

Company registration number: 5643503

ANNUAL REPORT AND FINANCIAL  
STATEMENTS

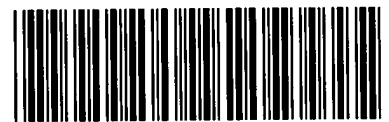
FOR THE YEAR ENDED

31 DECEMBER 2019

ARROW BUSINESS  
COMMUNICATIONS  
LIMITED

AMENDED

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# ARROW BUSINESS COMMUNICATIONS LIMITED

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## COMPANY INFORMATION

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<b>Directors</b>	Mr C J Russell Mrs T Tribe Mr R E Burke Mr J D Harber Mr R Bradley (appointed 27 March 2020)
<b>Registered number</b>	5643503
<b>Registered office</b>	1st Floor, The Wharf Abbey Mill Business Park Godalming Surrey GU7 2QN
<b>Independent auditor</b>	Menzies LLP Chartered Accountants & Statutory Auditor Lynton House 7-12 Tavistock Square London WC1H 9LT
<b>Bankers</b>	Lloyds Bank plc 25 Gresham Street London EC2V 7HN

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# ARROW BUSINESS COMMUNICATIONS LIMITED

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## CONTENTS

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	Page
Strategic Report	3 - 5
Directors' Report	6 - 7
Independent Auditor's Report	8 - 10
Statement of Comprehensive Income	11
Statement of Financial Position	12
Statement of Changes in Equity	13
Notes to the Financial Statements	14 - 29

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# ARROW BUSINESS COMMUNICATIONS LIMITED

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## STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

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### Business review

The principal activity of the Company during the year was as a reseller of business services to Corporate SME and larger Enterprise customers throughout the UK.

The results of the Company show a pre-tax profit of £0.5m (2018: £3.0m) for the year and sales of £31.5m (2018: £22.1m). The Company has net assets of £nil (2018: £1.2m). The reported results include loan interest of £1.3m due to the bank loans and £3.6m of amortisation of goodwill in respect of the acquisitions undertaken.

During the year, the Company focused on the integration of the four acquisitions made in 2018 that transformed the Company's scale, nationwide coverage and product expertise. In addition, in December 2019, the Company acquired 100% of the equity of Between the Lines Communication Limited, based in Bracknell. This acquisition provides recurring mobile, voice and connectivity for a customer base of approximately 450 business-to-business customers across the UK.

### Subsequent events

On 15 January 2020, the existing management team were backed by funds advised by MML Capital Partners LLP ("MML") in a secondary buy-out with debt funding provided by funds advised by CVC Credit Partners Investment Management Limited and working capital facilities provided by Lloyds Bank plc.

This follows the highly successful partnership with Growth Capital Partners, whose previous investment in Arrow enabled the group to complete eight acquisitions, nearly triple earnings and double the employee base whilst adding significant further scale and expertise in cloud telephony, energy and IT services in just three years.

MML is now investing in Arrow to support the next phase of growth and transformation. With a new investment partner and the significant funding firepower of a new £50m acquisition facility, Arrow will progress its ambitious growth plans as a leading buy and build platform in the ICT and energy services markets. At the same time, the company will continue to expand its product range and technical capabilities to meet the continually changing market needs.

As part of this buy-and-build acquisition strategy, on 1st July 2020, Arrow acquired the entire issued share capital of Altinet Limited, based in Leeds. Altinet is a leading provider of IT security and storage services with over 400 customers and deploys a range of cyber security and storage solutions into both the private and public sector.

### Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks. The process of risk acceptance and risk management is addressed through a framework of policies, procedures and internal control. Compliance with regulation, legal and ethical standards is a high priority for the Company. The CFO and the finance team take an important oversight role in this regard.

The key business risks and uncertainties affecting the Company are considered to relate to poor economic conditions, the associated risk of non-payment by customers and EU and Ofcom regulation changes. These are managed by strong credit control and vetting procedures, a robust commercial approval process for new contracts and re-signs and a portfolio approach to our product set, underpinned by the stability provided by long term customer contracts.

Following the development of the Covid-19 pandemic in early 2020 and the subsequent lockdown enforced by the UK Government, the Company has experienced some expected adverse financial impact caused by lower variable usage and temporary project delays due to being unable to access client sites. However, the directors have acted swiftly to take appropriate corrective measures to protect the Company's profitability and cash generation, and therefore expect to deliver a robust trading performance during 2020. Alongside this, the directors continue to focus on securing complementary strategic acquisitions as part of its buy-and-build strategy.

The directors do not consider that the Company sales and results will be directly affected by Brexit, and we do not expect to be adversely affected by changes in the availability of suitably trained staff. We continue to keep the developments surrounding Brexit under review as we may see indirect effects due to impacts on our customers.

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# ARROW BUSINESS COMMUNICATIONS LIMITED

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## STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

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### Key performance indicators

The Company's main key performance indicator is earnings before interest, tax, depreciation, and amortisation (EBITDA). In 2019, the Company achieved an EBITDA of £4.8m (2018: £3.0m). This figure has been calculated by also adding back expenses that are, in the opinion of the Company, either exceptional costs or expenses that are not in relation to the trade of the entities within the Company. The amount added back in 2019 was £0.2m (2018: £0.1m).

In 2019, the Company continued its strong EBITDA growth delivered in previous years and this includes the full year impact of the hive ups performed in 2018.

### Research and development

We continue to invest in our systems that provide billing and MIS for our customers. We are also keen to add any new technologies to our product offering once they become commercially viable. The directors regard the investment in research and development as integral to the continuing success of the business and ensuring we provide our customers with the highest possible level of service and product choice and solutions helping them in turn to improve their own operational and cost efficiencies.

### Employee involvement

The Company's policy is to consult and discuss with employees matters likely to affect employee's interests.

We continue to make significant investment through our #Arrowvision programme to communicate with all staff on a regular basis, despite their wide geographical distribution. All employees are aware of the financial and economic factors affecting the Company's performance.

As in previous years we continue to be immensely proud of the results of our employee surveys. The 2019 survey result was 91% engagement, which given the number of employees who took that survey that came from acquired businesses, is huge achievement for the business. The directors review the results with all teams and hold regular communications with all employees and continue to work on any area of improvement highlighted in the survey results.

All employees with one or more years' service are beneficiaries of an Employee Share Trust that will share the benefit of any increase in the value of the Company at any subsequent exit. This has been recreated following the secondary buyout in 2020, with all beneficiaries from the previous Trust being enrolled in the new Trust.

### Financial instruments

The principal financial instruments of the Company comprise of bank balances, trade debtors and trade creditors.

Working capital requirements are met principally out of trade debtors and trade creditors which arise directly from the Company's normal operations. The Company's banking facilities are utilised to fund acquisitions and will be repaid out of operating cash flow. The Company's finance facilities are held in sterling and the Company does not enter any hedging arrangements.

Trade debtors are managed in respect of credit and there is a policy to minimise any risk by assessing new customer's credit risk and monitoring existing customer's creditworthiness. At the balance sheet date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Cash flow is closely monitored as part of day to day control procedures and the directors review cash flow projections on a weekly basis and ensure appropriate facilities are available to be drawn upon, as necessary.

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# ARROW BUSINESS COMMUNICATIONS LIMITED

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## STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

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### Balance Sheet position

During the year, the balance sheet total has decreased by the impairment of goodwill of £1.4m, offset by the profit after tax for the year of £0.2m. The small profit arises due to amortisation on the goodwill recorded on acquisitions and the interest charges due to the Company's funding structure.

### Directors' statement of compliance with duty to promote the success of the Company

The overarching Values and Commitment strategy within Arrow is to develop a long term, sustainable business that delivers value for all its stakeholders including employees, clients, suppliers, business partners, and the wider community. By managing the business responsibly, the directors intend to support the creation of a financially stable organisation and deliver value for all stakeholders.

The Arrow Group is owned by its management team and employees, together with investment partner, MML. As noted elsewhere in this report, all employees are regularly consulted with and fully understand the strategic direction in both the short and longer-term, as well as the current trading performance of the business. This ownership model and consultative approach fosters a strong culture and high levels of employee satisfaction and retention, whilst also ensuring that all employees are treated fairly and consistently. There is a dedicated Employee Engagement team within the business that focuses on continually improving this key area within the business.

Customer relationships are the heartbeat of the business with customer retention being a key performance indicator. Monthly Net Promoter Score surveys provide valuable feedback on customer satisfaction and engagement within Arrow and achieving high levels of service excellence is a core element of the Company's philosophy. Many experienced customer account managers are employed to ensure customers are well supported strong levels of service excellence can be provided.

As a business that uses global suppliers, the directors fully acknowledge a duty to trade responsibly. Arrow has an OFCOM approved Code of Practice, is a member of the approved dispute resolutions scheme OTELO and holds network accreditations with several of the industry's leading network operators. Business is conducted in line with Arrow's Code of Conduct and several other internal policies and procedures that are designed to ensure the Company maintains the highest reputation possible for standards of conduct. The Company has a dedicated commercial team with responsibility for maintaining regular engagement with suppliers and ensuring that they are kept well abreast of the Company's performance and strategic objectives in both the short and longer-term.

The Company has a Corporate Social Responsibility Policy to ensure that the interests of all stakeholders, including those based in the wider community, are acknowledged, and protected. Arrow is committed to identifying, managing, and minimising the environmental impact of business operations and it maintains an Environmental Policy to manage this and ensure compliance with all applicable environmental legislation and to strive to use pollution prevention and environmental best practices in all areas. With regards to impact on the community, Arrow engages with the local communities in which it works, is committed to making a positive social and economic impact and understanding and managing any negative impacts of its business operations. In addition, the Company seeks to make a positive social contribution through the services we provide to clients. Programmes are in place to support employee volunteering and fundraising as well as local community and charity support.

This report was approved by the board and signed on its behalf.



**Mr R E Burke**  
Director

Date: 28-Jul-2020

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# ARROW BUSINESS COMMUNICATIONS LIMITED

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## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

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The directors present their report and the financial statements for the year ended 31 December 2019.

### **Directors' responsibilities statement**

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 for the Company's financial statements 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 to 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.

### **Results and dividends**

The profit for the year, after taxation, amounted to £245,546 (2018 - £2,691,805).

Dividends paid in the prior year are shown within note 11 to these financial statements.

### **Directors**

The directors who served during the year were:

Mr C J Russell  
Mr P J Gibbons (resigned 31 May 2020)  
Mrs T Tribe  
Mr R E Burke  
Mr J D Harber

### **Future developments**

The Directors are planning on further acquisitions in 2020 alongside integration of subsidiaries within the group so as to simplify the corporate structure via corporate hiving-up of the assets and liabilities in advance of commencing strike-off proceedings for these legal entities.

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# ARROW BUSINESS COMMUNICATIONS LIMITED

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## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

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### **Matters covered in the strategic report**

The Company has chosen in accordance with Section 414C(II) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out within the Company's Strategic Report, the information required by Schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008. This includes information that would have been included in the business review, details of the principal risks and uncertainties, subsequent events and the company's approach to compliance with Section 172(1) of the Companies Act 2006.

### **Disclosure of information to auditor**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### **Auditor**

The auditor, Menzies LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



Mr R E Burke  
Director

Date: 28-Jul-2020

1st Floor, The Wharf  
Abbey Mill Business Park  
Godalming  
Surrey  
GU7 2QN



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# ARROW BUSINESS COMMUNICATIONS LIMITED

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARROW BUSINESS COMMUNICATIONS LIMITED

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### Opinion

We have audited the financial statements of Arrow Business Communications Limited (the 'Company') for the year ended 31 December 2019, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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# ARROW BUSINESS COMMUNICATIONS LIMITED

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARROW BUSINESS COMMUNICATIONS LIMITED (CONTINUED)

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### **Opinion on other matters prescribed by the Companies Act 2006**

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

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

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

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

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

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

### **Responsibilities of directors**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

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# ARROW BUSINESS COMMUNICATIONS LIMITED

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARROW BUSINESS COMMUNICATIONS LIMITED (CONTINUED)

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### Use of our report

This report is made solely to the Company's members 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 for our audit work, for this report, or for the opinions we have formed.

*Ralph Mitchison*

Ralph Mitchison FCA (Senior Statutory Auditor)  
for and on behalf of  
**Menzies LLP**  
Chartered Accountants & Statutory Auditor  
Lynton House  
7-12 Tavistock Square  
London  
WC1H 9LT  
Date: 28-Jul-2020

# ARROW BUSINESS COMMUNICATIONS LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 £	2018 £
Turnover	4	31,455,414	22,120,898
Cost of sales		(19,079,118)	(13,348,457)
<b>Gross profit</b>		<b>12,376,296</b>	<b>8,772,441</b>
Administrative expenses		(11,686,276)	(7,296,119)
<b>Operating profit</b>	5	<b>690,020</b>	<b>1,476,322</b>
Income from shares in group undertakings		1,101,531	2,160,974
Interest payable and expenses	9	(1,285,940)	(654,804)
<b>Profit before tax</b>		<b>505,611</b>	<b>2,982,492</b>
Tax on profit	10	(260,065)	(290,687)
<b>Profit for the financial year</b>		<b>245,546</b>	<b>2,691,805</b>

There was no other comprehensive income for 2019 (2018:£NIL).

The notes on pages 14 to 29 form part of these financial statements.

# ARROW BUSINESS COMMUNICATIONS LIMITED

REGISTERED NUMBER:5643503

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets	12	12,667,385	9,713,519
Tangible assets	13	585,966	526,937
Investments	14	28,400,318	32,112,169
		<u>41,653,669</u>	<u>42,352,625</u>
<b>Current assets</b>			
Stocks	15	165,909	99,985
Debtors: amounts falling due within one year	16	5,606,290	5,463,551
Cash at bank and in hand	17	484,180	2,306,829
		<u>6,256,379</u>	<u>7,870,365</u>
Creditors: amounts falling due within one year	18	(26,600,277)	(25,749,635)
<b>Net current liabilities</b>		<u>(20,343,898)</u>	<u>(17,879,270)</u>
<b>Total assets less current liabilities</b>		<u>21,309,771</u>	<u>24,473,355</u>
Creditors: amounts falling due after more than one year	19	(21,257,243)	(23,229,962)
<b>Provisions for liabilities</b>			
Deferred tax	21	(46,738)	(34,263)
		<u>(46,738)</u>	<u>(34,263)</u>
<b>Net assets</b>		<u><u>5,790</u></u>	<u><u>1,209,130</u></u>
<b>Capital and reserves</b>			
Called up share capital	22	9,082	9,082
Share premium account	23	559,285	559,285
Capital redemption reserve	23	127,054	127,054
Profit and loss account	23	(689,631)	513,709
		<u>5,790</u>	<u>1,209,130</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**Mr R E Burke**

Director

Date: 28-Jul-2020

The notes on pages 14 to 29 form part of these financial statements.

# ARROW BUSINESS COMMUNICATIONS LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital £	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total equity £
<b>At 1 January 2018</b>	<b>9,082</b>	<b>559,285</b>	<b>127,054</b>	<b>3,232,554</b>	<b>3,927,975</b>
Profit for the year	-	-	-	2,691,805	2,691,805
Goodwill adjustment	-	-	-	(2,910,650)	(2,910,650)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(218,845)</b>	<b>(218,845)</b>
Dividends: Equity capital	-	-	-	(2,500,000)	(2,500,000)
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,500,000)</b>	<b>(2,500,000)</b>
<b>At 1 January 2019</b>	<b>9,082</b>	<b>559,285</b>	<b>127,054</b>	<b>513,709</b>	<b>1,209,130</b>
Profit for the year	-	-	-	245,546	245,546
Goodwill adjustment	-	-	-	(1,448,886)	(1,448,886)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,203,340)</b>	<b>(1,203,340)</b>
<b>At 31 December 2019</b>	<b>9,082</b>	<b>559,285</b>	<b>127,054</b>	<b>(689,631)</b>	<b>5,790</b>

The notes on pages 14 to 29 form part of these financial statements.

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# ARROW BUSINESS COMMUNICATIONS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 1. General information

Arrow Business Communications Limited is a private company, limited by shares, incorporated in the England and Wales under the Companies Act. The address of the registered office is given on the Company Information page, which is also the principal trading address. The principal activities of the company and the nature of its operations are set out in the Strategic Report.

The financial statements are prepared in Pound Sterling, which is the functional currency of the entity.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

#### 2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Arrow Business Communications Holdings Limited as at 31 December 2019 and these financial statements may be obtained from Companies House.

#### 2.3 Going concern

The company has negative net current assets, which are directly as a result of the accelerated acquisition programme. The company is cash generative on an operating basis and the detailed forecasts prepared by the directors confirm that it is expected to remain so over the forthcoming years.

At the end of the year, the company had unused bank facilities and together with ongoing discussions with the group's bankers to fund future acquisitions, the directors are confident that obligations can be met as they fall due. Therefore the financial statements have been prepared on a going concern basis.

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# ARROW BUSINESS COMMUNICATIONS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 2. Accounting policies (continued)

#### 2.4 Exemption from preparing consolidated financial statements

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its ultimate parent undertaking established under the law of an EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

#### 2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue from one off sale of goods is recognised when the risks and rewards of ownership have been passed to the customer, being once they have been delivered.

Where revenue from services is part of a fixed length contract, the revenue is spread evenly across the length of the contract, along with any associated costs which have been incurred in securing the contract.

#### 2.6 Intangible 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 Statement of Comprehensive Income over its useful economic life.

##### Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	5-20 years
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#### 2.7 Tangible fixed assets

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



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# ARROW BUSINESS COMMUNICATIONS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 2. Accounting policies (continued)

#### 2.7 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Fixtures and fittings	- 2-5 years
Computer equipment	- 2 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

#### 2.8 Impairment of fixed assets and goodwill

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

#### 2.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

#### 2.10 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

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

#### 2.11 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

#### 2.12 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

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# ARROW BUSINESS COMMUNICATIONS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 2. Accounting policies (continued)

#### 2.13 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

#### 2.14 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

#### 2.15 Pensions

##### Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

#### 2.16 Current and deferred taxation

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

# ARROW BUSINESS COMMUNICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the accounts in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the accounts and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates. The key estimates and assumptions used in these accounts are set out below.

#### Goodwill amortisation

The period in which the goodwill of acquired trade and assets is considered to be a significant judgement, considering it is such a material charge in the year. The directors have reviewed their consideration of the life in which the goodwill is valued, being five years, is adequate.

#### Impairment

Goodwill and investments are tested annually for impairment. Management have established that the key determinant of future value is retention of customers and are satisfied that the underlying assumptions regarding customer retention used in the setting of the useful life of goodwill and that investments have not required impairment, are not unreasonable.

### 4. Turnover

An analysis of turnover by class of business is as follows:

	2019 £	2018 £
Fixed Sales	5,669,935	3,491,294
System Sales	6,047,224	3,823,853
IT & Data Related Sales	8,041,974	3,454,760
Mobile Sales including Network Revenue	11,696,281	11,350,991
	<b>31,455,414</b>	<b>22,120,898</b>

All turnover arose within the United Kingdom.

### 5. Operating profit

The operating profit is stated after charging:

	2019 £	2018 £
Depreciation	296,637	197,656
Amortisation	3,613,229	1,216,526
Operating lease rentals	558,603	393,192

# ARROW BUSINESS COMMUNICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 6. Auditor's remuneration

	2019 £	2018 £
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	<b>27,000</b>	<b>17,000</b>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

### 7. Employees

Staff costs, including directors' remuneration, were as follows:

	2019 £	2018 £
Wages and salaries	<b>5,739,677</b>	<b>4,206,143</b>
Social security costs	<b>588,597</b>	<b>377,879</b>
Cost of defined contribution scheme	<b>420,730</b>	<b>333,597</b>
	<b>6,749,004</b>	<b>4,917,619</b>

The average monthly number of employees, including the directors, during the year was as follows:

	2019 No.	2018 No.
Administrative staff	<b>150</b>	<b>120</b>
Number of directors	<b>5</b>	<b>5</b>
	<b>155</b>	<b>125</b>

# ARROW BUSINESS COMMUNICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 8. Directors' remuneration

	2019 £	2018 £
Directors' emoluments	482,568	466,201
Company contributions to defined contribution pension schemes	74,028	73,997
	<u>556,596</u>	<u>540,198</u>

During the year retirement benefits were accruing to 5 directors (2018 - 5) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £127,848 (2018 - £127,929).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £14,073 (2018 - £14,061).

### 9. Interest payable and similar expenses

	2019 £	2018 £
Bank interest payable	1,130,555	646,688
Refinancing costs	155,385	8,116
	<u>1,285,940</u>	<u>654,804</u>

### 10. Taxation

	2019 £	2018 £
<b>Corporation tax</b>		
Current tax on profits for the year	255,092	266,593
Adjustments in respect of previous periods	(7,502)	18,199
	<u>247,590</u>	<u>284,792</u>
<b>Total current tax</b>	<u>247,590</u>	<u>284,792</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	12,475	5,895
<b>Total deferred tax</b>	<u>12,475</u>	<u>5,895</u>
<b>Taxation on profit on ordinary activities</b>	<u>260,065</u>	<u>290,687</u>

# ARROW BUSINESS COMMUNICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 10. Taxation (continued)

#### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	505,611	2,982,492
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	96,066	566,673
<b>Effects of:</b>		
Non-tax deductible amortisation of goodwill and impairment	669,034	201,377
Expenses not deductible for tax purposes	8,775	6,673
Capital allowances for year in excess of depreciation	(2,495)	(628)
Adjustments to tax charge in respect of prior periods	(7,502)	18,199
Non-taxable income	(209,291)	(410,585)
Changes to tax rate in relation to deferred tax	4,031	-
Other differences leading to an increase (decrease) in the tax charge	-	(8,407)
Group relief	(298,553)	(82,615)
<b>Total tax charge for the year</b>	<b>260,065</b>	<b>290,687</b>

#### Factors that may affect future tax charges

There were no factors that may affect future tax charges.

### 11. Dividends

	2019 £	2018 £
Dividends on ordinary shares	-	2,500,000
	-	2,500,000

# ARROW BUSINESS COMMUNICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 12. Intangible assets

	Hosted platforms £	Goodwill £	Total £
<b>Cost</b>			
At 1 January 2019	260,926	21,983,256	22,244,182
Additions	-	6,828,021	6,828,021
Disposals	(260,926)	-	(260,926)
At 31 December 2019	-	28,811,277	28,811,277
<b>Amortisation</b>			
At 1 January 2019	-	12,530,663	12,530,663
Charge for the year on owned assets	-	3,613,229	3,613,229
At 31 December 2019	-	16,143,892	16,143,892
<b>Net book value</b>			
At 31 December 2019	-	12,667,385	12,667,385
At 31 December 2018	260,926	9,452,593	9,713,519

The goodwill additions are in relation to the hive ups described in note 14 and have been transferred from fixed asset investments.

# ARROW BUSINESS COMMUNICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 13. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>			
At 1 January 2019	835,597	789,340	1,624,937
Additions	244,335	95,827	340,162
Transfers intra group	8,676	6,828	15,504
At 31 December 2019	<u>1,088,608</u>	<u>891,995</u>	<u>1,980,603</u>
<b>Depreciation</b>			
At 1 January 2019	542,223	555,777	1,098,000
Charge for the year on owned assets	123,409	173,228	296,637
At 31 December 2019	<u>665,632</u>	<u>729,005</u>	<u>1,394,637</u>
<b>Net book value</b>			
At 31 December 2019	<u>422,976</u>	<u>162,990</u>	<u>585,966</u>
At 31 December 2018	<u>293,374</u>	<u>233,563</u>	<u>526,937</u>

### 14. Fixed asset investments

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 January 2019	32,112,169
Additions	4,565,056
Movement to Goodwill	(6,828,021)
Amounts written off	(1,448,886)
At 31 December 2019	<u>28,400,318</u>



# ARROW BUSINESS COMMUNICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 14. Fixed asset investments (continued)

#### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Arrow Business Communications (Scotland) Limited	(*Scotland)	Ordinary	100%
Worksmart Technology Limited	(*England)	Ordinary	100%
Siebert Telecom Solutions Limited	(*Scotland)	Ordinary	100%
Pulse Business Holdings Limited	(*England)	Ordinary	100%
Pulse Business Energy Limited	(*England)	Ordinary	100%
Reeves Lund and Company Limited	(*England)	Ordinary	100%
3Sixt Holdings Limited	(*England)	Ordinary	100%
360 Solutions (UK) Limited (*)	(*England)	Ordinary	100%
360 (II) Limited (*)	(*England)	Ordinary	100%
Abica Limited	(*Scotland)	Ordinary	100%
PCR IT Limited (*)	(*Scotland)	Ordinary	100%
European Utility Management Limited	(*England)	Ordinary	100%
Between The Lines Communication Limited	(*England)	Ordinary	100%
Arrow Business Communications Trustee Limited	(*England)	Ordinary	100%

(\*) indirect subsidiary

(\*England) The Wharf, Abbey Mill Business Park, Lower Eashing, Godalming, Surrey, GU7 2QN

(\*Scotland) Lumina Building 40 Ainslie Road, Hillington Park, Glasgow, Scotland, G52 4RU

#### New acquisitions & hive up of subsidiaries:

##### Between The Lines Communication Limited:

On 1 December 2019 Arrow Business Communications Limited acquired 100% of the ordinary share capital of Between The Lines Communication Limited for a price of £4,400,000 plus a balance sheet payment and fees of £51,958. The fair value of net assets acquired were:

Fixed assets £11,906

Current assets £915,454

Current liabilities (£806,739)

Total net assets acquired £120,621

##### 360 Solutions (UK) Limited & 360 (II) Limited:

On the 31 January 2019 360 Solutions (UK) Limited and 360 (II) Limited had their trade and assets hived up into Arrow Business Communications Limited. The total net assets at the time of the hive up were £2,056,568. Goodwill has been recognised at £6,828,021 and the goodwill is being to be amortised over 5 years from the original date of acquisition, being 1 June 2018. This transaction resulted in an adjustment to Goodwill in the period of £1,448,886 following the transfer from investments, which has been recognised in equity.

##### European Utility Management Limited:

On 28 February 2019 European Utility Management Limited had its trade and assets hived up into Pulse Business Energy Limited, a subsidiary company. This has had no impact over the Company's investments as the the form of the investment remains and has not been impaired.

# ARROW BUSINESS COMMUNICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### Fixed asset investments (continued)

#### Abica Limited, PCR IT Limited & Siebert Telecom Solutions Limited

On 31 December 2019 the above entities had their trade and assets hived up into Arrow Business Communications (Scotland) Limited, a subsidiary company. This has had no impact over the Company's investments as the the form of the investment remains and has not been impaired.

### 15. Stocks

	2019 £	2018 £
Finished goods and goods for resale	165,909	99,985
	<u>165,909</u>	<u>99,985</u>

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

### 16. Debtors

	2019 £	2018 £
Trade debtors	1,751,194	1,472,874
Amounts owed by group undertakings	66,550	61,000
Other debtors	186,557	46,605
Prepayments and accrued income	3,601,989	3,883,072
	<u>5,606,290</u>	<u>5,463,551</u>

### 17. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	484,180	2,306,829
Less: bank overdrafts	(4,313)	(4,138)
	<u>479,867</u>	<u>2,302,691</u>

# ARROW BUSINESS COMMUNICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 18. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank overdrafts	4,313	4,138
Bank loans	6,627,188	4,536,664
Trade creditors	1,959,749	1,396,911
Amounts owed to group undertakings	14,812,644	12,340,412
Corporation tax	16,592	301,598
Other taxation and social security	797,467	776,564
Other creditors	805,253	4,095,721
Accruals and deferred income	1,577,071	2,297,627
	<u>26,600,277</u>	<u>25,749,635</u>

The following liabilities were secured:

	2019 £	2018 £
Bank loans	6,627,188	4,536,664
	<u>6,627,188</u>	<u>4,536,664</u>

Details of security provided:

The above loans are secured as per the disclosure in note 19.

# ARROW BUSINESS COMMUNICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 19. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Bank loans	21,257,243	23,229,962
	<u>21,257,243</u>	<u>23,229,962</u>

The following liabilities were secured:

	2019 £	2018 £
Bank loans	21,257,243	23,229,692
	<u>21,257,243</u>	<u>23,229,692</u>

Details of security provided:

The above loans and also the loans included within its immediate parent company, Arrow Business Communications Group Limited (2019 - £32,741,652, 2018 - £30,845,478) are secured by fixed and floating charges over the assets of the company, and those of all of the companies in the Arrow Business Communications Holdings Limited group.

The loans were repaid following the year end from the change in ownership as disclosed in note 27.

### 20. Loans

Analysis of the maturity of loans is given below:

	2019 £	2018 £
<b>Amounts falling due within one year</b>		
Bank loans	6,627,188	4,536,664
	<u>6,627,188</u>	<u>4,536,664</u>
<b>Amounts falling due in over one year but within five years</b>		
Bank loans	21,257,243	23,229,962
	<u>21,257,243</u>	<u>23,229,962</u>
	<u>27,884,431</u>	<u>27,766,626</u>

# ARROW BUSINESS COMMUNICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 21. Deferred taxation

	2019 £
At beginning of year	(34,263)
Charged to profit or loss	(14,724)
Acquired on acquisition	2,249
<b>At end of year</b>	<b>(46,738)</b>

The provision for deferred taxation is made up as follows:

	2019 £	2018 £
Accelerated capital allowances and other short term timing differences	(46,738)	(34,263)
	<b>(46,738)</b>	<b>(34,263)</b>

### 22. Share capital

	2019 £	2018 £
<b>Allotted, called up and fully paid</b>		
908,174 (2018 - 908,174) Ordinary shares of £0.01 each	9,082	9,082

### 23. Reserves

#### Share premium account

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

#### Capital redemption reserve

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

#### Profit and loss account

This reserve records retained earnings and accumulated losses.

### 24. Pension commitments

Amounts outstanding for pension commitments included within other creditors were £3,128 (2018 - £40,859).

# ARROW BUSINESS COMMUNICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 25. Commitments under operating leases

At 31 December 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	486,017	502,265
Later than 1 year and not later than 5 years	1,422,734	1,407,738
Later than 5 years	78,549	273,980
	<u>1,987,300</u>	<u>2,183,983</u>

### 26. Related party transactions

The company is exempt from disclosing related party transactions with entities that are part of the Arrow Business Communications Holdings Limited group.

### 27. Post balance sheet events

Following the change in ultimate ownership as disclosed in note 28, all loans in the Company were repaid and the security in relation to the loans were discharged. These loans were replaced by new loans within the new group headed by Arrow Communications Holdings Limited. All assets of the Company are used as security against the loans.

### 28. Controlling party

The Company's immediate parent company is Arrow Business Communications Group Limited.

Until the 15 January 2020 the ultimate parent entity, to which consolidated accounts include this company, was Arrow Business Communications Holdings Limited. The consolidated accounts are available from Companies House for the year ended 31 December 2019.

From 15 January 2020 the ultimate parent entity is Arrow Communications Holdings Limited.

The ultimate controlling party of Arrow Communications Holdings Limited is MML Capital Partners LLP Europe VII Equity I S.A., a company based in Luxembourg. MML Capital Europe VII Equity I S.A is a 100% subsidiary of MML Partnership Capital VII SCSp acting by its general partner MML Partnership Capital VII GP S.a.r.l.