

Registered No: 4190833

mmO2 Limited

Annual Report and Financial Statements

Year ended 31 December 2022



Contents	Page
Company information	3
Directors' report	4
Statement of Directors' responsibilities in respect of the financial statements	6
Independent auditors' report to the members of mmO2 Limited	7
Statement of comprehensive income	10
Statement of financial position	11
Statement of changes in equity	12
Statement of cash flows	13
Notes to the financial statements	14

Company information

Directors

Thomas Peter De Albuquerque
Guillermo Martinez Maside

Secretary

Prism Cosec Limited

Registered office

Highdown House
Yeoman Way
Worthing
West Sussex
BN99 3HH

Independent Auditors

PricewaterhouseCoopers LLP
40 Clarendon Road
Watford
Hertfordshire
WD17 1JJ

Directors' report

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

Legal form & Principal Activities

mmO2 Limited (the "Company") is a Private Company limited by shares, incorporated in England and Wales under the number 4190833 and domiciled in the United Kingdom. The registered office address is Highdown House, Yeoman Way, Worthing, West Sussex, BN99 3HH. The Company is a wholly owned subsidiary of Telefonica O2 Holdings Limited. The ultimate holding company is Telefónica, S.A., a company incorporated in Spain. The Company does not trade and does not have any employees or suppliers. During 2022 the company settled all the Intercompany balance and declared an interim dividend as main transactions.

Future Developments

During the year, the Company declared and paid an interim dividend to its shareholder the effect of this was to distribute the total accumulated retained earnings amounting to £81k. Pre-tax profits for the year were £Nil (2021: £48k). It is anticipated that from 2023 onwards the Company will qualify as a dormant company in accordance with section 480 of the Companies Act 2006.

Directors and Secretary

The Directors who held office during the year and at the date of this report are as follows:

Thomas Peter De Albuquerque
Guillermo Martinez Maside

The Secretary who held office during the year was Prism Cossec Limited.

Employees

The Company did not have any employees during the year ended 31 December 2022 (2021: Nil).

Financial Risk Management

The Company's principal financial assets comprise of cash, £2. The Company does not have any financial liabilities at year end. The principal financial risks of the Company and how the Company manages these risks are therefore not applicable.

Directors' liability insurance and indemnity

Telefonica O2 Holdings Limited, the Company's ultimate UK parent company, has granted an indemnity in the form permitted by UK Company Law to Directors appointed to subsidiary companies. This indemnity remains in place and continues until such time as any relevant limitation periods for bringing claims (as defined in the indemnity) against the Director has expired, or for so long as the past Director, where relevant, remains liable for any losses (as defined in the indemnity).

Political donations

The Company made no political donations during the year ended 31 December 2022 (2021: £Nil).

Directors' report (continued)

Dividend declaration

The company declared and paid a dividend of £81k during the year ended 31 December 2022 (2021: £100,667k).

Statement of disclosure of information to Auditors

So far as each Director is aware, there is no relevant audit information of which the Company's auditors are unaware. The Directors have taken all the steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Small companies' exemption

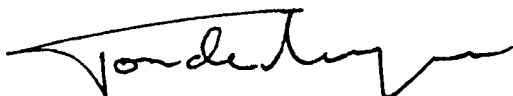
In preparing the Annual Report and Financial Statements for the year ended 31 December 2022, the Directors have taken advantage of the small companies' exemption under section 414 (B) not to prepare a Strategic Report.

Independent Auditors

PricewaterhouseCoopers LLP were deemed to be re-appointed as auditors and have audited these accounts. As the Company will meet the requirements for a dormant company pursuant to section 480 of the Companies Act 2006, the Company will be exempt from producing audited accounts for the year ended 31 December 2023 and onwards.

The Directors' Report was approved by the Board on 8 June 2023.

By Order of the Board

A handwritten signature in black ink, appearing to read 'T. de Albuquerque', with a stylized flourish at the end.

Thomas Peter de Albuquerque
Director

Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with UK-adopted international accounting standards.

Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

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

The Directors are 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.

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.

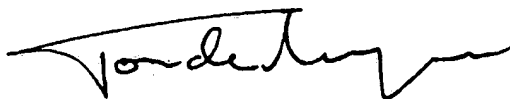
Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the 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 Statement of Directors' responsibilities was approved by the Board on 8 June 2023.

By Order of the Board



Thomas Peter de Albuquerque
Director

Independent auditors' report to the members of mmO2 Limited

Report on the audit of the financial statements

Opinion

In our opinion, mmO2 Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its result for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 31 December 2022; the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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

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

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

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

Reporting on other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

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

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

Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase income or reduce expenditure. Audit procedures performed by the engagement team included:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management and the those charged with governance about existing and potential litigation and claims, and known or suspected instances of non-compliance with laws and regulations and fraud;
- addressing the risk of fraud through management override of controls by testing the appropriateness of journal entries, including journal entries with unusual account combinations.

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

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

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

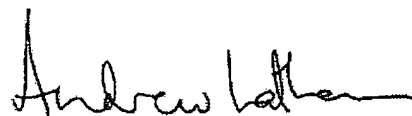
Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Andrew Latham (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Watford
8 June 2023

Statement of comprehensive income
For the year ended 31 December 2022

		Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
	Note		
Other income		-	15
Operating costs		-	(4)
Operating profit		-	11
Financial income		-	37
Profit before taxation		-	48
Taxation charge	4	-	-
Profit for the financial year		-	48
Total comprehensive income for the year		-	48

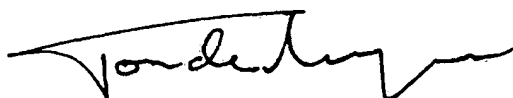
The accompanying notes on pages 14 to 16 are an integral part of these financial statements.

Statement of financial position
As at 31 December 2022

	Note	31 December 2022 £'000	31 December 2021 £'000
Current assets			
Cash and cash equivalents		-	81
Net assets		-	81
Equity			
Retained earnings	6	-	81
Total equity		-	81

The accompanying notes on pages 14 to 16 are an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 8 June 2023 and were signed on its behalf by:



Thomas Peter de Albuquerque
Director

Statement of changes in equity
For the year ended 31 December 2022

	Share capital £'000	Share premium £'000	Other reserves £'000	Retained earnings £'000	Total equity £'000
	(Note 5)				
At 1 January 2021				100,700	100,700
Total comprehensive income	-	-	-	48	48
Return of capital				(100,667)	(100,667)
At 31 December 2021	-	-	-	81	81
Distribution of Dividends (Note 6)	-	-	-	(81)	(81)
At 31 December 2022	-	-	-	-	-

The accompanying notes on pages 14 to 16 are an integral part of these financial statements.

Statement of cash flows
For the year ended 31 December 2022

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Cash flows from operating activities		
Profit for the year	-	48
Adjustment for:		
Net financial income	-	(37)
Decrease in other receivables	-	100,667
Decrease in trade and other payables	-	(42)
Net cash flows from operating activities	-	100,636
Dividends paid	(81)	(100,667)
Interest received	-	37
Net cash flow from investing activities	(81)	(100,630)
Net increase/(decrease) in cash and cash equivalents	(81)	6
Cash and cash equivalents at 1 January	81	75
Cash and cash equivalents at 31 December	-	81

The accompanying notes on pages 14 to 16 are an integral part of these financial statements.

**Notes to the financial statements
For the year ended 31 December 2022****1. Significant accounting policies*****1a. Basis of preparation***

These financial statements have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The principal accounting policies of the Company applied in the preparation of these financial statements are set out below. The IFRS accounting policies have been applied consistently to all years presented.

1b. Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least the 12-month period from the date on which the financial statements were approved, and thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1c. Functional currency

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

Transactions denominated in foreign currencies are translated at the exchange rate on the day the transaction occurred to the functional currency of the entity. Monetary assets and liabilities denominated in foreign currencies are translated at the rates ruling at the statement of financial position date.

Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities denominated in foreign currency are translated at the foreign currency exchange rate ruling at the dates the non-monetary assets and liabilities are recognised.

1d. Taxation

The charge for current tax is based on the results for the year as adjusted for items which are non-assessable or disallowed. Income tax relating to items recognised in other comprehensive income or in equity is also recognised directly in other comprehensive income or in equity respectively.

1e. Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. Cash and cash equivalents relate entirely to cash at bank only.

1f. New IFRS and interpretations of the International Financial Reporting Interpretations Committee (IFRS IC)

The Company has not applied any new standards for the first time during the year ended 31 December 2022.

1g. New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for the year ended 31 December 2022 and have not been early adopted by the Company. None of these are expected to have a material impact on the Company in the current or future reporting years and on foreseeable future transactions.

Notes to the financial statements

For the year ended 31 December 2022

2. Critical accounting estimates and judgements

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise judgement in the process of applying the Company's accounting policies. A significant change in the facts and circumstances on which these estimates are based could have a material impact on the Company's earnings and financial position. There are no estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. Auditors' remuneration

Auditors' remuneration for the year ended 31 December 2022 of £16k (2021: £80k) was borne by the parent entity.

4. Taxation charge

The analysis of the charge for the year is as follows:

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Current tax charge	-	-

The tax assessed for the year is equal to the amount computed by applying the UK statutory tax rate to profit or loss on ordinary activities before taxation.

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Profit before taxation	-	48
Profit on ordinary activities multiplied by the rate of UK corporation tax of 19% (2021: 19%)	-	(9)
Group relief not paid for	-	9
Taxation – total charge for the year	-	-

The statutory tax rate is the U.K. rate of 19.0%. In March 2021, legislation was introduced to increase the U.K. corporate income tax rate from 19.0% to 25.0% from 1 April 2023. This rate change was substantively enacted on 24 May 2021 (Finance Bill 2021). The increased tax rate had no effect on our statement of financial position at 31 December 2022.

Notes to the financial statements
For the year ended 31 December 2022

5. Share capital

	31 December 2022 Number of shares	31 December 2022 £'000	31 December 2021 Number of shares	31 December 2021 £'000
Share Capital				
Called up, allotted and fully paid				
Ordinary shares £1 each	2	-	2	-

6. Declared dividend

On 29 September 2022 the company declared and paid a dividend of £81k to Telefonica O2 Holdings Limited.

7. Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue to operate as a going concern, to maintain optimal capital structure commensurate with risk and return and to reduce the cost of capital. The Company is not subject to any externally imposed capital requirements.

8. Key management and Directors' compensation

None of the Directors received any emoluments in respect of their services to the Company for the year ended 31 December 2022 (2021: None).

9. Parent company and controlling party

At 31 December 2022, the immediate parent company was Telefonica O2 Holdings Limited, a company incorporated in England and Wales. Copies of the financial statements of Telefonica O2 Holdings Limited can be obtained from Companies House.

The largest group in which the Company is included is the ultimate parent company and controlling party at 31 December 2022, Telefónica, S.A., a company incorporated in Spain. Copies of the consolidated financial statements of Telefónica, S.A. may be obtained in its website at www.telefonica.com or from its registered address, Gran Vía, 28, Madrid, Spain.