

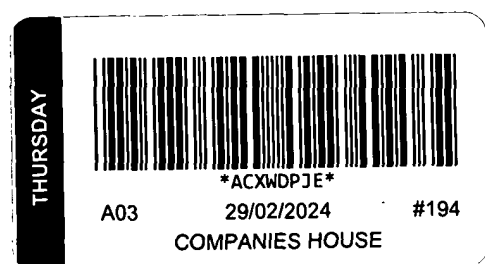
Belgacom International Carrier Services UK Limited

Directors' Report and Financial statements

Year Ended

31 December 2022

Company Number 03610028



Belgacom International Carrier Services UK Limited

Company Information

Directors	M Gatta C F E Grandjean Y B A Aazibou
Registered number	03610028
Registered office	2 New Bailey 6 Stanley Street Salford Greater Manchester United Kingdom M3 5GS
Independent Auditor	Monetta Chartered Accountants 110-114 Duke Street Liverpool L1 5AG
Bankers	ING Bank N.V. 60 London Wall London United Kingdom EC2M 5TQ
Solicitors	Law Debenture Corporate Services Limited 8th Floor 100 Bishopsgate London United Kingdom EC2N 4AG

Belgacom International Carrier Services UK Limited

Contents

	Page
Directors' Report	1
Directors' Responsibilities Statement	3
Independent Auditor's Report	4 - 6
Statement of Comprehensive Income	7
Statement of Financial Position	8
Notes to the Financial Statements	9 - 21

Belgacom International Carrier Services UK Limited

Directors' Report For the Year Ended 31 December 2022

The directors present their report and the audited financial statements for the year ended 31 December 2022.

Principal activity

Belgacom International Carrier Services UK Limited ("The Company") principal activity continued to be the provision of the network services for international wholesale voice and data communication companies. Such activities are solely provided intra-group to the company's parent, Belgacom International Carrier Services S.A. (BICS SA).

Going concern

The directors are of the opinion that the Company will be able to meet its obligations as they fall due over the next twelve months. Accordingly, the financial statements have been prepared on the going concern basis which assumes that the Company will continue in operational existence for the foreseeable future.

Financial Review

The company achieved turnover of £3,268,696 (2021 - £3,280,099) and profit for the year, after taxation, amounted to £112,493 (2021 - £135,210). The company had net assets of £790,512 (2021 - £678,019).

Directors

The directors who served during the year were:

M Gatta
J A M M J Wouters (resigned 31 January 2022)
C F E Grandjean
Y B A Aazibou (appointed 31 January 2022)

Qualifying third party indemnity provisions

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Events after the reporting period

There have been no significant events affecting the Company since the year end.

Auditor

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

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

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

Small Companies Note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

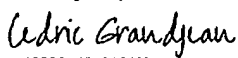
Belgacom International Carrier Services UK Limited

Directors' Report (continued) For the Year Ended 31 December 2022

This report was approved by the board on 28.02.2024

and signed on its behalf.

C F E Grandjean
Director

DocuSigned by:

87B7C0FF1CA2490...

Belgacom International Carrier Services UK Limited

Directors' Responsibilities Statement For the Year Ended 31 December 2022

The directors are responsible for preparing 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

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

Belgacom International Carrier Services UK Limited

Independent Auditor's report to the Members of Belgacom International Carrier Services UK Limited

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Belgacom International Carrier Services UK Limited

Independent Auditor's report to the Members of Belgacom International Carrier Services UK Limited (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

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

Belgacom International Carrier Services UK Limited

Independent Auditor's report to the Members of Belgacom International Carrier Services UK Limited (continued)

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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

Use of our report

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


Keith J. Miller (Senior Statutory Auditor)
For and on behalf of Monetta Chartered Accountants, Statutory Auditor

Liverpool

27/02/2024

Belgacom International Carrier Services UK Limited

Statement of Comprehensive Income For the Year Ended 31 December 2022

	Note	2022 £	2021 £
Turnover		3,268,696	3,280,099
Cost of sales		(2,884,509)	(2,807,348)
Gross profit		384,187	472,751
Administrative expenses		(205,642)	(285,309)
Other operating income		4,871	5,689
Operating profit		183,416	193,131
Interest receivable and similar income		3,812	-
Interest payable and similar expenses		(75,296)	(89,980)
Profit before tax		111,932	103,151
Tax on profit	4	561	32,059
Profit for the financial year		112,493	135,210

There was no other comprehensive income for 2022 (2021 - £NIL).

The notes on pages 9 to 21 form part of these financial statements.

Belgacom International Carrier Services UK Limited

Registered number: 03610028

**Statement of Financial Position
As at 31 December 2022**

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Intangible assets	5		369,579		320,517
Tangible assets	6		1,810,139		2,217,230
			<u>2,179,718</u>		<u>2,537,747</u>
Current assets					
Debtors: amounts falling due within one year	7	1,466,502		1,517,703	
Cash at bank and in hand		49,957		45,100	
		<u>1,516,459</u>		<u>1,562,803</u>	
Creditors: amounts falling due within one year	8	(405,665)		(922,531)	
Net current assets			<u>1,110,794</u>		<u>640,272</u>
Total assets less current liabilities			<u>3,290,512</u>		<u>3,178,019</u>
Creditors: amounts falling due after more than one year	9		(2,500,000)		(2,500,000)
Net assets			<u><u>790,512</u></u>		<u><u>678,019</u></u>
Capital and reserves					
Called up share capital	11		51		51
Profit and loss account	12		790,461		677,968
Total equity			<u><u>790,512</u></u>		<u><u>678,019</u></u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28.02.2024

C F E Grandjean
Director

DocuSigned by:
Cedric Grandjean
87B7C0FF1CA2490...

The notes on pages 9 to 21 form part of these financial statements.

Belgacom International Carrier Services UK Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

1.1 General information

Belgacom International Carrier Services UK Limited ("The Company") is a private company limited by shares incorporated in the United Kingdom and registered in England and Wales under the Companies Act 2006 having company number 03610028. The address of the registered office is Eversheds LLP, 70 Great Bridgewater Street, Manchester, M1 5ES. The nature of the company's operations and its principal activities are outlined in the directors' report.

1.2 Basis of preparation

The financial statements have been prepared under the historical cost convention, and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 Section 1A requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 2).

The presentational and functional currency of the financial statements is GBP. Values are rounded to the nearest pound.

The following principal accounting policies have been applied:

1.3 Going concern

The directors are of the opinion that the Company will be able to meet its obligations as they fall due over the next twelve months. Accordingly, the financial statements have been prepared on the going concern basis which assumes that the Company will continue in operational existence for the foreseeable future.

1.4 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. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Belgacom International Carrier Services UK Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

1. Accounting policies (continued)

1.5 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

1.6 Finance costs

Finance costs are charged to profit or loss 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.

1.7 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.

Intangible fixed assets comprise the contractual rights to the use of optical fibre infrastructure. Their useful life is not less than the contract terms and as such they are being amortised using the straight-line method over the life of the contracts which are approximately 15 years with 13 to 14 years remaining.

1.8 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.

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.

Depreciation is provided on the following basis:

Plant and machinery	- 4-10 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 profit or loss.

1.9 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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

Belgacom International Carrier Services UK Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

1. Accounting policies (continued)

1.9 Financial instruments (continued)

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments that comply with all of the condition of paragraph 11.9 of FRS 102 are classified as 'basic'. For debt instruments that do not meet the conditions of FRS 102 paragraph 11.9, the Company considers whether the debt instrument is consistent with the principle in paragraph 11.9A of FRS 102 in order to determine whether it can be classified as basic. Instruments classified as 'basic' financial instruments are measured subsequently at amortised cost using the effective interest method. Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting conditions of being 'basic' financial instruments are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

(ii) Investments

Investments in non-derivative instruments that are equity of the issuer (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

Belgacom International Carrier Services UK Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

1. Accounting policies (continued)

1.9 Financial instruments (continued)

(iii) Equity instruments

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of transaction costs.

(iv) Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

1.10 Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Belgacom International Carrier Services UK Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

1. Accounting policies (continued)

1.11 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP, because that is the currency of the primary economic environment in which the entity operates.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'administrative expenses'.

1.12 Operating leases: Lessee

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

1.13 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 profit or loss 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.

Belgacom International Carrier Services UK Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

1. Accounting policies (continued)

1.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

1.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 reporting 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.

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

In preparing these financial statements and in the application of the Company's policies which are described above, the directors have had to make the following significant judgements:

- Determine whether there are indicators of impairment of the Company's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

The directors consider that there are no key sources of estimation uncertainty.

Belgacom International Carrier Services UK Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

3. Employees

The company has one (2021 - one) employee. Employee costs are included in the caption "administrative expenses" in the statement of Comprehensive income.

The directors are employees of Belgacom Carrier Services S.A; and are remunerated by this company for their services to the group as a whole. Details of their remuneration can be found in the financial statements of this entity. It is not possible to disaggregate this amount in respect of services performed on behalf of Belgacom International Carrier Services UK Limited in either year.

4. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on profits for the year	-	45,740
Adjustments in respect of previous periods	921	-
Total current tax	<u>921</u>	<u>45,740</u>
Deferred tax		
Origination and reversal of timing differences	(1,127)	(14,271)
Adjustments in respect of prior periods	-	(46,917)
Effect of tax rate change on opening balance	(355)	(16,611)
Total deferred tax	<u>(1,482)</u>	<u>(77,799)</u>
Taxation on profit	<u>(561)</u>	<u>(32,059)</u>

Belgacom International Carrier Services UK Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

4. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2021 - lower than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Profit before tax	<u>111,932</u>	<u>103,151</u>
Profit multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	21,267	19,599
Effects of:		
Deferred tax movement in year	(22,749)	(51,658)
Adjustments to tax charge in respect of prior periods	921	-
Total tax credit for the year	<u>(561)</u>	<u>(32,059)</u>

Factors that may affect future tax charges

An increase in the future main corporation tax rate to 25% from 1 April 2023, from the previously enacted 19%, was announced at the budget on 3 March 2021, and substantively enacted on 24 May 2021. The deferred tax balance at the year end has been calculated based on the rate as at the year end date when the timing differences reverse.

Belgacom International Carrier Services UK Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

5. Intangible assets

	Contractual rights £
Cost	
At 1 January 2022	2,455,452
Additions	112,967
Disposals	(2,064,721)
At 31 December 2022	<u>503,698</u>
Amortisation	
At 1 January 2022	2,134,935
Charge for the year	47,243
On disposals	(2,048,059)
At 31 December 2022	<u>134,119</u>
Net book value	
At 31 December 2022	<u><u>369,579</u></u>
At 31 December 2021	<u><u>320,517</u></u>

Intangible fixed assets comprise the contractual rights to the use of optical fibre infrastructure. Their useful life is not less than the contract terms and as such they are being amortised using the straight-line method over the life of the contracts which are approximately 15 years with 13 to 14 years remaining.

Belgacom International Carrier Services UK Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

6. Tangible fixed assets

	Plant and Machinery £
Cost	
At 1 January 2022	12,654,453
Additions	392,868
Disposals	(46,989)
At 31 December 2022	<u>13,000,332</u>
Depreciation	
At 1 January 2022	10,437,223
Charge for the year	795,705
Disposals	(42,735)
At 31 December 2022	<u>11,190,193</u>
Net book value	
At 31 December 2022	<u><u>1,810,139</u></u>
At 31 December 2021	<u><u>2,217,230</u></u>

7. Debtors

	2022 £	2021 £
Trade debtors	12,816	100,495
Amounts owed by group undertakings	790,545	407,713
Other debtors	75,058	38,237
Prepayments and accrued income	334,120	370,874
VAT receivable	168,999	516,902
Deferred taxation (note 10)	84,964	83,482
	<u><u>1,466,502</u></u>	<u><u>1,517,703</u></u>

Amounts owed by group undertakings are non-interest bearing and are repayable on demand.

Amounts owed by group undertakings include at 31 December 2022 a cash pool account of £506,966 (2021 - owed to group undertakings £43,112). Interest on the cash pool account is repayable at a rate between 1.11375% and 0.93188%.

Belgacom International Carrier Services UK Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

8. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	15,684	332,526
Amounts owed to group undertakings	18,438	43,112
Corporation tax	-	46,917
Other taxation and social security	11,846	40,727
Intercompany loan interest	76,731	88,810
Accruals and deferred income	282,966	370,439
	<u>405,665</u>	<u>922,531</u>

Amounts owed to group undertakings are unsecured, and aside from the cash pool account, are non-interest bearing.

9. Creditors: amounts falling due after more than one year

	2022 £	2021 £
Intercompany loan	<u>2,500,000</u>	<u>2,500,000</u>

The intercompany loan is repayable by one bullet repayment on the final maturity date of the 31 December 2027.

The outstanding amount of the loan produces interest at an all-in rate of 2.985% with interest being payable annually in arrears, in principle on each January 1st.

The company has an undrawn overdraft credit facility of 2,000,000 EUR granted by Belgacom International Carrier Services SA.

Belgacom International Carrier Services UK Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

10. Deferred taxation

	2022 £	2021 £
At beginning of year	83,482	5,683
Credited to profit or loss	1,482	77,799
At end of year	<u>84,964</u>	<u>83,482</u>

The deferred taxation asset is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	(31,646)	(39,964)
Tax losses carried forward	116,610	123,446
	<u>84,964</u>	<u>83,482</u>

11. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
51 (2021 - 51) Ordinary shares of £1.00 each	<u>51</u>	<u>51</u>

The shares have attached full voting, dividend and capital distribution (including on winding up) rights. They do not confer any rights of redemption.

12. Reserves

The Company's capital and reserves are as follows:

Share Capital

Called up share capital represents the nominal value of the shares issued.

Profit and loss account

The profit and loss account represents cumulative profits or losses net of dividends paid and other adjustments.

Belgacom International Carrier Services UK Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

13. Commitments under operating leases

At 31 December 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	658,742	623,591
Later than 1 year and not later than 5 years	669,513	1,005,385
	<u>1,328,255</u>	<u>1,628,976</u>

14. Related party transactions

The Company has taken advantage of the available exemption conferred by Section 1AC.35 of FRS102 not to disclose transactions with wholly owned members of the Group.

15. Controlling party

The immediate parent undertaking of the company is Belgacom International Carrier Services S.A; and the ultimate parent undertaking and controlling party of the company is Proximus S.A; a company incorporated in Belgium. Copies of Proximus S.A's consolidated financial statements are publicly available from the registered office of the parent company: 27 Boulevard du Roi, Albert II, 1030 Brussels, Belgium. This also comprises the smallest and largest group of which the company is a member and group accounts are prepared.