

Registration number: 05366057

Independent Service Provider Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2022



Independent Service Provider Limited

Contents

Company Information	1
Strategic Report	2 to 3
Directors' Report	4 to 5
Independent Auditor's Report	6 to 10
Income Statement	11
Statement of Financial Position	12
Statement of Changes in Equity	13
Notes to the Financial Statements	14 to 21

Independent Service Provider Limited

Company Information

Directors	C Linsdell
	D Corney
	A Robinson
	N Hindle
Company secretary	C Mumford
Registered office	Synergy House Woolpit Business Park Woolpit Bury St Edmunds Suffolk IP30 9UP
Auditors	Deloitte LLP Statutory Auditor Cambridge United Kingdom

Independent Service Provider Limited

Strategic Report for the Year Ended 31 December 2022

The Directors present their Strategic Report, annual report and audited financial statements for the year ended 31 December 2022. The Directors, in preparing this Strategic Report, have complied with s414c of the Companies Act, 2006.

Principal activity

The principal activity of the Company is the provision of retail broadband and voice services over fibre optic telecommunications in the UK and administrative services to fellow subsidiaries within the BUK Infrastructure Group owned by BUK Infrastructure (Jersey) Limited.

Fair review of the business

The loss for the year, after taxation, amounted to £59,929 (2021: loss of £78,710). At the year-end the Company had net liabilities of £1,238,005 (2021: net liabilities of £1,178,076).

The Company operates as part of the BUK Infrastructure Group ('BUK', the 'Group') and the Directors of the Group do not consider individual entities in the Group to have individual key performance indicators (KPIs). The Group's results are considered as a whole, and details of the performance can be found in the consolidated group financial statements prepared by the Directors of BUK Infrastructure No 2 Limited.

Principal risks and uncertainties

The Company is part of the BUK Infrastructure Group, owned by BUK Infrastructure (Jersey) Limited. The principal risks and uncertainties facing the Group and the entity are:

Regulatory

The Group operates in stable and transparent regulated utility markets in the UK. The Group is not aware of any proposed changes impacting the existing regulatory frameworks in which it operates. Any such change could have either a positive or negative impact on our future business prospects.

Health, Safety and Environmental

The Group operates a comprehensive Health, Safety and Environmental framework to ensure that, as far as possible, it eliminates risk to its employees, customers and the environment. The Group has an excellent track record in this regard and has culturally aligned itself to continually improve its performance in this area.

Liquidity and Interest Rates

The Group has a policy of seeking to have a number of sources of funds at any given time to meet its liquidity needs, as well as maintaining a balanced maturity profile to minimise, as far as possible, peaked repayments and refinancing risk. Debt facilities are arranged with appropriate financial and operating covenants, ensuring that management has the necessary flexibility in the operation of its business. The majority of the Group's existing debt has an unexpired term exceeding 8 years and is subject to a fixed interest rate.

Cash flow risk

The Group uses derivative financial instruments to manage certain exposures to fluctuations in interest rates, inflation rates and exchange rates. The Group does not hold any speculative financial instruments.

Credit risk

Whilst the Group is dependent on a number of large customers, the credit risk from the failure of those customers is limited by regulatory regimes. The Group takes appropriate measures to reduce credit risk to a manageable level and has strict procedures to manage credit risk relating to trade receivables.

Independent Service Provider Limited

Strategic Report for the Year Ended 31 December 2022 (continued)

Principal risks and uncertainties (continued)

Social, environmental and ethical policy

The Company is a member of the BUUK Infrastructure Group of Companies and accordingly adheres to the Group's Social, Environmental and Ethical Policy.

The Group recognises that its business activities and practices, and those of its suppliers, may have an impact on its employees, society and the environment. As such the Group has developed its own policies and procedures to ensure compliance with these matters. The Group expects all employees and its suppliers to work to that Code, which as a minimum standard requires compliance with any relevant international and national legal or regulatory framework. In addition, the Group has maintained registration of ISO 14001 environmental accreditation.

Health and safety


The Directors are committed to achieving high standards of health and safety in the Group's business activities for employees and customers alike. Policies and procedures are established to maintain continued provision of safe and healthy working conditions compliant with statutory requirements and appropriate codes of practice.

Equal opportunities

A fair and equal opportunities culture is operated throughout the Group. Employment opportunities, whether in the recruitment, training or promotion of employees, are granted on merit irrespective of race, colour, religion, national origin, age, gender, disability or sexual orientation.

Full consideration and equal opportunities are given to employment applications from disabled persons with due regard to the requirements of the job. Where existing employees become disabled every effort is made to provide opportunities for continued employment within the Group supported with training and development as appropriate.

Approved by the Board on 24 July 2023 and signed on its behalf by:


.....
D Corney
Director

Independent Service Provider Limited

Directors' Report for the Year Ended 31 December 2022

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

Principal risks and uncertainties and financial risk management objectives are discussed within the Strategic Report.

As a subsidiary company within the BUUK Group, the Company has taken the disclosure exemption in relation to Streamlined Energy and Carbon Reporting ("SECR") where disclosure is made within a parent company's group accounts. These SECR disclosures can be seen in the consolidated financial statements of BUUK Infrastructure No 2 Limited.

Directors of the Company

The Directors who held office during the year and to the date of this report, unless stated otherwise, were as follows:

C Linsdell

D Corney

A Robinson

N Hindle

Dividends

The Directors do not recommend the payment of a final dividend (2021: £Nil).

Employee involvement

The Directors recognise the integral importance of their employees in achieving Group success. Employee involvement in the development of the business is encouraged through an open and honest working environment, effective communication of business objectives and performance and actively seeking the opinions and concerns of the wider business team. The Group has ranked as one of the UK's BestWorkplaces™ for five consecutive years and in two consecutive years has ranked in the UK's Best Workplaces™ for Women, which reflects the Group's commitment to the importance of its employees.

Future developments

The Directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year. The Directors are satisfied that the Company is well placed to continue to perform satisfactorily during the coming year.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue to adopt the going concern basis in preparing the annual report and financial statements. The directors have received assurances that the company will have access to the BUUK Group's financial resources for a period of at least one year from the date of signing of the financial statements and that companies in the BUUK Group will not demand repayment of any inter-company debt where the company does not have the financial resources to effect such payment. In the longer term, the Directors have a reasonable expectation that the Group has adequate resources to continue in operation for the foreseeable future and that its financial support will be sufficient for the company to continue to trade and meet its obligations as they fall due.

Further details regarding the adoption of the going concern basis can be found in Note 2 of the financial statements.

Independent Service Provider Limited

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

Directors' liabilities

The Company has Directors' and Officers' liability insurance to provide against liability in respect of proceedings brought forward by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the Directors' Report.

Disclosure of information to the auditors

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

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

Directors' responsibilities statement

The Directors are responsible for preparing the annual 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), including FRS 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:

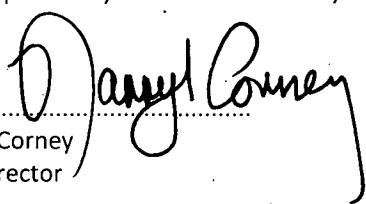
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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.

Reappointment of auditors

Deloitte LLP has indicated its willingness to continue in office and a resolution to reappoint them as the Company's auditor will be put to the forthcoming Annual General Meeting.

Approved by the Board on 24 July 2023 and signed on its behalf by:


D Corney
Director

Independent Service Provider Limited

Independent Auditor's Report to the Members of Independent Service Provider Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Independent Service Provider Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Income Statement;
- the Statement of Financial Position;
- the Statement of Changes in Equity; and
- the related notes 1 to 13.

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).

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 Financial Reporting Council's (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.

Independent Service Provider Limited

Independent Auditor's Report to the Members of Independent Service Provider Limited (continued)

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.

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.

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.

Independent Service Provider Limited

Independent Auditor's Report to the Members of Independent Service Provider 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.

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 auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

Independent Service Provider Limited

Independent Auditor's Report to the Members of Independent Service Provider Limited (continued)

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act 2006 and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as tax and IT specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

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 any material misstatements in the Strategic Report or the Directors' Report.

Independent Service Provider Limited

Independent Auditor's Report to the Members of Independent Service Provider Limited (continued)

Matters on which we are required to report by exception

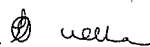
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

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.



.....
Lee Welham FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Cambridge
United Kingdom

26 July 2023

Independent Service Provider Limited

Income Statement for the Year Ended 31 December 2022

	Note	2022 £	2021 £
Turnover		691,432	524,380
Cost of sales		<u>(585,135)</u>	<u>(459,212)</u>
Gross profit		106,297	65,168
Administrative expenses		<u>(92,029)</u>	<u>(80,844)</u>
Operating profit/(loss)	3	14,268	(15,676)
Interest payable and similar expenses	4	<u>(81,475)</u>	<u>(39,902)</u>
Loss before tax		(67,207)	(55,578)
Taxation	7	<u>7,278</u>	<u>(23,132)</u>
Loss for the financial year		<u><u>(59,929)</u></u>	<u><u>(78,710)</u></u>

The above results were derived from continuing operations.

No separate Statement of Comprehensive Income has been presented because the Company has no items of comprehensive income other than the loss for the financial year.

The notes on pages 14 to 21 form an integral part of these financial statements.

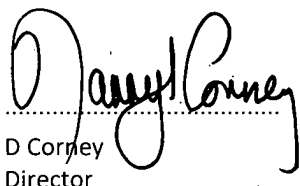
Independent Service Provider Limited

(Registration number: 05366057)

Statement of Financial Position as at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	8	112,404	157,366
Current assets			
Debtors	9	2,337,157	1,534,030
Cash at bank and in hand		14,338	143,378
		2,351,495	1,677,408
Creditors: Amounts falling due within one year	10	(3,701,904)	(3,012,850)
Net current liabilities		(1,350,409)	(1,335,442)
Net liabilities		(1,238,005)	(1,178,076)
Capital and reserves			
Called up share capital	11	1	1
Profit and loss account		(1,238,006)	(1,178,077)
Total equity		(1,238,005)	(1,178,076)

Approved and authorised by the Board on 24 July 2023 and signed on its behalf by:


D Corney
Director

The notes on pages 14 to 21 form an integral part of these financial statements.

Independent Service Provider Limited

Statement of Changes in Equity for the Year Ended 31 December 2022

	Share capital £	Profit and loss account £	Total £
At 1 January 2021	1	(1,099,367)	(1,099,366)
Loss for the year	-	(78,710)	(78,710)
At 31 December 2021	<u>1</u>	<u>(1,178,077)</u>	<u>(1,178,076)</u>

	Share capital £	Profit and loss account £	Total £
At 1 January 2022	1	(1,178,077)	(1,178,076)
Loss for the year	-	(59,929)	(59,929)
At 31 December 2022	<u>1</u>	<u>(1,238,006)</u>	<u>(1,238,005)</u>

The notes on pages 14 to 21 form an integral part of these financial statements.

Independent Service Provider Limited

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

1 General information

The company is a private company limited by shares, incorporated in the United Kingdom and registered in England and Wales.

The address of its registered office and principal place of business is:

Synergy House
Woolpit Business Park
Woolpit
Bury St Edmunds
Suffolk
IP30 9UP

These financial statements were authorised for issue by the Board on 24 July 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland.'

The financial statements are presented in Pounds Sterling, which is also the functional currency.

Summary of disclosure exemptions

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to members of a group where consolidated financial statements are publicly available. Exemptions have been taken in relation to the presentation of a cash flow statement, certain financial instruments and remuneration of key management personnel.

Name of parent of group

These financial statements are consolidated in the financial statements of BUUK Infrastructure No 2 Limited.

The financial statements of BUUK Infrastructure No 2 Limited may be obtained from Synergy House, Woolpit Business Park, Windmill Avenue, Woolpit, Bury St Edmunds, Suffolk, IP30 9UP.

Independent Service Provider Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

2 Accounting policies (continued)

Going concern

The Company forms part of the Group headed by BUUK Infrastructure (Jersey) Limited ("BUUK") of which the ultimate parent undertaking is Brookfield Corporation. The funding required to finance the activities of BUUK's subsidiaries is organised and managed on a centralised basis on behalf of all members of the Group.

The Group is cash generative and holds a Baa2 (investment grade) rating from Moody's. The rating was reconfirmed by Moody's in May 2022. At the date of approval of the financial statements the Group has undrawn committed facilities of £195.3m with a syndicate of banks, of which £160.5m is available for general corporate purposes and £34.8m is linked to future capital expenditure. These facilities were renewed in 2019 and are due to expire on 18 September 2024.

The Group has Senior Secured Loan notes denominated in GBP (£1,835m) which incur a fixed rate of interest. The Group's borrowings have an average remaining maturity of c.8.8 years, with maturity dates ranging from 2025 to 2048. £226m of the loan notes in place at year end were due for repayment in April 2023, these comprised \$350m denominated in USD and £25m in GBP. Cross currency interest rate swaps, used to fix the US\$ denominated interest and capital repayments, were settled alongside the capital repayment. This obligation was met through the issue of new senior loan notes, with a value of £350m in the same month.

The Directors have received assurances that the company will have access to the BUUK Group's financial resources for a period of at least one year from the date of signing of the financial statements, that companies in the BUUK Group will not demand repayment of any inter-company debt where the company does not have the financial resources to effect such payment, and that this financial support will be sufficient for the company to continue to trade and meet its obligations as they fall due. The Group's forecasts, taking into account reasonable possible changes in trading performance, show that the Company should have adequate resources to continue in operational existence for the foreseeable future.

Given the above, the Directors have a reasonable expectation that the Company can continue to meet its liabilities as they fall due, for a period of at least 12 months from the date of this annual report. Accordingly, they have prepared the financial statements on the going concern basis.

Judgements and key sources of estimation uncertainty

The Directors consider that there are no critical judgements or sources of estimation uncertainty to be disclosed that have been made in the process of applying the Company's accounting policies which have a significant effect on the amounts recognised in the financial statements.

Revenue recognition

Turnover represents the amounts receivable from supply of broadband and fibre optic telecommunications services, for retail customers, and provision of billing services for other companies during the year, net of Value Added Tax. Income is recognised when services are provided and are rendered based upon usage during that period.

All turnover and profit before taxation, by origin and destination, was attributable to the UK.

Independent Service Provider Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

2 Accounting policies (continued)

Finance income and costs

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be reliably measured. Interest is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Interest costs are accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Current tax 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 taxable income.

Tax assets and liabilities are not discounted.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the underlying transaction.

Intangible assets

Intangible fixed assets relate to commercial customer contracts acquired from an external party in 2020.

Intangible fixed assets are measured at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is presented within cost of sales in the Income Statement and the period of amortisation has been deemed as appropriate based upon the expected occupancy of these commercial contracts. The carrying value of intangible assets are reviewed for impairment if circumstances indicate that it may not be recoverable. The recoverable amount is deemed to be the higher of its value in use and its fair value less costs to sell.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts.

Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Independent Service Provider Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

2 Accounting policies (continued)

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price).

Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3 Operating profit

Arrived at after charging/(crediting)

	2022	2021
	£	£
Amortisation expense	<u>44,962</u>	<u>44,961</u>

Fees for the audit of the financial statements of £nil (2021: £13,660) were borne by another Group company during the year on behalf of Independent Service Provider Limited.

4 Interest payable and similar expenses

	2022	2021
	£	£
Interest payable on loans from group undertakings	<u>81,475</u>	<u>39,902</u>

5 Staff costs

The Company had no employees during the year (2021: nil) with all administrative tasks undertaken by employees of fellow Group undertakings.

6 Directors' remuneration

The Directors received no emoluments in the year (2021: £nil) in respect of qualifying services. The Directors are employees of other Group companies and the services that they provide to the Company are considered ancillary to the services that they provide to those other Group companies.

Independent Service Provider Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

7 Taxation

Tax charged/(credited) in the income statement

	2022 £	2021 £
Current taxation		
UK corporation tax	(4,226)	8,616
UK corporation tax adjustment to prior periods	<u>(3,052)</u>	<u>14,516</u>
	<u>(7,278)</u>	<u>23,132</u>

The differences between the tax assessed for the year and the standard rate of corporation tax of 19% (2021: 19%) are reconciled below:

	2022 £	2021 £
Loss before tax	<u>(67,207)</u>	<u>(55,578)</u>
Corporation tax at standard rate	(12,769)	(10,560)
Effect of expense not deductible in determining taxable profit (tax loss)	8,543	19,176
(Decrease)/increase in tax from adjustment for prior periods	<u>(3,052)</u>	<u>14,516</u>
Total tax (credit)/charge	<u>(7,278)</u>	<u>23,132</u>

The Finance Bill 2021, substantively enacted in May 2021, provided for the main rate of corporation tax to increase to 25% from 1 April 2023. Accordingly deferred tax has been calculated at the year end using a tax rate of 25%.

The Company has no unrecognised deferred tax assets or liabilities at 31 December 2022 (2021: Enil).

Independent Service Provider Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

8 Intangible assets

	Other intangible assets £
Cost or valuation	
At 1 January 2022	224,808
At 31 December 2022	224,808
Amortisation	
At 1 January 2022	67,442
Amortisation charge	44,962
At 31 December 2022	112,404
Carrying amount	
At 31 December 2022	112,404
At 31 December 2021	157,366

9 Debtors

	2022 £	2021 £
Trade debtors	307,537	536,238
Amounts owed by group undertakings	28,777	28,800
Other debtors	1,983,733	933,043
Accrued income	17,110	35,949
	<u>2,337,157</u>	<u>1,534,030</u>

Included within amounts owed by group undertakings are non-interest bearing amounts of £13,859 (2021: £Nil), which are unsecured and repayable on demand.

Interest bearing amounts owed by group undertakings are unsecured and repayable on demand with interest charged at 3.3% (2021: 2.53%).

Independent Service Provider Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

10 Creditors

	2022 £	2021 £
Due within one year		
Trade creditors	659,835	419,403
Amounts due to group undertakings	2,782,228	2,454,907
Social security and other taxes	23,882	7,886
Other payables	192,376	118,512
Deferred income	43,583	12,142
	<u>3,701,904</u>	<u>3,012,850</u>

Included within amounts due to group undertakings are non-interest bearing amounts of £Nil (2021: £18,249), which are unsecured and repayable on demand.

Interest bearing amounts due to group undertakings are unsecured and repayable on demand with interest charged at 3.3% (2021: 2.53%).

11 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

12 Related party transactions

The Company has taken advantage of the exemption provided by FRS 102 paragraph 33.1A not to disclose transactions with other wholly-owned Group undertakings.

The Company has taken advantage of the exemption provided by FRS 102 paragraph 1.12(e) not to disclose key management personnel compensation.

Independent Service Provider Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

13 Parent and ultimate parent undertaking

The company's immediate parent is Inexus Group (Holdings) Limited, incorporated in the United Kingdom.

The ultimate parent and controlling party is Brookfield Corporation, incorporated in Canada.

The largest group of which the Company is a member and for which Group financial statements are prepared is Brookfield Corporation. These financial statements are available upon request from its registered office at Brookfield Corporation, Suite 100, Brookfield Place, 181 Bay Street, Toronto, Canada.

The smallest group of which the Company is a member and for which Group financial statements are prepared is BUUK Infrastructure No 2 Limited, a Company registered in England and Wales. These financial statements are available upon request from its registered office at Synergy House, Woolpit Business Park, Windmill Avenue, Woolpit, Bury St Edmunds, Suffolk, IP30 9UP.