	6,498
	32,969	21,373

Included within loan and split out from amounts owed by Group undertakings is a £6.5 million receivable owed by Glow Green Limited. Since acquiring Glow Green in 2018, the business has been consistently loss-making; this has contributed to a cumulative funding requirement of over £6.5m that will remain with Glow Green as a debt to the Company and be repaid over time. The repayment of the loan has been personally guaranteed by Charles Wigoder.

10 DEFERRED TAX

	2023 £'000	2022 £'000
Excess of qualifying depreciation over tax allowances	(1,100)	(1,089)
Employee benefits in excess of amounts vested	112	(11)
	(988)	(1,100)
At 1 April	(1,100)	(1,089)
Impacts to the Statement of Comprehensive Income	112	-
Impacts to equity	-	(11)
At 31 March	(988)	(1,100)

11 TRADE AND OTHER RECEIVABLES

	2023 £'000	2022 £'000
Trade receivables	23,569	21,384
Amounts owed by group undertakings	49,463	82,081
Current tax receivable	2,925	400
	75,957	103,865

Amounts owed by group undertakings incur no interest and are repayable on demand.

12 LEASES AS LESSOR

Finance leases

In the provision of broadband services, the Company provides customers with a broadband router at the start of their contract. The terms and conditions under which broadband routers are supplied to customers mean that routers are accounted for as finance leases.

Interest income of £2.3m (2022: £1.5m) has been recognised in profit or loss in respect of finance leases.

The following table sets out a maturity analysis of lease payments receivable, showing the undiscounted lease payments to be received after the reporting date:

	2023 £'000	2022 £'000
Less than one year	5,269	3,962
Between one and two years	5,269	3,962
Between two and three years	5,269	3,962
Between three and four years	5,269	3,962
Between four and five years	3,864	3,149
More than five years	2,731	2,547
Total undiscounted lease receivable	27,671	21,544
Unearned finance lease income	(7,614)	(6,201)
Net investment in finance leases	20,057	15,343

12 LEASES AS LESSOR (CONTINUED)

Operating leases

The operations of the Company were transferred into newly refurbished head offices at Merit House in 2015 and the former head office building, Southon House, was vacated. Southon House is therefore now held as an investment property and rented to third-party tenants. During the year £0.9m (2022: £0.9m) was recognised as rental income by the Company.

The following table sets out a maturity analysis of the lease payments due to be received from the tenants of Southon House, showing the undiscounted lease payments to be received after the reporting date.

	2023 £'000	2022 £'000
Less than one year	803	878
Between one and two years	803	878
Between two and three years	803	878
Between three and four years	803	878
Between four and five years	712	878
More than five years	2,504	3,283
	6,428	7,673

13 LEASES AS LESSEE

	2023 £'000	2022 £'000
As at 1 April	742	827
Payment of lease liabilities	(100)	(100)
Interest relating to lease liabilities	13	15
Total as at 31 March	655	742

Maturity analysis

	2023 £'000	2022 £'000
Due in one year or less	100	100
Due in more than one year but not more than five years	502	502
Due in more than five years	100	140
	702	742

The analysis of maturity above shows the contractual undiscounted cashflows associated with lease liabilities.

14 LONG TERM BORROWINGS

	2023 £'000	2022 £'000
As at 1 April	99,215	89,376
Changes from financing cashflows		
Drawdown of bank loans	55,000	65,000
Repayment of bank loans	(65,000)	(55,000)
Total changes from financing cashflows	(10,000)	10,000
Other changes – arrangement fees		
Additions	-	(597)
Amortisation	506	436
Total other changes	506	(161)
Total long-term borrowings as at 31 March	89,721	99,215

14 LONG TERM BORROWINGS (CONTINUED)

Maturity analysis

	2023 £'000	2022 £'000
Due in one year or less	-	-
Due in more than one year but not more than two years	102,049	-
Due in more than two years but not more than five years	-	107,046
	102,049	107,046

The analysis of maturity above includes interest to be paid during the term of the loans in accordance with IFRS 7 Financial Instruments: Disclosures.

The bank loans, when drawn down, are stated net of unamortised arrangement fees of £279,000 (2022: £785,000) on the face of the Balance sheet. These costs have been capitalised and are being amortised over the term of the bank loans.

In November 2021 the Group agreed to extend its revolving debt facilities to £175,000,000 with Barclays Bank PLC, Lloyds Bank PLC and Bank of Ireland Group PLC ('the Revolving Debt Facilities') for the period to 30 June 2024. Until 30 July 2023 the Company has an option, subject to bank approval, to extend the existing facility by another year to 30 June 2025. The Revolving Debt Facilities are subject to two financial covenants: (i) Net debt/EBITDA of not more than 3.0:1;and (ii) EBITDA/net finance charges of not less than 3.0:1. The covenants are tested twice per year and the Group has significant headroom to the covenant limits under both these measures. The Group draws down on the Revolving Debt Facilities in tranches as funds are required. The interest period on the drawn tranches is typically one month and the tranches automatically rollover at the end of each interest period unless the Group, at its discretion, decides to repay the tranche.

15 CALLED UP SHARE CAPITAL

	2023 £'000	2022 £'000
Issued share capital		
Ordinary shares 10,000,101 of £1 each	10,000	10,000
B shares of 279,000 of 2p each	8	8
	10,008	10,008

16 COSTS TO OBTAIN CONTRACTS

	2023 £'000	2022 £'000
Commissions paid to acquire contracts	3,152	4,350
Trade & other receivables	17,760	10,801
	20,912	15,151

Commissions paid to acquire contracts represent up-front commissions paid to Partners for introducing customers to the Company and are amortised when the related revenues are recognised over the average lifetime of the Company's customers. In the current period the amount of amortisation was £1.2m (2022: £1.4m). Partners also earn commission on the ongoing monthly use of the Company's services by customers they have introduced ("trailing commissions"). Trailing commissions are recognised in the Profit and Loss Account and Other Comprehensive Income as they are earned by Partners on an accrual basis. In the current period the amount of trailing commissions was £24.2m (2022: £16.2m). Commissions paid in advance represent the bringing forward of certain future trailing commission payments expected to be due on customers Partners have introduced. These advance commission payments are amortised on a straight-line basis through the Profit and Loss Account and Other Comprehensive Income over the period during which they are earned and would otherwise have been paid had the payment not been brought forward. In the current period the amount of amortisation was £6.2m (2022: £4.1m). See accounting policies note (d).

17 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in FRS 101 extended to wholly-owned subsidiary undertakings whose voting rights are controlled within a group. Consequently, no disclosure has been made regarding any transactions with other entities within the Telecom Plus PLC group.

18 ULTIMATE PARENT COMPANY AND CONTROLLING ENTITY

At 31 March 2023, the ultimate parent company and controlling entity was Telecom Plus PLC. Telecom Plus PLC is a company registered in England and Wales and incorporated in the UK. The financial statements of the ultimate parent company and controlling entity are available from the registered office, Network HQ, 508 Edgware Road, The Hyde, London NW9 5AB.