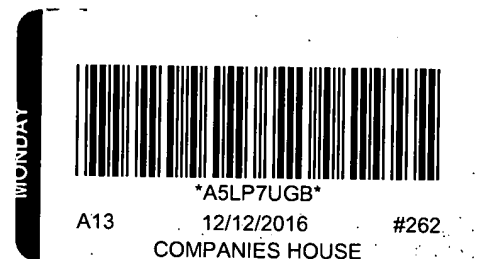


QSAT Caledonian Broadband Limited

Directors' Report and Financial Statements

**For the 18 month period from 1 July 2014 to 31
December 2015**



Beaux Lane House
Mercer Street Lower
Dublin 2
Ireland

QSAT Caledonian Broadband Limited

Company Information

| | |
|-----------------------------|---|
| DIRECTORS | Niall Quinn (Irish) David Whelan (resigned 16 October 2015) (Irish) |
| COMPANY SECRETARY | David Whelan (resigned 16 October 2015) (Irish) Sarah Herman (appointed 16 October 2015) |
| REGISTERED NUMBER | 06580907 |
| REGISTERED OFFICE | International House 24 Holborn Viaduct London EC1A 2BN |
| INDEPENDENT AUDITORS | BDO Statutory Audit Firm Beaux Lane House Mercer Street Lower Dublin 2 |

QSAT Caledonian Broadband Limited

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QSAT Caledonian Broadband Limited

Directors' Report

For the 18 month period from 1 July 2014 to 31 December 2015

The directors present their report and the financial statements for the financial period ended 31 December 2015.

PRINCIPAL ACTIVITY

The principal activity of the company is the provision of broadband services and associated products.

BUSINESS REVIEW

The directors have reviewed and are satisfied with the results for the financial period ended 31 December 2015.

RESULTS AND DIVIDENDS

The profit for the financial period, after taxation, amounted to £42,713 (2014 - loss £38,702).

The directors do not recommend the payment of a dividend.

DIRECTORS

The directors and secretary who held office during the period are listed with the company information and hold no direct interest in the company.

David Whelan, who resigned on 16th October 2015, holds a 10% interest in the shares of the immediate parent company, Alphasat Communications Limited, a company registered in Ireland.

Niall Quinn holds a 50% interest in the shares of the ultimate parent company, Q Sat Holdings Limited, a company registered in Ireland.

There have been no changes in shareholdings since the period end.

FUTURE DEVELOPMENTS

The directors do not anticipate any changes in the nature of the business.

DISCLOSURE OF INFORMATION TO AUDITORS

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

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

QSAT Caledonian Broadband Limited

Directors' Report

For the 18 month period from 1 July 2014 to 31 December 2015

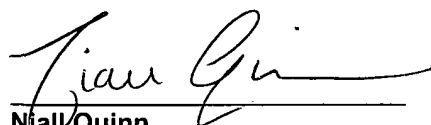
POST BALANCE SHEET EVENTS

There have been no significant events affecting the company since the financial period end.

AUDITORS

The auditors, BDO, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

A handwritten signature in black ink, appearing to read 'Niall Quinn', is written over a horizontal line.

Niall Quinn
Director

Date: 5/12/16

QSAT Caledonian Broadband Limited

Directors' Responsibilities Statement

For the 18 month period from 1 July 2014 to 31 December 2015

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 financial statements and then apply them consistently;
- make judgments 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.



Independent Auditors' Report to the Members of QSAT Caledonian Broadband Limited

We have audited the financial statements of QSAT Caledonian Broadband Limited for the financial year ended 31 December 2015, which comprise the Statement of Income and Retained Earnings, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the 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'.

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 Auditors' 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.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit for the financial 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.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion 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.



Independent Auditors' Report to the Members of QSAT Caledonian Broadband Limited

EMPHASIS OF MATTER

Without qualifying our opinion we have considered the adequacy of the disclosures made in note 3 on page 12 of the financial statements concerning the appropriateness of the going concern basis in the preparation of the financial statements. The company's ability to continue as a going concern is dependent upon the continued support of its parent company, Alphaset Communications Limited. The directors are currently negotiating bandwidth costs with their principal supplier, Avanti Communications Group Plc and are confident of a mutually acceptable outcome for both parties.

This factor together with those set out in note 3, indicate the existence of a material uncertainty which may cast significant doubt on the company's ability to continue as a going concern.

The financial statements do not include any adjustments that would be necessary if the company was not able to continue as a going concern.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where 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 take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

Gavin Smyth (Senior Statutory Auditor)
for and on behalf of

BDO
Dublin
Statutory Audit Firm
AI223876

Date: 5 December 2016

QSAT Caledonian Broadband Limited

**Statement of Income and Retained Earnings
For the 18 month period from 1 July 2014 to 31 December 2015**

| | Note | 2015 £ | 2014 £ |
|---|------|------------------------|-------------------------|
| Turnover | 5 | 638,815 | 482,926 |
| Cost of sales | | <u>(569,183)</u> | <u>(523,224)</u> |
| GROSS PROFIT/(LOSS) | | 69,632 | (40,298) |
| Administrative expenses | | <u>(26,919)</u> | <u>1,596</u> |
| OPERATING PROFIT/(LOSS) | | 42,713 | (38,702) |
| Taxation | 6 | <u>-</u> | <u>-</u> |
| PROFIT/(LOSS) AFTER TAX | | <u>42,713</u> | <u>(38,702)</u> |
| Retained earnings at the beginning of the financial period | | (125,986) | (87,284) |
| Profit/(loss) for the financial period | | <u>42,713</u> | <u>(38,702)</u> |
| RETAINED EARNINGS AT THE END OF THE FINANCIAL PERIOD | | <u>(83,273)</u> | <u>(125,986)</u> |

The notes on pages 9 - 16 form part of these financial statements.

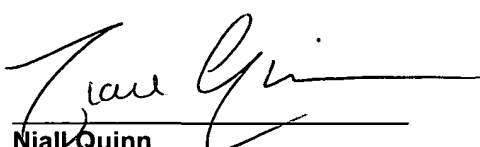
QSAT Caledonian Broadband Limited
Registered number: 06580907

Balance Sheet
As at 31 December 2015

| | Note | 2015 £ | 2014 £ |
|--|------|------------------------|-------------------------|
| CURRENT ASSETS | | | |
| Debtors: amounts falling due within one year | 7 | 61,577 | 316 |
| Cash at bank and in hand | 8 | <u>124</u> | <u>84</u> |
| | | 61,701 | 400 |
| Creditors: amounts falling due within one year | 9 | <u>(144,874)</u> | <u>(126,286)</u> |
| NET LIABILITIES | | <u>(83,173)</u> | <u>(125,886)</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 11 | 100 | 100 |
| Profit and loss account | 12 | <u>(83,273)</u> | <u>(125,986)</u> |
| SHAREHOLDERS' DEFICIT | | <u>(83,173)</u> | <u>(125,886)</u> |

The company's financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

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


Niall Quinn
Director

Date: 5/12/16

The notes on pages 9 - 16 form part of these financial statements.

QSAT Caledonian Broadband Limited

Statement of Cash Flows
For the 18 month period from 1 July 2014 to 31 December 2015

| | 2015 | 2014 |
|---|-----------------|-----------------|
| | £ | £ |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit/(loss) for the financial period | 42,713 | (38,702) |
| ADJUSTMENTS FOR: | | |
| (Increase)/decrease in debtors | (88) | 639 |
| Increase in amounts owed by group undertakings | (61,173) | - |
| Decrease in creditors | (155) | (5,532) |
| Increase in amounts owed to groups undertakings | 18,743 | 43,594 |
| NET CASH GENERATED FROM OPERATING ACTIVITIES | 40 | (1) |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | 40 | (1) |
| Cash and cash equivalents at beginning of financial period | 84 | 85 |
| CASH AND CASH EQUIVALENTS AT THE END OF FINANCIAL PERIOD | 124 | 84 |
| CASH AND CASH EQUIVALENTS AT THE END OF FINANCIAL PERIOD COMPRISE: | | |
| Cash at bank and in hand | 124 | 84 |

QSAT Caledonian Broadband Limited

Notes to the Financial Statements For the 18 month period from 1 July 2014 to 31 December 2015

1. GENERAL INFORMATION

These financial statements comprising the Statement of Income and Retained Earnings, the Balance Sheet, the Statement of Cash Flows and related notes 1 to 17 constitute the individual financial statements of QSAT Caledonian Broadband Limited for the financial period from 1 July 2014 to 31 December 2015.

Information on the impact of first time adoption of FRS102 is given in note 17.

QSAT Caledonian Broadband Limited is a private company limited by shares, incorporated in the United Kingdom. The registered office is International House, 24 Holburn Viaduct, London, EC1A 2BN. The principal place of business of the company is Suite 6, Plaza 256, Blanchardstown Corporate Park 2, Dublin 15, Ireland. The nature of the company's activities and principal activities are set out in the Directors Report on pages 1 to 2.

The net balance sheet deficit at 31 December 2015 amounts to £83,173 (2014: £125,886). The company does not have any external debt and its deficit arise from intercompany recharges from another group company, QSAT Broadband UK Limited.

The company has received written confirmation from this company that they will not call on their intercompany creditor of £144,795 for at least twelve months from the date of approval of these financial statements unless sufficient funds are available to repay this balance in part or in full.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 4).

The following principal accounting policies have been applied:

2.2 Revenue

Turnover is generated from the provision of broadband services to customers and installation fees.

Turnover generated from broadband services represents the total invoice value, excluding value added tax, of sales made during the year falling within the company's ordinary activities. Turnover is recognised as the service is provided to customers.

Installation fees are recognised upon completion of the on-site installation.

2.3 Debtors

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

QSAT Caledonian Broadband Limited

Notes to the Financial Statements For the 18 month period from 1 July 2014 to 31 December 2015

2. ACCOUNTING POLICIES (continued)

2.4 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.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

2.5 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable 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 payables or receivables, 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 financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- i) at fair value with changes recognised in the Statement of Income and Retained Earnings if the shares are publicly traded or their fair value can otherwise be measured reliably;
- ii) at cost less impairment for all other investments.

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 Income and Retained Earnings.

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, 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.

QSAT Caledonian Broadband Limited

Notes to the Financial Statements

For the 18 month period from 1 July 2014 to 31 December 2015

2. ACCOUNTING POLICIES (continued)

2.5 Financial instruments (continued)

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.6 Creditors

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

2.7 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

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 Income and Retained Earnings 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 Income and Retained Earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Income and Retained Earnings within 'other operating income'.

QSAT Caledonian Broadband Limited

**Notes to the Financial Statements
For the 18 month period from 1 July 2014 to 31 December 2015**

3. GOING CONCERN

The financial statements have been prepared on the Going Concern basis. The company is reliant upon the support of its parent company, Alphasat Communications Limited. The company operates a management re-charge arrangement with its parent company as it receives back office support for billing, collections and other administrative services.

At the balance sheet date the company's accumulated loss amounted to £83,273 (2014: £125,986) and its net deficit position stood at £83,173 (2014: £125,886).

Alphasat Communications Limited is currently involved in a price negotiation with its principal supplier, Avanti Communications Group Plc, with a view to settling a historic payable balance and agreeing a prospective monthly bandwidth cost.

The directors are confident that a mutually acceptable resolution will be found and that monthly bandwidth costs will significantly reduce and as such ensuring the future profitability of the company.

The directors consider it appropriate to prepare these financial statements on the going concern basis.

**4. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION
UNCERTAINTY**

In preparing these financial statements, the directors have made the following judgement:

Determine whether there are indicators of impairment of total amounts due from group company. Factors taken into consideration in reaching such a decision include the economic viability and the expected future financial performance of the assets.

QSAT Caledonian Broadband Limited

**Notes to the Financial Statements
For the 18 month period from 1 July 2014 to 31 December 2015**

5. ANALYSIS OF TURNOVER

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

| | 2015 £ | 2014 £ |
|--------------------|----------------|----------------|
| Broadband services | <u>638,815</u> | <u>482,926</u> |

Analysis of turnover by country of destination:

| | 2015 £ | 2014 £ |
|----------------|----------------|----------------|
| United Kingdom | <u>638,815</u> | <u>482,926</u> |

6. TAXATION

| | 2015 £ | 2014 £ |
|---|-----------|-----------|
| TAXATION ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES | <u>-</u> | <u>-</u> |

Factors affecting tax charge for the financial period

The tax assessed for the financial period is the same as (2014 -the same as) the standard rate of corporation tax in the UK of 20.5% (2014 -21%) as set out below:

| | 2015 £ | 2014 £ |
|--|---------------|-----------------|
| Profit/(loss) on ordinary activities before tax | <u>42,713</u> | <u>(38,702)</u> |
| Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.5% (2014 -21%) | 8,756 | (8,127) |

EFFECTS OF:

| | | |
|---|----------|----------|
| Expenses not deductible for tax purposes, other than goodwill amortisation and impairment | 2,377 | 21 |
| Total net tax adjustments and transfers | 1,846 | - |
| Deferred tax not recognised | (12,979) | |
| Utilisation of tax losses | | 8,106 |
| TOTAL TAX CHARGE FOR THE FINANCIAL PERIOD | <u>-</u> | <u>-</u> |

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There were no factors that may affect future tax charges.

QSAT Caledonian Broadband Limited

Notes to the Financial Statements
For the 18 month period from 1 July 2014 to 31 December 2015

7. DEBTORS

| | 2015 | 2014 |
|--|---------------|-------------|
| | £ | £ |
| Trade debtors | 304 | 216 |
| Amounts owed by group undertakings (Note 15) | 61,173 | - |
| Other debtors | 100 | 100 |
| | 61,577 | 316 |

8. CASH AND CASH EQUIVALENTS

| | 2015 | 2014 |
|--------------------------|-------------|-------------|
| | £ | £ |
| Cash at bank and in hand | 124 | 84 |

9. CREDITORS: Amounts falling due within one year

| | 2015 | 2014 |
|--|----------------|----------------|
| | £ | £ |
| Trade creditors | 79 | 234 |
| Amounts owed to group undertakings (Note 15) | 144,795 | 126,052 |
| | 144,874 | 126,286 |

QSAT Caledonian Broadband Limited

Notes to the Financial Statements
For the 18 month period from 1 July 2014 to 31 December 2015

10. FINANCIAL INSTRUMENTS

| | 2015 | 2014 |
|--|---------------|-------------|
| | £ | £ |
| FINANCIAL ASSETS | | |
| Financial assets measured at fair value through profit or loss | 124 | 84 |
| Financial assets measured at amortised cost | 61,577 | 316 |
| | 61,701 | 400 |

FINANCIAL LIABILITIES

| | | |
|--|----------------|----------------|
| Financial liabilities measured at amortised cost | 144,874 | 126,286 |
| | 144,874 | 126,286 |

Financial assets measured at fair value through profit or loss comprises cash at bank.

Financial assets measured at amortised cost comprise amounts owed by group undertakings and trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise amounts owed to group undertakings and trade creditors.

11. SHARE CAPITAL

| | 2015 | 2014 |
|---|-------------|-------------|
| | £ | £ |
| Authorised | | |
| 100 - Ordinary shares of £1 each | 100 | 100 |
| | 100 | 100 |
| Allotted, called up and fully paid | | |
| 100 - Ordinary shares of £1 each | 100 | 100 |
| | 100 | 100 |

QSAT Caledonian Broadband Limited

**Notes to the Financial Statements
For the 18 month period from 1 July 2014 to 31 December 2015**

12. RESERVES

Profit and loss account

The profit and loss account represents cumulative gains and losses recognised in the Statement of Income and Retained Earnings, net of transfers to/from other reserves and dividends paid.

13. CONTINGENT LIABILITIES

The directors confirm that no contingent liabilities existed at the financial period end.

14. CAPITAL COMMITMENTS

The directors confirm that no capital commitments existed at the period end.

15. RELATED PARTY TRANSACTIONS

During the period, the company received services and funding from its parent company, Alphasat Communications Limited, a company incorporated in Ireland, to the value of £574,190 and £658,388 was repaid. A foreign exchange loss of £16,535 was also realised. At the period end, the balance owing from Alphasat Communications Limited was £61,173 (2014: balance owing to Alphasat Communications Limited of £6,490).

During the period, the company received services and funding from QSAT Broadband UK Limited, a company incorporated in the United Kingdom under common ownership, to the value of £9,166. At the period end, the balance owing to QSAT Broadband UK Limited was £144,795 (2014: £119,562).

16. PARENT COMPANY AND ULTIMATE PARENT COMPANY

The directors consider Alphasat Communications Limited, a company having its registered office at Blanchardstown, Dublin 15, Ireland, to be the immediate parent company by virtue of its shareholding in the company.

The directors consider QSAT Holdings Limited, a company having its registered office at Blanchardstown, Dublin 15, Ireland, to be the ultimate parent company by virtue of its shareholding in the parent company.

17. FIRST TIME ADOPTION OF FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.