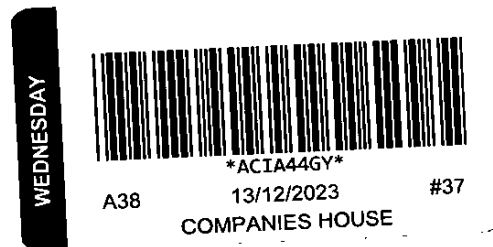


Financial Statements

EXA Infrastructure Atlantic UK Limited (formerly Hibernia Atlantic (UK) Limited)

For the year ended 31 December 2022



Registered number: 04513136

EXA Infrastructure Atlantic UK Limited

Company Information

Directors Adeel Ahmad (appointed on 25 September 2022)
Andrew John Haynes (appointed on 25 September 2022)
Ciaran Patrick Delancy (appointed on 25 September 2022)

Registered number 04513136

Registered office 5th Floor
40 Strand
London
WC2N 5RW
England

Bankers Royal Bank of Scotland
60 - 63 Threadneedle Street
PO Box 412
London EC2R 8LA

EXA Infrastructure Atlantic UK Limited

Contents

	Page
Directors' report	4 - 5
<i>Directors' responsibilities statement</i>	6
Statement of total comprehensive income	7
Balance sheet	8
Statement of changes in equity	9
Notes to the financial statements	10 - 20

EXA Infrastructure Atlantic UK Limited

Directors' Report

For the year ended 31 December 2022

The directors present their report and the financial statements of EXA Infrastructure Atlantic UK Limited ("the Company") for the year ended 31 December 2022.

Principal activity

The principal activity of the company is the provision of telecommunications network services.

The Company is part of the telecommunications group, EXA Infrastructure. EXA Infrastructure is headquartered in London, the United Kingdom.

Change of name

Effective 27 June 2023 the Company changed its name from Hibernia Atlantic (UK) Limited. to EXA Infrastructure Atlantic UK Limited.

Results and dividends

The profit for the year, after taxation, amounted to £485,101 (2021 loss £14,510,121).

No dividends were paid or proposed during the year (2021 £Nil).

Directors

The Directors who served during the year were:

Christopher Turing McKee (resigned on 25 September 2022)

Anthony Hansel (resigned on 20 December 2022)

Political and charitable donations

There were no individual political or charitable donations made during the year (2021: Nil).

Future developments

It is the intention of the Directors to continue to develop the current activities of the Company.

Research and development activities

The Company did not engage in any research and development activities during the year.

Significant Transactions during the year

Multi-Charge Security Agreement

In January 2022, the Company entered into a Multi-Chargor Security Agreement with Lucid Trustee Services Limited (Security Agent). Under this debenture the Company has charged (by way of a first fixed charge) in favour of Lucid Trustee Services Limited as agent and trustee for the Secured Parties referred to in the Debenture (the "Security Agent") as first priority charge all of our rights in respect of any amount (including interest) standing to the credit of any account maintained by the Company with Royal Bank of Scotland at any branches in England and Wales (excluding any escrow or deferred consideration accounts) (the "Secured Accounts") and the debts represented by the Secured Accounts.

Post balance sheet events

EXA Infrastructure Atlantic UK Limited

There are no post balance sheet events.

Going Concern

The Company meets its day-to-day working capital requirements from cash flows generated from operations and facilities provided by its parent company and subsidiaries (the "Group"). In addition, the Group has committed debt facilities, which meet the Group's funding requirements. Having considered the Group's strong funding position and prudent financial projections, which take into account a range of possible impacts, the Directors have a reasonable expectation that the Group has adequate resource to continue in operational existence for the period of at least 12 months from the date of the approval of the financial statements. For this reason, the Directors have prepared the Financial Statements on a Going Concern basis.

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.

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



.....

Adeel Ahmad
Director

Date: 26 September 2023

EXA Infrastructure Atlantic 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the board on



.....
Adeel Ahmad
Director

Date: 26 September 2023

EXA Infrastructure Atlantic UK Limited

Statement of Total Comprehensive Income

For the year ended 31 December 2022

	Note	2022 £	2021 £
Turnover	4	5,120,004	7,926,813
Cost of sales		<u>(1,740,448)</u>	<u>(3,821,371)</u>
Gross profit		3,361,556	4,105,442
Administrative expenses		(2,760,317)	(18,068,263)
Other operating Income	5	<u>-</u>	<u>457,677</u>
Profit/(Loss) on ordinary activities before interest	5	601,239	(13,505,144)
Exceptional items		305,057	-
Interest receivable and similar income	7	558,200	780,102
Interest payable and expenses	8	<u>(1,163,712)</u>	<u>(1,223,051)</u>
Profit/(Loss) before tax		300,784	(13,948,093)
Tax on profit/(loss)	9	<u>184,317</u>	<u>(562,028)</u>
Loss for the financial year		485,101	(14,510,121)
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive loss for the year		485,101	(14,510,121)

The notes on pages 10 to 20 form part of these financial statements.

EXA Infrastructure Atlantic UK Limited

Balance Sheet

As at 31 December 2022

	Note	31/12/2022 £	31/12/2021 £
Non-current assets			
Fixed assets			
Intangible fixed assets	10	-	-
Tangible fixed assets	11	<u>8,841,351</u>	<u>10,257,049</u>
Total non-current assets		8,841,351	10,257,049
Current assets			
Debtors: amounts falling due within one year	12	18,627,306	10,014,282
Cash at bank and in hand	13	<u>199,759</u>	<u>296,117</u>
		18,827,065	10,310,399
Creditors: amounts falling due within one year	14	<u>(39,028,129)</u>	<u>(32,099,676)</u>
Net current liabilities		(20,201,064)	(21,789,277)
Total assets less current liabilities		(11,359,713)	(11,532,228)
Creditors: amounts falling due after more than one year	15	(284,655)	(413,258)
Provisions for liabilities			
Deferred tax liabilities	16	<u>-</u>	<u>(183,983)</u>
		(284,655)	(597,241)
Net (liabilities) assets		(11,644,368)	(12,129,469)
Capital and reserves			
Called up share capital	17	2,020,408	2,020,408
Capital contribution reserve	18	3,832,931	3,832,931
Share based payments reserve		-	-
Profit and loss account	18	<u>(17,497,707)</u>	<u>(17,982,808)</u>
		(11,644,368)	(12,129,469)

The notes on pages 10 to 20 form part of these financial statements.

For the financial year 31 December 2022 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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



.....
Adcel Ahmad
Director

Date: 26 September 2023

Statement of Changes in Equity

For the year ended 31 December 2022

	Called up share capital	Capital contribution reserve	Share-based payments reserve	Profit and loss account	Total equity
At 1 January 2022	2,020,408	3,832,931	-	(17,982,808)	(12,129,469)
Comprehensive income for the year	-	-	-	485,101	485,101
Profit for the year	-	-	-	485,101	485,101
Total comprehensive income for the year	-	-	-	-	-
Transfer	-	-	-	-	-
Total transactions with owners	-	-	-	-	-
At 31 December 2021	2,020,408	3,832,931	-	(17,497,707)	(11,644,368)

	Called up share capital	Capital contribution reserve	Share-based payments reserve	Profit and loss account	Total equity
At 1 January 2021	2,020,408	3,832,931	-	(3,472,687)	2,380,652
Comprehensive income for the year	-	-	-	(14,510,121)	(14,510,121)
Loss for the year	-	-	-	(14,510,121)	(14,510,121)
Total comprehensive income for the year	-	-	-	-	-
Transfer	-	-	-	-	-
Total transactions with owners	-	-	-	-	-
At 31 December 2021	2,020,408	3,832,931	-	(17,982,808)	(12,129,469)

EXA Infrastructure Atlantic UK Limited

Notes to the Financial Statements **For the year ended 31 December 2022**

1. General information

EXA Infrastructure Atlantic UK Limited is a limited company incorporated in England and Wales. The address of its registered office has changed and is now 5th Floor, 40 Strand, London, United Kingdom, WC2N 5RW.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006. *The financial statements are prepared in accordance with the provisions applicable to companies subject to the small companies regime.* The financial statements are presented in pounds sterling and rounded to the nearest thousand except where otherwise indicated.

The Company changes its accounting year end reference date from 31 December 2022 to 30 December 2022. However, as permitted by Companies Act 2006, the financial statements have been prepared for a date within 7 days of the year end, 31 December 2022.

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

The following principal accounting policies have been applied:

2.2 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.

Turnover is the amount of revenue derived from the provision of services falling within the Company's ordinary activities after deduction of trade discounts and value-added tax. For EXA Infrastructure HM UK Limited, turnover comprises telecommunications infrastructure revenues.

2.3 Intangible assets

Intangible assets relate to software and 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

The estimated useful lives range as follows:

Software	3 years
----------	---------

2.4 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.

Notes to the Financial Statements
For the year ended 31 December 2022

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:

Freehold property	3-30 years
Plant and machinery	3-23 years

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

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

2.5 Impairment of fixed assets

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

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, including transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 Financial instruments

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Notes to the Financial Statements
For the year ended 31 December 2022

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 loss is recognised in the Statement of Total Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, including transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.10 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Pounds Sterling (£).

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 within administrative expenses in the Statement of Total Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

2.11 Interest payable

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

2.12 Interest receivable

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

2.13 Operating leases: the Company as lessee

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

Notes to the Financial Statements
For the year ended 31 December 2022

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

2.14 Current and deferred taxation

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet 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 Balance Sheet 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 balance sheet date.*

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

Estimates and judgements made in the process of preparing the entity financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant management judgement

The following judgement, apart from those involving estimates, made by the Directors has had a significant effect on the amounts recognized in the financial statements.

Going Concern

The Company generated a profit for the year of £485,101 (2021: loss £14,510,121), has net current liabilities of £20,201,064 (2021: £21,789,277) and has net liabilities of £11,644,368 (2021: net assets of £12,129,469) as at 31 December 2022. In forming their view on going concern the Directors have had regard to the availability of financial support from other group companies and in particular in relation to the recoverability of intercompany debtors and concluded that it is appropriate to prepare these financial statements on a going concern basis.

Estimation uncertainty

The Company makes estimates and assumptions concerning the future in the process of preparing the entity financial statements. The resulting accounting estimates will by definition seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

EXA Infrastructure Atlantic UK Limited

Notes to the Financial Statements For the year ended 31 December 2022

Useful economic lives of tangible fixed assets

The annual depreciation on tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reviewed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of the tangible fixed assets, and note 2.5 for the useful economic lives for each class of tangible fixed assets.

Impairment of debtors

The Company makes an assessment at the end of each financial year of whether there is objective evidence that a trade or other debtor is impaired. When assessing impairment of trade and other debtors, the Directors consider factors including the current credit rating of the debtor, the age profile of outstanding invoices, recent correspondence and trading activity, and historical experience of cash collections from the debtor.

Accrued cost of revenue (COR)

The Company accrues estimated amounts for "cost of revenue" based on its historical experience and billing rates for the previous period. Accrued cost of revenue relates to services already received from vendors which have yet to be billed to the Company as at year end. Included in accruals is £195,719 (2021: £140,740) relating to accrued cost of revenue.

4. Turnover

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

	2022	2021
	£	£
Telecommunications revenue	<u>5,102,004</u>	<u>7,926,813</u>

An analysis of turnover by territory is as follows:

	2022	2021
	£	£
Europe	4,746,276	7,759,024
Rest of world	<u>355,728</u>	<u>167,789</u>
Turnover and Service fee	<u>5,102,004</u>	<u>7,926,813</u>

5. Operating loss

Other operating income for 2022 is £Nil (2021: £457,677). The 2021 other operating income pertained to gain on disposal of the Remain assets described in the Director report.

The operating loss is stated after charging:

	2022	2021
	£	£
Depreciation	2,137,490	2,255,138
Other operating expense	258,173	17,257,133
Foreign exchange difference (gains)/losses	<u>255,345</u>	<u>(1,013,370)</u>

EXA Infrastructure Atlantic UK Limited

Notes to the Financial Statements For the year ended 31 December 2022

6. Employees

The Company has no employees other than the Directors, who did not receive any remuneration (2021 - £Nil).

7. Interest receivable and other similar income

	2022	2021
	£	£
Interest receivable	<u>558,200</u>	<u>780,102</u>

8. Interest payable and similar expenses

	2022	2021
	£	£
Interest payable	<u>1,163,712</u>	<u>1,223,051</u>
	<u>1,163,712</u>	<u>1,223,051</u>

9. Taxation

	2022	2021
	£	£
Total current tax	<u>1,076,407</u>	<u>179,868</u>
Deferred tax		
Deferred tax - current year (credit)/charge	(403,799)	408,938
Adjustments recognised for prior year - deferred tax	(729,410)	(26,778)
Effect of changes in tax rates	<u>(127,515)</u>	<u>-</u>
Total deferred tax	<u>(1,260,724)</u>	<u>382,160</u>
Taxation (credit)/charge on loss on ordinary activities	<u>(184,317)</u>	<u>562,028</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 – higher than) the standard rate of corporation tax in the UK of 19% (2020 – 19%). The differences are explained below:

	2022	2021
	£	£
Loss on ordinary activities before tax	<u>300,784</u>	<u>(13,948,093)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 19%)	57,149	(2,650,138)
Effects of:		
Disallowable expenses	3,346	3,194,788
Income not taxable	(57,961)	-
Prior year adjustments – deferred tax	(174,921)	(26,778)
Impact of change in tax rate	(127,515)	44,156
Deferred tax not provided	<u>115,585</u>	<u>-</u>
Total tax (credit)/charge for the year	<u>(184,317)</u>	<u>562,028</u>

EXA Infrastructure Atlantic UK Limited

Notes to the Financial Statements For the year ended 31 December 2022

Factors that may affect future tax charges

The standard rate of UK Corporation Tax is to remain at 19% until 31 March 2023. The Finance Act 2021, which was published on 11 March 2021 and received Royal Assent in July 2021, stated that this rate is to be increased from 19% to 25% from 1 April 2023. These proposed changes have been substantively enacted at the balance sheet date and consequently their effects are included in these financial statements.

Deferred tax at the balance sheet date has been measured using the enacted tax rates.

10. Intangible fixed assets

	Software £
Cost	
At 1 January 2022	8,485
Additions	-
At 30 December 2022	<u>8,485</u>
Amortisation	
At 1 January 2022	8,485
Charge for the year	-
At 30 December 2022	<u>8,485</u>
Net book value	
At 30 December 2022	<u>-</u>
At 31 December 2021	<u>-</u>

EXA Infrastructure Atlantic UK Limited

Notes to the Financial Statements
For the year ended 31 December 2022

11. Tangible fixed assets

	Freehold property	Plant and machinery	Total
	£	£	£
Cost or valuation			
At 1 January 2021	1,284,079	33,885,147	35,169,226
Addition	180,359	550,696	731,055
At 1 January 2022	1,464,438	34,435,843	35,900,281
Depreciation			
At 1 January 2021	1,191,275	23,720,902	24,912,177
Charge for the year on owned assets	17,611	2,129,142	2,146,752
At 1 January 2022	1,208,886	25,850,044	27,058,930
Net book value			
At 1 January 2022	255,552	8,585,799	8,841,351
At 1 January 2021	92,804	10,164,245	10,257,049

There were no borrowing costs capitalised during the year (2021: £Nil). The net carrying amount of assets held under finance leases is £Nil (2021: £Nil).

12. Debtors

	2022	2021
	£	£
Trade debtors	432,090	595,282
Amounts owed by group undertakings	15,738,204	8,909,202
VAT recoverable	196,086	73,724
Prepayments and accrued income	1,184,185	436,074
Deferred tax asset	1,076,741	-
	18,827,306	10,014,282

The amount owed by group undertakings are unsecured with no fixed repayment terms. Interest has been charged at a market rate of approximately 4% in the year (2021: 4%).

13. Cash and cash equivalents

	2022	2021
	£	£
Cash at bank and in hand	199,759	296,117

Included in the balance above is £30,000 (2021: £30,000) relating to a performance bond held by the Royal Bank of Scotland which is restricted.

EXA Infrastructure Atlantic UK Limited

Notes to the Financial Statements For the year ended 31 December 2022

14. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	228,979	122,073
Amounts owed to group undertakings	38,046,126	30,885,301
Accruals	415,877	445,404
Deferred income	337,147	646,898
	<u>39,028,129</u>	<u>32,099,676</u>

The amount owed to group undertakings are unsecured with no fixed repayment terms. Interest has been charged at a market rate of approximately 4% in the year (2021: 4%).

Trade and other creditors are payable at various dates in the next three months after the end of the financial year in accordance with the creditors usual and customary credit terms.

Creditors for tax and social security are payable in the time frame set down in the relevant legislation.

The Company has entered into the following charges containing negative pledges, floating and fixed charges over the Company's assets:

Other party	Date	Status
Keybank National Association	15 August 2018	Satisfied on 26 November 2021
Keybank National Association	28 April 2020	Satisfied on 26 November 2021
Delaware Trust Company	28 December 2020	Satisfied on 26 November 2021
Delaware Trust Company	28 December 2020	Satisfied on 26 November 2021
Delaware Trust Company	29 January 2021	Satisfied on 26 November 2021
Lucid Trustee Services Limited	11 January 2022	Outstanding

15. Creditors: Amounts falling due after more than one year

	2022	2021
	£	£
Deferred income	<u>284,655</u>	<u>413,258</u>

16. Deferred taxation

	2022	2021
	£	£
Deferred tax	(183,983)	198,177
Adjustment in respect of prior years	729,410	-
Credited/(charged) to the profit or loss	<u>531,314</u>	<u>(382,160)</u>
At end of year	<u>1,076,741</u>	<u>(183,983)</u>

EXA Infrastructure Atlantic UK Limited

Notes to the Financial Statements For the year ended 31 December 2022

The provision for deferred taxation is made up as follows:

	2022	2021
	£	£
Depreciation in excess of capital allowances	1,030,431	(188,839)
Other timing differences	46,310	4,856
Total deferred taxation asset/(liability)	<u>1,076,741</u>	<u>(183,983)</u>

17. Share capital

	2021	2020
	£	£
Authorised		
3,350,000 (2020 - 3,350,000) Ordinary shares of £1.00 each	<u>3,350,000</u>	<u>3,350,000</u>
Allotted, called up and fully paid - presented as equity		
2,020,408 (2020 - 2,020,408) Ordinary shares of £1.00 each	<u>2,020,408</u>	<u>2,020,408</u>
Dividends		
No dividend was paid during 2022 (2021 - £nil).		

18. Reserves

Capital contribution reserve

Capital contribution relates to non-repayable additional capital contribution made by the Company's immediate parent.

Profit and loss account

Profit and loss account represents accumulated results for the financial year and prior financial years less dividends paid.

19. Operating lease commitments

The Company has commitments under various non-cancellable operating leases for office and equipment space, network capacity and certain equipment rentals. Estimated future payments with respect to these contractual obligations are as follows:

At 31 December 2022 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2022	2021
	£	£
Not later than 1 year	991,845	692,604
Later than 1 year and not later than 5 years	3,035,969	2,597,609
Later than 5 years	191,651	633,506
	<u>4,219,465</u>	<u>3,923,719</u>

EXA Infrastructure Atlantic UK Limited

Notes to the Financial Statements **For the year ended 31 December 2022**

20. Immediate and ultimate parent undertaking

The immediate parent company is now Cube Telecom Europe Bidco Limited, a company registered England and Wales which has its registered office at 5th Floor, 40 Strand, London, WC2N 5RW, United Kingdom. The ultimate parent company and the smallest and largest group into which the company is consolidated in is Cube Telecom Europe Holdings Limited, a company registered England and Wales which has its registered office at 1 Bartholomew Lane, London, EC2N 2AX, United Kingdom.

21. Related party transactions

Transactions with group companies which are wholly owned members, are not disclosed as the Company has taken advantage of the exemption available under FRS102 section 33.1A from disclosing such transactions.

22. Event since the end of financial year

There are no post balance sheet events.

Going Concern

The Company meets its day-to-day working capital requirements from cash flows generated from operations and facilities provided by its parent company and subsidiaries (the "Group"). In addition, the Group has committed debt facilities, which meet the Group's funding requirements. Having considered the Group's strong funding position and prudent financial projections, which take into account a range of possible impacts, the Directors have a reasonable expectation that the Group has adequate resource to continue in operational existence for the period of at least 12 months from the date of the approval of the financial statements. For this reason, the Directors have prepared the Financial Statements on a Going Concern basis.

23. Approval of financial statements

The financial statements were approved by the Board of Directors on 26 September 2023.