REGISTERED NUMBER 12474659 (ENGLAND AND WALES)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2021
FOR
ECLIPSE (BIDCO) LIMITED

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COMPANY INFORMATION
FOR THE YEAR ENDED 30 NOVEMBER 2021

DIRECTORS:	R N H Bailey J J E Fletcher R Gilbert C D Goodman V Rishbeth C J Wild S R Delaney T Shelford B A Taylor
SECRETARY:	C D Goodman
REGISTERED OFFICE:	Focus House Ham Road Shoreham-by-sea West Sussex BN43 6PA
REGISTERED NUMBER:	12474659 (England and Wales)
INDEPENDENT AUDITORS:	PricewaterhouseCoopers LLP 7 More London Riverside London SE1 2RT

STRATEGIC REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2021

The Directors present their strategic report for the Group for the year ended 30 November 2021.

REVIEW OF BUSINESS

The results contained within these financial statements are for the year ended 30 November 2021. The comparative period presented represents a 9 month period end 30 November 2020.

The reported loss is after charging £26.0m amortisation of goodwill following the purchase of Focus 4 U Ltd on 6th March 2020 (subsequent to investment from Bowmark Capital), and further acquisitions made in the course if 2020 and 2021. EBITDA for the year is £18.5m.

REVIEW OF GROUP TRADING

The principal activities of the Group comprise the provision of Telecoms, IT, Data and Energy solutions to businesses throughout the UK.

In order to enhance comparability of trading performance, the directors have, set out the underlying comparative consolidated trading position for all group companies for a 12 month period.

The performance of the group for the year to 30 November 2021 is as follows.

	2021	2020	2019	2018
Turnover	£115.7m	£79.4m	£69.9m	£59.1m
Gross Margin	£46.0m	£31.8m	£26.5m	£19.9m
Reported EBITDA	£18.5m	£13.5m	£13.1m	£7.6m
Pro Forma EBITDA (Per banking documents)	£24.4m	£18m	£15.7m	£8.9m

EBITDA refers to profit before interest, tax, depreciation and amortisation.

Pro forma EBITDA excludes exceptional costs, which are one off non-recurring costs as defined in the company's funding agreement and includes the full year EBITDA of acquisitions after anticipated cost savings.

On an annualised basis, revenue grew by 47% to £115.7m (November 2020: £79.4m) and gross margin grew by 45% to £46.0m (November 2020: £31.8m). Annualised reported EBITDA grew by 36% which reflects the investment made in staffing, systems and operating platforms capability in readiness for further growth.

The various lockdowns as a result of the pandemic impacted one-off project gross profit ("GP") which was 11% less than prior year, however significant increases in the sales of recurring IT services and cloud-based products have led to contracted GP increasing by 19% against prior year. Customer churn was sub 5%, which is below target levels.

Acquisitions

On 9 February 2021 the Group acquired the majority of the share capital of South West Communications Group Holdings Limited.

On 30th April 2021 the Group acquired the majority of the share capital of Highland Network Limited.

On 31 July the Group acquired the majority of the share capital of Taurus Clearer Communication Ltd.

On 30 September the Group acquired the majority of the share capital of GB Technolgies Holdings Limited.

REVIEW OF GROUP TRADING - continued

Acquisitions - continued

Further detail on the acquisitions can be found in note 14.

Subsequent to the period end the Group has aquired Ethos Group Holdings Limited, funded by bank debt.

Future developments

The group will continue to invest in people, platforms and technologies to continue its trajectory of organic growth. It will continue to make acquisitions within the Unified Communications sector when there is a strategic benefit in doing so.

PRINCIPLE RISKS AND UNCERTAINTIES

The Group's exposure to the impact of wider economic changes is limited by the essential nature of the services it supplies. Customer risk is diversified, with no single customer accounting for more than 3% of group turnover. 80% of GP is recurring.

Whilst the advent of hosted telephony has represented a risk to traditional call revenue a corresponding increase in hosted telephony and data and ICT connectivity has allowed the Group to increase product penetration and attract new customers from providers of traditional call only services. The transition has led to an expansion in margins, improved customer retention and an increase in average contract length.

The group continuously reviews and monitors its product portfolio in the context of wider technological and commercial developments in the telecoms, ICT and data markets and considers both threats and opportunities.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principle financial instruments comprise bank loans, bank balances, trade debtors and trade creditors. These instruments provide working capital and acquisition finance for the business and allow it to continue its growth and the acquisition of strategically complementary businesses.

The Group regularly monitors its financial covenants for its debt and remains within its covenants. The term of the facility is fixed until 2027.

Credit risk

The credit risk is attributable to trade debtors; the amounts shown in the financial statements are after bad and doubtful debt provisions. The group has implemented policies to manage the credit risk and require credit checks on potential customers and the use of credit insurance where available. The amount of exposure to any one customer is subject to credit limits which are regularly reviewed by management.

Liquidity risk

The Group maintains a mixture of long and short term debt finance that is designed to ensure that the business has sufficient available funds for its operations. The leves of available funds is measured and monitored on a regulr basis through the use of detailed cash flow forecasts and comparison of forecast to actuals.

Interest rate risk

The group is exposed to interest rate risk on its banking credit facility. The Group regularly monitors interest rates and considers hedging as part of its ongoing treasury management.

KEY FINANCIAL PERFORMANCE INDICATORS

The Group continues to monitor unit economics and profitability with both Customer Churn, Customer Upsell and DownSell and Customers Acquisition. The group monitors average Revenue per Customer (ARPU) and Average Margin Per Customer (AMPU). The Group monitors customer satisfaction / CSAT score continuously and Employee Satisfaction.

Financial key performance indicators including, revenue, gross profit and EBITDA are detailed within the business review.

ON BEHALF OF THE BOARD

J J E Fletcher - Director

Date: 19 May 2022

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 NOVEMBER 2021

The directors present their report with the audited financial statements of the company and the group for the year ended 30 November 2021. The comparative period presented represents a 9 month period ended 30 November 2020.

DIVIDENDS
No dividends were paid in the year ended 30 November 2021 (2020: £nil).

The Directors do not recommend a final dividend.

DIRECTORS
The directors who served during the year and up to the date of signing of the financial statements, unless otherwise stated, were:

R Gilbert
C D Goodman
V Rishbeth
R N H Bailey
J J E Fletcher
C J Wild
S R Delaney
T Shelford
B A Taylor - appointed 16 November 2021

DIRECTORS' RESPONSIBILITIES STATEMENT
The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group and the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preperation and dissemination of financial statements may differ from legislation in other jurisdictions.

BUSINESS REVIEW, FUTURE DEVELOPMENTS AND FINANCIAL RISK MANAGEMENT

The group's results, future developments and details of the group's financial risk management are discussed in the strategic report.

QUALIFYING THIRD-PARTY AND PENSION SCHEME INDEMNITY PROVISIONS

The directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by section 234 of the Companies Act 2006. The indemnity was in force throughout the year and up to the date of the approval of these financial statements. Directors' and officers' liability insurance has been purchased by Focus 4 U Ltd. The insurance does not provide cover in the event that the director is proved to have acted fraudulently. Indemnity insurance is maintained for the Company's directors and officers against liability in respect of proceedings brought by third parties, subject to the terms and conditions of the Companies Act 2006.

RESEARCH AND DEVELOPMENT

The group undertakes research and development activities being that of custom software for use in the operations of the business.

EMPLOYEES

It is company policy to employ individuals with the necessary qualifications and experience without regard to age, disability, gender reassignment, race, religion or beliefs, sex, sexual orientation, marriage or civil partnership, and pregnancy or maternity. Full and fair consideration is given to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities. Appropriate arrangements are made for the continued employment and training, career development and promotion should a person become disabled whilst employed by the Group.

EMPLOYEE ENGAGEMENT STATEMENT

Employee engagement and communication has remained a priority and activity to continuously improve satisfaction has continued at all levels, with the aim of ensuring that employees views are taken in to account when decisions are made that are likely to affect their interest and that all employees are aware of the financial performance of the business and the company as a whole.

The directors are committed to maintaining and developing communication and consultation processes with employees, who in turn are encouraged to develop an awareness of the issues affecting the group.

A number of initiatives were launched for employees including; Holiday trading where employees can purchase extra holiday through salary deductions; Hybrid working to encourage work life balance, wellbeing and to save commuter miles; STAR Rewards which encourages peer to peer recognition for a financial reward; We launched our first cohort of our Talent Management Programme for high performers; Focus Fund which is an employee share scheme was launched; Subsided food in the onsite restaurant; Focus Netball and Run club have been set up and they meet weekly and The Wire [internal blog] was started to enhance internal communications.

In September 2021, the 'Be Community' groups initiative was launched (Be Giving, Be Well, Be Inclusive and Be Sustainable) and these formed some key pillars of our people strategy. These groups are formed entirely of employees who have volunteered to champion each cause. Be Giving focuses on how we can make a real difference in our communities and support local charities; Be Well work on improving the Health and Wellbeing offering for our people; Be Inclusive are dedicated to all things inclusivity and diversity and in turn, are focused on making our people feel like they can bring their 'whole self' to work and Be Sustainable are invested in finding innovative ways that we can become more responsible and do things that are good for the planet. All groups meet once a month and aim to enhance the employee experience and engagement levels.

EMPLOYEE ENGAGEMENT STATEMENT - continued

In November 2021, we launched our second b-heard survey which is run by Best Companies. B-heard are an independent workplace engagement specialist that work with organisations to measure, improve and recognise levels of workplace engagement. The company received a 1-star accreditation which signifies 'very good' levels of workplace engagement and we also ranked 2nd in Telecom's Best Companies to Work for. The results will be analysed and compared to the previous survey to create an action plan for the next 12 months.

STATEMENT OF ENGAGEMENT WITH OTHER STAKEHOLDERS (S172)

During the year the company engaged with its suppliers, customers, and other stakeholders, and has had regard to their interests, in the following key ways:

Customers

The company aims to treat customers' fairly and do business with them in a sustainable way. It consistently strives to exceed its expectations and monitors customer satisfaction and feedback.

Understanding our customers needs and behaviours allows us to deliver relevant products and services, retain customers and also attract new ones. This also helps to identify opportunities for growth. Management engage regularly with customers, and larger customers are provided with senior account managers who strengthen our relationships and ensure we stay agile and react to the customer needs.

Extensive engagement has been made with customers to ensure we can maintain full service in a way that supports the customers and the company, such measures taken were providing opportunities for payment plans during the global pandemic.

Suppliers

The company aims to treat its suppliers fairly and do business with then in a sustainable way. We depend on the high standards or our key suppliers in order for us to deliver market-leading products and service and as such we have had extensive engagement with key suppliers to support the company through the global pandemic.

Other

The company believes in adding value to the community in which it operates, we aim to contribute time, skills and money either directly or through organisations. The company has a Volunteering policy to allow staff to also be able to support our local community.

The company has an Environmental committee which aims to engage all stakeholders to discuss how we can move towards a more sustainable business

STREAMLINED ENERGY AND CARBON REPORTING

The data included below was prepared by the Group.

Our SECR disclosure presents our carbon footprint across Scopes 1, 2 and 3, together with an appropriate intensity metric, our total energy use of electricity and gas, and our fuel consumption.

	2021	2020
Total Scope 1 emissions (kgCO2e)	227,220	148,535
Total Scope 2 emissions (kgCO2e)	462,410	61,539
Total Scope 3 emissions (kgCO2e)	-	-
Carbon intensity ratio (kgCO2e/FTE)	1,223	524
Total energy use (kWh of electricity and gas)	2,006,645	253,122
Total fuel (litres)	92,016	59,688

STREAMLINED ENERGY AND CARBON REPORTING - continued

We have used https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2021 for our factor source.

The intensity ratio picked was the number of staff working in the business as this is the main driver of emissions.

The Group did not take any direct action in the year to improve energy efficiency however, the group has a flexible working loaction policy which has reduced travel to the office, the group also has an electric car policy available to all staff.

The companies that the group acquired in the year include a solar farm and we now have 2 office locations with solar panels.

The increase to the groups carbon intensity ratio is due to the operational running of a data centre, which was acquired with South West Communications Group in 2021, this energy consumption is recharged in full. The intensity ratio was also lower in 2020 due to reduced office attendance and travel during the pandemic.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO INDEPENDENT AUDITORS

In the case of each director in office at the date the directors report is approved:
- So far as the directors are aware, there is no relevant audit information of which the group's independent auditors are unaware, and;
- Each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's independent auditors are aware of that information.

INDEPENDENT AUDITORS

The independent auditors, PricewaterhouseCoopers LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

J J E Fletcher - Director

Date: 19 May 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ECLIPSE (BIDCO) LIMITED
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

In our opinion, Eclipse (Bidco) Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 30 November 2021 and of the group's loss and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the consolidated and company balance sheets as at 30 November 2021; the consolidated income statement, consolidated statement of comprehensive income, consolidated cash flow statement and consolidated and company statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

Reporting on other information - continued

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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic report and the Report of the Directors,, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and the Report of the Directors

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and the Report of the Directors, for the year ended 30 November 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and the Report of the Directors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

In preparing the financial statements, the directors are responsible for assessing the group's and 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 group or the company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ECLIPSE (BIDCO) LIMITED
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Auditors' 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 auditors' 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.

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

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to data protection regulations and ofcom regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and UK tax legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase reported revenue or reduce reported expenditure, and application of management bias in accounting estimates.. Audit procedures performed by the engagement team included:

- Enquiries of the Directors and management to identify any instances of non-compliance with laws and regulations, including consideration of known or suspected instances of fraud;
- Evaluation of management's controls designed to prevent and detect irregularities;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business. In particular any journal entries posted with unusual account combinations or unusual words;

- Challenging and testing assumptions and judgements made by management in respect of their significant accounting estimates (because of the risk of management bias) and obtaining appropriate audit evidence;
- Reviewing minutes of meetings of those charged with governance;and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ECLIPSE (BIDCO) LIMITED
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

Ian Dudley (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
20 May 2022

ECLIPSE (BIDCO) LIMITED (REGISTERED NUMBER: 12474659)

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2021

	Notes	2021 £	9 month period ended 30 November 2020 £
TURNOVER	5	115,679,576	59,668,564
Cost of sales		(69,647,837)	(35,498,873)
GROSS PROFIT		46,031,739	24,169,691
Administrative expenses		(57,039,546)	(32,855,546)
		(11,007,807)	(8,685,855)
Other operating income		831,370	909,156
OPERATING LOSS	6	(10,176,437)	(7,776,699)
Interest receivable and similar income		513	2,937
Interest payable and similar expenses	9	(7,379,886)	(3,880,366)
LOSS BEFORE TAX		(17,555,810)	(11,654,128)
Tax on loss	10	(742,356)	(985,587)
LOSS FOR THE FINANCIAL YEAR		(18,298,166)	(12,639,715)
Loss attributable to:			
Owners of the parent		(18,564,690)	(12,639,715)
Non-controlling interests		266,524	-

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 NOVEMBER 2021

	2021 £	2020 £
LOSS FOR THE FINANCIAL YEAR	(18,298,166)	(12,639,715)
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR	(18,298,166)	(12,639,715)
Total comprehensive expense attributable to:		
Owners of the parent	(18,564,690)	(12,639,715)
Non-controlling interests	266,524	-

ECLIPSE (BIDCO) LIMITED (REGISTERED NUMBER: 12474659)

CONSOLIDATED BALANCE SHEET
AS AT 30 NOVEMBER 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Intangible assets	11	237,451,368	213,671,533
Tangible assets	12	3,085,600	1,552,192
Investments	13	2,874,811	2,579,377
		243,411,779	217,803,102
CURRENT ASSETS			
Stocks	15	958,255	306,536
Debtors	16	26,269,869	14,871,891
Cash at bank and in hand	2	7,668,083	7,740,521
		34,896,207	22,918,948
CREDITORS:			
Amounts falling due within one year	17	(192,513,135)	(184,505,168)
NET CURRENT LIABILITIES		(157,616,928)	(161,586,220)
TOTAL ASSETS LESS CURRENT LIABILITIES		85,794,851	56,216,882
CREDITORS:			
Amounts falling due after more than one year	18	(115,867,131)	(68,856,596)
NET LIABILITIES		(30,072,280)	(12,639,714)
CAPITAL AND RESERVES			
Called up share capital	24	1	1
Accumulated losses	25	(30,072,281)	(12,639,715)
TOTAL SHAREHOLDERS' DEFICIT		(30,072,280)	(12,639,714)

The notes on pages 20 to 42 are an integral part to these financial statements.

The financial statements on pages 14 to 42 were approved by the Board of Directors on ..... and were signed on its behalf by:

.....

JJE Fletcher - Director

ECLIPSE (BIDCO) LIMITED (REGISTERED NUMBER: 12474659)

COMPANY BALANCE SHEET
AS AT 30 NOVEMBER 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Investments	13	224,666,206	224,244,724
		224,666,206	224,244,724
CURRENT ASSETS			
Debtors	16	47,187,825	8,209,074
		47,187,825	8,209,074
CREDITORS:			
Amounts falling due within one year	17	(167,209,416)	(167,399,123)
NET CURRENT LIABILITIES		(120,021,591)	(159,190,049)
TOTAL ASSETS LESS CURRENT LIABILITIES		104,644,615	65,054,675
CREDITORS:			
Amounts falling due after more than one year	18	(115,657,937)	(68,856,596)
NET LIABILITIES		(11,013,322)	(3,801,921)
CAPITAL AND RESERVES			
Called up share capital	24	1	1
Accumulated losses	25	(11,013,323)	(3,801,922)
TOTAL SHAREHOLDERS' DEFICIT		(11,013,322)	(3,801,921)

As permitted by s408 Companies Act 2006, the company has not presented its own income statement and related notes. The company's loss for the year was £7,211,401.

The notes on pages 20 to 42 are an integral part to these financial statements.

The financial statements on pages 14 to 42 were approved by the Board of Directors on ..... and were signed on its behalf by:

.....

JJE Fletcher - Director

ECLIPSE (BIDCO) LIMITED (REGISTERED NUMBER: 12474659)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2021

	Called up share capital £	Accumulted losses £	Accumulated profit for non controlling interests £	Total equity £
Balance at 20 February 2020	1	-	-	1
Changes in equity				
Total comprehensive expense	-	(12,639,715)	-	(12,639,715)
Balance at 30 November 2020	1	(12,639,715)	-	(12,639,714)
Balance at 1 December 2020	1	(12,639,715)	-	(12,639,714)
Changes in equity				
Acquisition of non-controlling interest	-	-	445,600	445,600
Total comprehensive (expense)/income	-	(18,564,690)	266,524	(18,298,166)
Shares issued to non-controlling interest in subsidiary	-	-	420,000	420,000
Balance at 30 November 2021	1	(31,204,405)	1,132,124	(30,072,280)

ECLIPSE (BIDCO) LIMITED (REGISTERED NUMBER: 12474659)

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2021

	Called up share capital £	Accumulated losses £	Total equity £
Balance at 20 February 2020	1	-	1
Changes in equity			
Total comprehensive expense	-	(3,801,922)	(3,801,922)
Balance at 30 November 2020	1	(3,801,922)	(3,801,921)
Balance at 1 December 2020	1	(3,801,922)	(3,801,921)
Changes in equity			
Issue of share capital	-	-	-
Total comprehensive expense	-	(7,211,401)	(7,211,401)
Balance at 30 November 2021	1	(11,013,323)	(11,013,322)

ECLIPSE (BIDCO) LIMITED (REGISTERED NUMBER: 12474659)

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	15,788,702	184,634,060
Interest paid		(7,209,941)	(3,880,366)
Tax (paid)/received		(1,930,835)	27,380
Net cash generated from operating activities		6,647,926	180,781,074
Cash flows from investing activities			
Purchase of Subsidiaries net of cash	14	(49,906,893)	(229,137,744)
Purchase of intangible fixed assets		(2,926,609)	(3,989,573)
Purchase of tangible fixed assets		(592,489)	(804,522)
Proceeds from disposals of tangible assets		3,817	-
Purchase of investments		-	(2,579,377)
Interest received		513	2,937
Net cash used in investing activities		(53,421,661)	(236,508,279)
Cash flows from financing activities			
New loans in year		52,414,186	68,856,596
Loan repayments in year		(6,132,889)	(14,378,000)
Directors' loan account		-	8,989,130
Share issued to non-controlling interest		420,000	-
Net cash generated from financing activities		46,701,297	63,467,726
(Decrease)/Increase in cash and cash equivalents		(72,438)	7,740,521
Cash and cash equivalents at beginning of year	2	7,740,521	-
Cash and cash equivalents at end of year	2	7,668,083	7,740,521

1 RECONCLIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2021	2020
	£	£
Loss before taxation	(17,555,810)	(11,654,128)
Depreciation and amortisation charges	28,767,520	22,101,307
Loss on disposal of fixed assets	154,974	1,400
Interest payable and similar expenses	7,379,886	3,880,366
Interest receivable and similar income	(513)	(2,937)
	18,746,057	14,326,008
Decrease in stocks	121,727	60,935
(Increase)/Decrease in trade and other debtors	(8,827,977)	645,632
(Decrease)/Increase in trade and other creditors	5,748,894	169,601,485
Cash generated from operations	15,788,702	184,634,060

2 CASH AT BANK AND IN HAND

The amounts disclosed on the cash flow statement in respect of cash and cash equivalents are in respect of the following Balance Sheet amounts:

	30.11.21	30.11.20
	£	£
Cash and cash equivalents	7,668,083	7,740,521

3 STATUTORY INFORMATION

Eclipse (BidCo) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office can be found on the Company Information page.

The presentational currency of the financial statements is in Pound Sterling (£).

4 ACCOUNTING POLICIES

Basis of preparing the financial statements
These consolidated and separate financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland (March 2018)" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The results of subsidiaries acquired during the year are included in the consolidated financial statements from the date of acquisition. Where necessary, adjustments are made to the financial statements of subsidiaries to bring accounting policies used into line with those used by the group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

For the year ending 30 November 2021 the subsidiaries of Eclipse (BidCo) Limited were entitled to exemption from audit under section 479A of the companies act 2006 relating to subsidiary companies.

Rainbow Telecom Ltd (04371499), Focus Integration Solutions Limited (08304735), System Finance Limited (09104560), Calibre Telecoms Limited (04136847), Calibre Networks Limited (04628107), IT First Limited (03222864), Crowthorne Associates Limited (03128187), Cerrig Solutions Limited (11059376), Longpath Limited (06538435), Sprint Limited (03416118), CityTalk Communications Limited (06231416), SIPP Telecoms Limited (09443189), Welcome Telecom Limited (03676479), Infosec Cloud Limited (06035236), NonStop IT Limited (02965872), GLG Telecom Limited (SC466621), Resource Utility Solutions Ltd (SC497133), Resource Network Solutions Ltd (SC353204), Resource Mobile Solutions (SC360575), Resource Telecom Ltd (SC191363), Resourc Telecoms Group Ltd (SC433930), Resource Business Solutions Ltd (SC439596), Resource ICT Solutions Ltd (SC481317) H N T BidCo Limited (13207430), H N T Holdings Limited (13203040), Highland Network Limited (SC154414), GB Technolgies Holdings Limited (SC565091), GB Technologies Limited (SC194770), Chief BidCo Limited (13148419), South West Commnications Group Holdings Limited (05638837), Souith west Communications Group Limited (01863384), SWC Cloud Services Limited (02561250), SWComms - Energy Limited (11470344), and Taurus Clearer Communications Ltd (01894365) have claimed the above audit exemption.

The members have not required the company to obtain an audit of the subsidiary's financial statements for the year in question in accordance with section 476. The directors acknowledge their responsibility for complying with the requirements of the act with respect to accounting records and the preparation of financial statements.

The Company has taken advantage of the following exemptions in its individual financial statements:
- from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the Company's cash flows;
- from disclosing the Company key management personnel compensation, as required by FRS 102 paragraph 33.7.

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

4 ACCOUNTING POLICIES - continued

Going concern

Given the net current liabilities position the Directors have obtained a letter of support from its intermediate parent company Eclipse Midco 1 Limited. In order to assess the ability and intent of the company to provide the necessary support, the directors have considered relevant Group wide information, including cash position, annual budgets, and forecast future cash flow for a period of at least 12 months from the date of signing. Having reviewed this information, the Directors have also considered reasonable but plausible downsides and made suitable inquiries of the Group directors and shareholders. As a result of these procedures the directors believe it is appropriate to support the going concern basis.

Critical judgements and estimation uncertainty

In the determination and application of the Group's accounting policies, management are required to make judgements and make use of estimates and assumptions. The use of estimates within these financial statements means that, by definition, certain financial line items seldom equal the related actual results.
The critical judgements made by management and the significant sources of estimation uncertainty are addressed below.

Acquisition accounting
During the period, the group has affected a number of business combinations. When a business combination occurs management is required make judgements surrounding the date of control, to make judgements and estimates associated with consideration transferred, and to determine the fair value of net assets acquired. Management have calculated the fair value of any assets and liabilities that are not recognised in the books, arising on acquisition. Management have determined the fair value of consideration where it is contingent on future outcomes or has been made by means other than cash, which requires significant estimation and judgement.

In some cases, consideration for the business combinations affected include amounts that are contingent on future events. Management have made assumptions and estimates over future performance of the acquisitions in order to estimate the fair value of total consideration payable. Further details have been provided in note 14.

In determining the fair value of assets acquired in each business combination, management have identified fair value adjustments. Note 14 provides further details of assets acquired and the fair value adjustments identified.

Lowmoor Road Limited is accounted for using the equity method. The group does not have significant influence over the company, the group does not manage nor share personnel, the group does not actively participate in policy making for the company, and there are no material transcations between the entities. On this basis the the group is considered to not have significant control over the company and this method was deemed appropriate.

Policies

Below is a summary of significant accounting policies. These policies have been consistently applied to all the years/ periods presented, unless otherwise stated.

Turnover

The group recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the group retains no continuing involvement or control over the goods or services; (c) the amount of revenue can be measured reliably; (d) it is probable that future economic benefits will flow to the entity. Specific criteria relating to each of the group's sales channels are described below.

4 ACCOUNTING POLICIES - continued

Turnover - continued

Services

The group generates revenue from the provision of services such a line rental, maintenance and call charges. Revenue is recognised as the service is delivered at the point the customer receives the benefits and the company is entitled to consideration. Turnover represents gross sale value of goods and services net of VAT.

Equipment and installation

The group generates revenue from the provision telephony equipment and installation services. Revenue is recognised on delivery of the goods and completion of the installation. Turnover represents gross sale value of goods and services net of VAT.

Commission

The Group acts as an agent for the provision of some mobile and energy deals. Revenue is the commission due and is recognised at the point the company has no ongoing obligation.

Rebates

Rebates from suppliers are deducted from cost of sales and are recognised in accordance with the terms of the contracts for the individual suppliers. They are included in the year in which the initial supplier purchase is made to the extent that legal entitlement to the rebate has been established and a reliable estimate can be made. Where no reliable estimate can be made the rebates are accounted for on a cash basis.

Business combinations and goodwill

Business combinations are accounted for by applying the purchase method.

The cost of a business combination is the fair value of the purchase consideration given, liabilities incurred or assumed and of equity instruments issued plus the costs directly attributable to the business combination.

Contingent consideration is initially recognised at estimated amount where the consideration is probable and can be measured reliably. Where (i) the contingent consideration is not considered probable or cannot be reliably measured but subsequently becomes probable and measurable or (ii) contingent consideration previously measured is adjusted, the amounts are recognised as an adjustment to the cost of the business combination

Goodwill is being amortised evenly over its estimated useful life of 10 years. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the Income Statement. Reversals of impairment are recognised when the reasons for impairment no longer apply.

Intangible assets

Horizon licences

Horizon cloud-based telephony licences are initially measured at cost. After initial recognition, these intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Horizon licences are being amortised over their estimated useful life of 5 years.

Other intangibles

Other intangibles are initially measured at cost. After initial recognition, these intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Other intangibles include customer bases and software development.

4 ACCOUNTING POLICIES - continued

Intangible assets - continued
Software development costs are capitalised when they are directly attributable to the design and testing of identifiable and unique software products controlled by the group and recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

The estimated useful lives range as follows:

Goodwill	- over 10 years
Customer database	- over 10 years
Horizon licences	- over 5 years
Software development	- Not amortised until ready for use

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

Tangible fixed assets
Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Deprecation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is shorter.

Long leasehold	- over term of lease
Plant and machinery	- 25% reducing balance
Fixtures and fittings	- 25% reducing balance
Motor vehicles	- 25% reducing balance
Computer equipment	- 25% reducing balance and 25% straight line

Impairment of non financial assets
At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit). If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the consolidated income statement.

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

4 ACCOUNTING POLICIES - continued

Taxation - continued
Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the rates and laws that have been enacted or subsequently enacted by the balance sheet date

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in the tax assessments in periods different to those in which they are recognised in the financial statements. Deferred tax is measured using tax rates and laws that have been enacted or subsequently enacted by the year end and that are expected to apply to the reversal of timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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

Hire purchase and leasing commitments
Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the Income Statement over the relevant period. The present value of the future payments is treated as a liability.

Pension costs and other post-retirement benefits
The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the Income Statement in the period to which they relate.

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

Investments
Investment in a subsidiary company is held at cost less accumulated impairment losses.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, and deposits. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

4 ACCOUNTING POLICIES - continued

Share based payments
Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Interest payable and receivable
Interest payable is charged to profit or loss over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount.

Interest received is recognised on a cash basis and is credited to the profit and loss.

Financial instruments
The group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

The company only enters in to basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivables and payable, loans from banks and other third parties, and loans to related parties.

Debt instruments that are payable or receivable within one year, are measured, initially and subsequently, at the undiscounted amount of cash or other consideration expected to be paid or received; other debt instruments are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment is recognised in the Income Statement.

Financial assets and liabilities are offset and the net amount reported in the balance sheet only when there is enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Other operating income

Other operating income relates to recharged overheads and other sundry income recognised in the period to which they relate.

Government grants and other assistance is recognised on an accruals basis. Grants received relate only to revenue and expenditure items therefore have been recognised in line with the related costs. Grants include the Job Retention Scheme grants which have been recognised within other operating income.

5 TURNOVER

By geography and destination:	2021 £	2020 £
United Kingdom	115,679,576	59,668,564
	115,679,576	59,668,564

6 OPERATING LOSS

Operating loss is stated after charging:	2021 £	2020 £
Operating lease charges	639,945	541,177
Depreciation of owned assets	664,636	828,401
Profit on disposal of fixed assets	(154,974)	(1,400)
Goodwill amortisation	25,972,258	17,371,158
Customer database amortisation	282,721	515,971
Horizon licences amortisation	1,679,778	3,385,778
Other intangible amortisation	168,127	-
Independent auditors' remuneration		
- Audit fees	27,500	27,500
- Audit fees for subsidiaries	82,500	70,940
- Non-audit fees	328,984	225,403

Non audit fees of £12,875 were charged in connection with tax compliance work, £37,000 were charge charged in connection with Tax advisory and £279,109 in connection with Other services, which include acquisition related due diligence.

7 EMPLOYEES AND DIRECTORS

Group	2021 £	2020 £
Wages and salaries	24,589,288	9,441,579
Social security costs	2,518,298	1,232,069
Other pension costs	427,382	158,640
	27,534,968	10,832,288

During the year the group claimed furlough of £69,201 (2020: £584,421) this is included in other operating income.

The average number of employees during the year, calculated on a full time equivalent basis, was as follows:

	2021 No.	2020 No.
Sales	168	104
Service and Support	241	130
Engineers	69	94
Other	86	74
	564	402

Company	2021 £	2020 £
Wages and salaries	-	-
Social security cost	-	-
Other pension costs	-	-
	-	-

7 EMPLOYEES AND DIRECTORS (continued)

The average number of employees during the year, calculated on a full time equivalent basis, was as follows:

	2021	2020
	No.	No.
	9	8

The number of directors at the year end amounted to 9 (2020: 8).

Directors of the Company are employed and paid by Focus 4 U Ltd. Their remuneration for services to the Group is borne by Focus 4 U Ltd and no recharge is made to the company. It is not possible to apportion these costs across individual entities in the Group.

The directors are also key management personnel.

	2021	2020
	£	£
Directors' remuneration	538,651	393,703
Directors' pension contributions to money purchase schemes	9,055	6,166

Post employment benefits are accruing to 4 (2020: 3) directors under a defined contribution scheme.

Information regarding the highest paid director for the year ended (2020: period ended) 30 November is as follows:

	2021	2020
	£	£
Directors' remuneration	202,640	137,867

8 SHARE BASED PAYMENTS

CSOP Scheme
Certain employees participate in the Key-employee share option scheme which provides additional incentive for those employees who are key to the operations of the group. The options are granted with an exercise price equalling the nominal value of the shares, are exercisable three years after the date of grant and expire ten years after the date of grant. Employees are not entitled to dividends.

Vesting of the options is subject to CSOP scheme leaver provisions.

	2021	2021 Weighted average exercise price	2020	2020 Weighted average exercise price
	No.	£	No.	£
Outstanding at 1 December 2020	-	-	-	-
Share options granted	31,634	1.00	-	-
Share options forfieted	-	-	-	-
Outstanding at 30 November 2021	31,634	1	-	-

8 SHARE BASED PAYMENTS - continued

The group is unable to directly measure the fair value of employee services received. Instead the fair value of the share options granted during the year is determined using the Monte-Carlo simulation model. The model is internationally recognised as being appropriate to value employee share schemes similar to the All-employee and

SAYE Scheme
Employees across the Group were offered the opportunity to invest in a 3-year Save As You Earn equity scheme. The options are granted with an exercise price of £42, are exercisable three years after the date of grant and expire six months after the date of grant. Employees are not entitled to dividends.

Vesting of the options is subject to SAYE scheme leaver provisions.

	2021	2021 Weighted average exercise price	2020	2020 Weighted average exercise price
	No.	£	No.	£
Outstanding at 1 December 2020	-	-	-	-
Share options granted	24,669	42.00	-	-
Share options forfieted	(1,200)	42.00	-	-
Outstanding at 30 November 2021	23,469	42.00	-	-

9 INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£	£
Bank loan interest	7,379,886	3,880,366
	7,379,886	3,880,366

10 TAX ON LOSS

Analysis of the tax charge
The tax charge for the profit for the year was as follows:

	2021	2020
	£	£
Current tax:		
UK corporation tax	1,895,000	210,553
Adjustment in respect of prior year	(549,529)	-
	1,345,471	210,553
Deferred tax as a result of;		
Timing differences	(46,294)	806,650
Changes in tax rates	(175,929)	(31,616)
Losses carried forward	(380,892)	-
	(603,115)	775,034
Tax on loss	742,356	985,587

The tax charge for the year is lower than the standard rate of corporation tax in the UK of 19%

10 TAX ON LOSS - continued

	2021 £	2020 £
Loss before taxation	(17,555,810)	(11,654,128)
Expected tax based on standard rate of corporation tax in the UK (19%)	(3,335,604)	(2,214,284)
Expenses not deductible in determining taxable profits	4,803,418	3,231,487
Tax rate changes	(175,929)	(31,616)
Adjustment from previous periods	(549,529)	-
Tax for the year	742,356	985,587

The directors have considered the deferred tax assets and liabilities and conclude that it is not possible to state the estimated assets and liabilities which will reverse within the next 12 month. This is due to the level of reversal being dependant on events which are not yet known.

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. An estimate of the immediate financial impact cannot readily be made due to uncertainty over the timing of the reversal of temporary differences; it is however likely that the overall effect of the change will be to increase the group's future tax charge. The company has no unrecognised deferred tax assets.

11 INTANGIBLE ASSETS

Group

	Goodwill	Customer database	Horizon licences	Other intangibles	Totals
	£	£	£	£	£
COST					
At 1 December 2020	224,740,425	2,641,742	6,319,562	1,242,624	234,944,353
Acquired in business combinations	-	-	1,343,601	-	1,343,601
Additions	47,612,595	44,919	2,248,004	633,686	50,539,204
At 30 November 2021	272,353,020	2,686,661	9,911,167	1,876,310	286,827,158
ACCUMULATED AMORTISATION					
At 1 December 2020	17,371,158	515,971	3,385,778	-	21,272,907
Charge for year	25,972,258	282,721	1,679,778	168,127	28,102,884
At 30 November 2021	43,343,416	798,692	5,065,556	168,127	49,375,791
NET BOOK VALUE					
At 30 November 2021	229,009,604	1,887,969	4,845,611	1,708,183	237,451,368
At 1 December 2020	207,369,267	2,125,771	2,933,784	1,242,624	213,671,446

Amortisation is recognised within administrative expenses in the income statement.

The company has no intangibles assets.

12 TANGIBLE ASSETS

Group	Long leasehold	Plant and machinery	Fixtures and fittings	Motor vehicles	Computer equipment	Totals
	£	£	£	£	£	£
COST						
At 1 December 2020	1,124,612	109,540	226,788	90,353	764,691	2,315,984
Acquired in business combinations	37,250	117,370	247,911	573,425	793,010	1,768,966
Additions	5,041	41,404	104,376	212,956	224,092	587,869
Disposals	-	-	-	(183,240)	(82,519)	(265,759)
At 30 November 2021	1,166,903	268,314	579,075	693,494	1,699,274	4,407,060
ACCUMULATED DEPRECIATION						
At 1 December 2020	64,459	82,099	132,957	70,199	414,078	763,792
Charge for year	59,170	50,474	92,522	162,006	300,464	664,636
Eliminated on disposal	-	-	-	(24,449)	(82,519)	(106,968)
At 30 November 2021	123,629	132,573	225,479	207,756	632,023	1,321,460
NET BOOK VALUE						
At 30 November 2021	1,043,274	135,741	353,596	485,738	1,067,251	3,085,600
At 1 December 2020	1,060,153	27,441	93,831	20,154	350,613	1,552,192

Depreciation is recognised within administration expenses in the income statement

The company has no tangibles assets.

13 INVESTMENTS

Group	Shares in group undertakings £
COST	
At 1 December 2020	2,579,377
Additions	295,434
Impairment	-
At 30 November 2021	2,874,811
NET BOOK VALUE	
At 30 November 2021	2,874,811
At 1 December 2020	2,579,377

Further details of acquisitions made in the period are disclosed in note 14

Company	Shares in group undertakings £
COST	
At 1 December 2020	224,244,724
Additions	421,482
Impairment	-
At 30 November 2021	224,666,206
NET BOOK VALUE	
At 30 November 2021	224,666,206
At 1 December 2020	224,244,724

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following subsidiaries:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	% Held Indirect
Focus 4 U Ltd	Note (a)	Telecommunications	Ordinary	100	-
Rainbow Telecom Ltd	Note (a)	Telecommunications	Ordinary	-	100
Focus Integration Solutions Limited	Note (a)	Other information technology	Ordinary	-	100
System Finance Limited	Note (a)	Other telecommunications	Ordinary	-	100
Calibre Telecoms Limited	Note (a)	Other telecommunications	Ordinary	-	100
Calibre Networks Limited	Note (a)	Other telecommunications	Ordinary	-	100
IT First Limited	Note (a)	Other information service	Ordinary	-	100
Crowthorne Associates Limited	Note (a)	Telecommunications	Ordinary	-	100
Cerrig Solutions Limited	Note (b)	Telecommunications	Ordinary	-	100
Longpath Limited	Note (a)	Telecommunications	Ordinary	-	100
Sprint Limited	Note (a)	Telecommunications	Ordinary	-	100
CityTalk Communications Limited	Note (a)	Telecommunications	Ordinary	-	100
SIPP Telecoms Limited	Note (a)	Telecommunications	Ordinary	-	100
InfoSec Cloud Limited	Note (a)	Telecommunications	Ordinary	-	100
NonStop IT Limited	Note (a)	Telecommunications	Ordinary	-	100
Welcome Telecom Limited	Note (a)	Telecommunications	Ordinary	-	100
GLG Telecom Limited	Note (c)	Telecommunications	Ordinary	-	100
Resource Utility Solutions Ltd	Note (c)	Other information technology	Ordinary	-	100
Resource Network Solutions Ltd	Note (c)	Telecommunications	Ordinary	-	100
Resouce Mobile Solutions Ltd	Note (c)	Telecommunications	Ordinary	-	100

13 INVESTMENTS - continued

Resource Telecom Ltd	Note (c)	Telecommunications	Ordinary	-	100
Resource Telecom Group Ltd	Note (c)	Telecommunications	Ordinary	-	100
Resource Business Solutions Ltd	Note (c)	Other information technology	Ordinary	-	100
Resource ICT Solutions Ltd	Note (c)	Other information technology	Ordinary	-	100
Lowmoor Road Limited	Note (d)	Telecommunications	Ordinary	-	50
* H N T BidCo Limited	Note (a)	Other telecommunications	Ordinary	-	71
* H N T Holdings Limited	Note (a)	Other telecommunications	Ordinary	-	71
* Highland Network Limited	Note (e)	Telecommunications	Ordinary	-	71
* GB Technologies Holdings Limited	Note (a)	Other telecommunications	Ordinary	-	100
* GB Technologies Limited	Note (a)	Telecommunications	Ordinary	-	100
* Chief BidCo Limited	Note (a)	Other telecommunications	Ordinary	-	94
* South West Communications Group Holdings Limited	Note (a)	Telecommunications	Ordinary	-	94
* South West Communications Group Limited	Note (a)	Telecommunications	Ordinary	-	94
* SWC Cloud Services Limited	Note (a)	Other telecommunications	Ordinary	-	94
* SWComms - Energy Limited	Note (a)	Environmental consulting	Ordinary	-	94
* Taurus Clearer Communications Ltd	Note (a)	Telecommunications	Ordinary	-	94

Those subsidiaries marked with an * represent the subsidiaries acquired during the period. Consideration is disclosed in note 13.

Note (a)
Focus House, Ham Road, Shoreham-by-sea, West Sussex, BN43 6PA

Note (b)
30/34 North Street, Hailsham, England, BN27 1DW

Note (c)
Atlantic House, 1a Cadogan Street, Glasgow, G2 6QE

Note (d)
Westmoor House Westmoor Road, Kingstown Industrial Estate, Carlisle, England, CA3 0HD

Note (e)
Oykel House, Cradlehall Business Park, Inverness, IV2 5GH

The directors believe the carrying value of its investment is supported by either future cash flows or underlying net assets.

14 BUSINESS COMBINATIONS

During the period the group acquired eleven entities and recognised goodwill of £46,380,926. A further £1,651,544 of goodwill was recognised in respect of acquisitions made in prior periods. The value of goodwill reflects amounts in relation to the expected benefit of the ability to generate new streams of revenue, and expected synergies of combining the operations of the acquired businesses and the Group.

On 31 March 2021, the group acquired 71% of the ordinary share capital of H N T group for total consideration of £5,342,163 and direct costs of £178,340.

The incremental revenue and profit generated from the acquisition, before intra group trading was eliminated, was £7,847,439 and £570,558 respectively.

On acquisition the company made fair value adjustments of £504,305 as detailed below.

	Adjustments to book value £	H N T Group Fair value acquired £
Fair value of assets and liabilities acquired (£)		
Fixed assets	(131,128)	689,470
Intangible assets	(157,693)	13,086
Cash and cash equivalent	-	427,749
Stock	-	79,322
Trade and other receivables	10,050	1,147,591
Trade and other payables	(225,534)	(2,247,778)
Long term payables	-	(235,022)
Deferred tax	-	(85,118)
Total identifiable net liabilities	(504,305)	(210,700)
Non-controlling interest		61,103
Consideration		5,520,503
Goodwill		5,670,100

14 BUSINESS COMBINATIONS (continued)

On 30 September 2021, the group acquired 100% of the ordinary share capital of GB Technologies Holdings Limited for cash consideration of £3,923,064, deferred consideration of £122,768, contingent consideration of £1,538,605, and direct costs of £152,175. The maximum and minimim payble under earn out is £1,625,000 and £nil respecively

The incremental revenue and profit generated from the acquisition, before intra group trading was eliminated, was £868,941 and £193,178 respectively.

	GB Technologies Holdings Limited £
Fair value of assets and liabilities acquired (£)	
Fixed assets	104,784
Intangible assets	133,974
Cash and cash equivalent	860,638
Stock	28,633
Trade and other receivables	(635,274)
Trade and other payables	(1,172,565)
Deferred tax	(16,944)
Total identifiable net liabilities	(696,754)
Consideration	5,736,612
Goodwill	6,433,366

On 31 January 2021, the group acquired 94% of the ordinary share capital of South West Communications Group Holdings Limited below for cash consideration of £36,227,798, deferred consideration of £1,533,385, and direct costs of £509,819.

The incremental revenue and profit generated from the acquisition, before intra group trading was eliminated, was £16,876,804 and £2,775,666 respectively.

	Adjustments to book value £	South West Communications Group Holdings Limited £
Fair value of assets and liabilities acquired (£)		
Fixed assets	-	893,109
Intangible assets	-	1,196,541
Cash and cash equivalent	-	1,444,646
Stock	(160,000)	595,760
Trade and other receivables	-	9,480,736
Trade and other payables	-	(5,531,831)
Deferred tax	-	(14,895)
Total identifiable net assets	(160,000)	8,064,066
Non-controlling interest		(483,844)
Consideration		38,271,002
Goodwill		30,690,780

14 BUSINESS COMBINATIONS (continued)

On 30 June 2021, the above group acquired 100% of the ordinary share capital of Taurus Clearer Communications Ltd for cash consideration of £3,583,609, and direct costs of £361,194.

The incremental revenue and profit generated from the acquisition, before intra group trading was eliminated, was £1,592,206 and £42,043 respectively.

	Taurus Clearer Communication Ltd £
Fair value of assets and liabilities acquired (£)	
Fixed assets	76,982
Cash and cash equivalent	704,082
Stock	69,731
Trade and other receivables	349,443
Trade and other payables	(813,489)
Deferred tax	(5,768)
Total identifiable net assets	380,981
Non-controlling interest	(22,859)
Consideration	3,944,803
Goodwill	3,586,681

15 STOCKS

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Stocks	958,255	306,536	-	-

There is no significant difference between the replacement cost of the inventory and its carrying amount.

Included in stock is a provision of £160,000 (2020: £nil).

16 DEBTORS

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	7,446,946	5,308,757	210,000	-
Amounts owed by group undertakings	269,389	739,081	46,848,504	8,137,934
Other debtors	4,076,445	1,618,559	129,321	66,766
Accrued income	8,533,342	5,188,232	-	-
Prepayments	4,944,606	1,499,116	-	4,374
Deferred tax (see note 23)	999,141	518,146	-	-
	26,269,869	14,871,891	47,187,825	8,209,074

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

17 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	10,976,284	3,882,275	456,000	14,400
Amounts owed to group undertakings	164,771,163	166,170,365	165,498,747	166,299,999
Corporation tax	553,536	652,949	-	-
Other taxation and social security	872,623	1,902,583	-	-
VAT	2,474,492	3,934,483	-	-
Other creditors	4,036,703	1,257,412	-	-
Finance leases	551,626	-	-	-
Accruals and deferred income	8,276,708	6,705,101	1,254,669	1,084,724
	192,513,135	184,505,168	167,209,416	167,399,123

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Included in Accruals is a dilapidations provision of £132,594 (2020: £132,594), which is expected to reverse in February 2028.

18 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Bank loans and overdrafts (see note 19)	115,705,460	68,856,596	115,657,937	68,856,596
Finance leases	161,671	-	-	-
	115,867,131	68,856,596	115,657,937	68,856,596

19 LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Amounts falling due after more than five years:				
Bank loans and overdrafts	115,705,460	68,856,596	115,657,937	68,856,596
	115,705,460	68,856,596	115,657,937	68,856,596

The group's financing includes a revolving credit facility of £132,900,000 of which £119,114,186 is drawn at the year end offset by arangement fees of £3,456,249. Interest is charged on a quarterly basis at LIBOR plus 6.75% on the drawn-down amount. A commitment fee of 1.8% is charged on the undrawn amount.

During the year the group drew £52,414,186 and repaid £4,900,000. £1,232,889 of fees were capitalised with £520,044 being amortised in the year.

The facility is due for repayment in 2026, after more than five years and is repayable in a manner other than installments.

Total costs of £3,456,249 were capitalised as they were identified as being directly attributable to the arrangement of the debt facility. These are being amortised to the income statement within interest costs over the period to the maturity date. £2,404,237 remaining unamortised from the period ended November 2020.

20 FINANCE LEASE OBLIGATIONS

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Future minimim lease payments due under finance leases:				
Within one year	551,626	-	-	-
In two to five years	161,671	-	-	-
	713,297	-	-	-

The group use finance leases and hire purchase contracts to aquire plant and machinery, motor vehicles and communication equipment. These leases have terms of renewal but no purchase options. Renewals are at the option of the lessee. The finace leases are secured on the indivdual assets financed.

21 LEASING AGREEMENTS

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

Group	2021 £	2020 £
Within one year	652,391	615,256
Between two and five years	2,209,138	2,217,666
In over five years	6,626,603	7,008,907
	9,488,132	9,841,829

22 SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Bank loans	115,705,460	68,856,596	115,657,937	68,856,596

The loan is secured with a fixed charge over all present freehold and leasehold property; a first charge over book and other debts, chattels, goodwill and uncalled capital both present and future and a first floating charge over all assets and undertakings both present and future.

Eclipse (Bidco) Limited's financing facility is with a syndicate of financing providers who have provided a Senior Facilities Agreement (SFA) ending in 2026. This facility is secured by cross guarantees and debentures given by the Company and other group companies.

23 DEFERRED TAX

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Deferred tax as a result of;				
Timing differences	(618,249)	(518,146)	-	-
Losses carried forward	(380,892)	-		
	(999,141)	(518,146)	-	-

Group	Deferred tax £
Balance at 1 December 2020	(518,146)
Deferred tax acquired	122,509
Charge to Income Statement during year	(603,504)
Balance at 30 November 2021	(999,141)

Company	Deferred tax £
Balance at 1 December 2020	-
Charge to Income Statement during year	-
Balance at 30 November 2021	-

24 CALLED UP SHARE CAPITAL

Group and company
Allotted, issued, and fully paid:

Number:	Class:	Nominal value:	2021 £	2020 £
1	Ordinary A	£1.00	1	1
			1	1

25 ACCUMULATED LOSSES

Group	Accumulated losses £	Accumulated profit for non controlling interests £	Totals £
At 1 December 2020	(12,639,715)	-	(12,639,715)
Acquisition of non-controlling interest	-	445,600	445,600
Loss for the year	(18,564,690)	266,524	(18,298,166)
Shares issued to non-controlling interest in subsidiary	-	420,000	420,000
At 30 November 2021	(31,204,405)	1,132,124	(30,072,281)

Company

At 1 December 2020	(3,801,922)	-	(3,801,922)
Loss for the year	(7,211,401)	-	(7,211,401)
At 30 November 2021	(11,013,323)	-	(11,013,323)

26 RELATED PARTY DISCOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transaction between group entities which have been eliminated on consolidation are not disclosed with the financial statements.

Entities in which either the ultimate controlling party, the shareholders, or the company itself hold an interest;

	2021 £	2020 £
Sales	687,625	187,373
Purchases	78,733	14,658
Amount due from related parties	3,733,469	130,026
Amount due to related parties	2,653,204	720

The Company's other related party transactions were with wholly owned subsidiaries.

There are no additional key management personnel, other than directors. The remuneration of Directors is disclosed in note 7.

27 CONTROLLING PARTY

The parent company is Eclipse (MidCo 2) Limited, accounts are available for public viewing at Companies House. The ultimate parent company is Shoreham TopCo Limited. The company is under the control of Shoreham TopCo Limited.

The smallest group to consolidate these finacial statements is Eclipse (BidCo) Limited, the largest group to consolidate these financial statements is Eclipse (MidCo 1) Limited, accounts are available for viewing at Companies House. The registered address for both the smallest and the largest consolidated accounts is Focus House, Ham Road, Shoreham by sea, West Sussex, BN43 6PA.

28 EVENTS AFTER THE REPORTING PERIOD

Since the balance sheet date Focus 4 U Ltd has bought the following significant entities;

On 1 March 2022 the group acquired the entire share capital of Ethos Group Holdings Limited for initial consideration of £5,665,153.