

Company Registration No. 04830990 (England and Wales)

EUTELSAT UK LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

EUTELSAT UK LIMITED

COMPANY INFORMATION

Directors	M Taylor C Caudrelier A Carron
Company number	04830990
Registered office	3rd Floor The Westworks Wood Lane London W12 7FQ
Auditor	Mazars LLP Chartered Accountants & Statutory Auditors 30 Old Bailey London EC4M 7AU

EUTELSAT UK LIMITED

CONTENTS

	Page
Directors' report	1
Directors' responsibilities statement	2
Independent auditor's report	3 - 6
Statement of comprehensive income	7
Balance sheet	8
Statement of changes in equity	9
Notes to the financial statements	10 - 20

EUTELSAT UK LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

The directors present their annual report and financial statements for the year ended 30 June 2023.

Principal activities

The Company is a wholly owned subsidiary of Eutelsat S.A., a company incorporated in France. The principal activity of the Company is that of sales representation for its parent company and the wider Eutelsat group.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

N Daly	(Resigned 30 September 2022)
S Teran	(Resigned 25 November 2022)
M Taylor	
D Bertolotti	(Resigned 23 February 2024)
C Caudrelier	(Appointed 13 December 2022)
A Carron	(Appointed 23 February 2024)

Results and dividends

The profit for the year, after taxation, amounted to €105,935 (2022: €246,589).

The directors do not recommend payment of a dividend (2022 - €nil).

Future developments

The company will continue to provide support to the wider Eutelsat group.

Following the invasion of Ukraine by the Russian Federation, management have reviewed operations and concluded there is no impact to the company's operations.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Mazars LLP will therefore continue in office.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

M Taylor
Director

14 March 2024

EUTELSAT UK LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 JUNE 2023

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 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 judgments and accounting estimates that are reasonable and prudent;
- 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.

EUTELSAT UK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EUTELSAT UK LIMITED

Opinion

We have audited the financial statements of Eutelsat UK Limited (the 'company') for the year ended 30 June 2023 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

EUTELSAT UK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF EUTELSAT UK LIMITED

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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 2, 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.

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 the financial statements.

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

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.

EUTELSAT UK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) **TO THE MEMBERS OF EUTELSAT UK LIMITED**

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation and anti money laundering.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition, which we pointed to completeness and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

EUTELSAT UK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF EUTELSAT UK LIMITED

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.

Rachel Lawton (Senior Statutory Auditor)
For and on behalf of Mazars LLP

14 March 2024

Chartered Accountants
Statutory Auditor

Chartered Accountants & Statutory Auditors

30 Old Bailey
London
EC4M 7AU

EUTELSAT UK LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 €	2022 €
Turnover	2	2,131,319	4,863,517
Cost of sales		-	(7,195,361)
Gross profit/(loss)		2,131,319	(2,331,844)
Administrative expenses		(1,980,277)	2,266,019
Operating profit/(loss)	3	151,042	(65,825)
Interest receivable and similar income	7	-	157,805
Interest payable and similar expenses	8	(18,503)	(5,913)
Profit before taxation		132,539	86,067
Tax on profit	9	(26,604)	160,522
Profit for the financial year		105,935	246,589

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There were no recognised gains and losses for 2023 or 2022 other than those included in the profit and loss and therefore the statement of other comprehensive income has not been disclosed.

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

EUTELSAT UK LIMITED

BALANCE SHEET

AS AT 30 JUNE 2023

		2023		2022	
	Notes	€	€	€	€
Fixed assets					
Tangible assets	10		241		1,347
Current assets					
Debtors	11	459,341		319,448	
Cash at bank and in hand		2,021,042		3,064,104	
		<u>2,480,383</u>		<u>3,383,552</u>	
Creditors: amounts falling due within one year	12	<u>(1,482,868)</u>		<u>(2,493,078)</u>	
Net current assets			<u>997,515</u>		<u>890,474</u>
Net assets			<u>997,756</u>		<u>891,821</u>
Capital and reserves					
Called up share capital	14	1,580,579		1,580,579	
Profit and loss reserves		<u>(582,823)</u>		<u>(688,758)</u>	
Total equity			<u>997,756</u>		<u>891,821</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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

The financial statements were approved by the board of directors and authorised for issue on 14 March 2024 and are signed on its behalf by:

M Taylor
Director

Company registration number 04830990 (England and Wales)

EUTELSAT UK LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Share capital €	Profit and loss reserves €	Total €
Balance at 1 July 2021		158,035,647	(935,347)	157,100,300
Year ended 30 June 2022:				
Profit and total comprehensive income		-	246,589	246,589
Reduction of shares	14	(156,455,068)	-	(156,455,068)
Balance at 30 June 2022		1,580,579	(688,758)	891,821
Year ended 30 June 2023:				
Profit and total comprehensive income		-	105,935	105,935
Balance at 30 June 2023		1,580,579	(582,823)	997,756

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

EUTELSAT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

Company information

Eutelsat UK Limited is a private company limited by shares incorporated in England and Wales. The registered office is 3rd Floor, The Westworks, Wood Lane, London, England, W12 7FQ.

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the financial reporting standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

The following principal accounting policies have been applied:

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Eutelsat Communications Group S.A. as at 30 June 2023 and these financial statements may be obtained from 32 Boulevard Gallieni, 92130, Issy-les-Moulineaux, France.

1.2 Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Director's Report.

The Company meets its day to day working capital requirements through a group loan agreement. The current economic conditions create no uncertainty as all costs before tax are incidental to the running of the company, and turnover is costs above EBITDA plus 7%. Profit levels are therefore predictable and consistent.

The Company's forecasts show that the Company should be able to operate with the continued support of the group through the ongoing service legal agreements.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

EUTELSAT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.4 Tangible fixed assets

Borrowing costs incurred for the financing of tangible assets are capitalised with respect to the portion incurred during the period of construction, the capitalised interest is calculated on the basis of a capitalisation rate, which is equal to the weighted average of the Group's borrowing costs.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% reducing balance
Computers	25% reducing balance
Satellites	Straight line over 15 years

The satellites are amortised as of their technical entry into service. The period between the launch of a satellite and its technical entry into service can vary between one and nine months depending on the propulsion method used by the satellite.

The company conducts an annual review of the remaining useful lives of its in-orbit satellites on the basis of both their forecast utilisation and the technical assessment of their useful lives. In case the useful life is reduced or extended, the amortisation schedule is revised prospectively.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

"Construction in progress" primarily consists of milestone completion payments for the construction of future satellites and advances paid in respect of launch vehicles and related launch insurance costs.

EUTELSAT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

EUTELSAT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

EUTELSAT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

1.12 Share-based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the statement of comprehensive income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before the vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to statement of comprehensive income over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the statement of comprehensive income is charged with fair value of good and services received.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Turnover and other revenue

	2023	2022
	€	€
Turnover analysed by geographical market		
Europe	2,131,319	4,863,517
	<u> </u>	<u> </u>
	2023	2022
	€	€
Other revenue		
Interest income	-	157,805
	<u> </u>	<u> </u>

3 Operating profit/(loss)

	2023	2022
	€	€
Operating profit/(loss) for the year is stated after charging/(crediting):		
Exchange losses	5,284	93,692
Depreciation of owned tangible fixed assets	80	3,829,887
Loss/(profit) on disposal of tangible fixed assets	1,025	(7,822,325)
Operating lease charges	89,901	88,668
	<u> </u>	<u> </u>

EUTELSAT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

4 Auditor's remuneration

	2023	2022
	€	€
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	20,500	18,590
	<u>20,500</u>	<u>18,590</u>

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Management	1	2
Sales	7	4
	<u>8</u>	<u>6</u>
Total	<u>8</u>	<u>6</u>

Staff costs, including directors' remuneration, were as follows:

	2023	2022 as restated
	€	€
Wages and salaries	1,339,259	1,063,035
Social security costs	184,389	141,532
Pension costs	100,117	108,700
	<u>1,623,765</u>	<u>1,313,267</u>

The 2022 figures have been restated to correct a cost allocation in respect of a contracted employee previously included within employee benefits.

6 Directors' remuneration

	2023	2022
	€	€
Remuneration for qualifying services	432,621	493,684
Company pension contributions to defined contribution schemes	34,552	37,997
	<u>467,173</u>	<u>531,681</u>

EUTELSAT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

6 Directors' remuneration

(Continued)

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2023	2022
	€	€
Remuneration for qualifying services	280,888	280,949
Company pension contributions to defined contribution schemes	17,440	20,840
	<u>298,328</u>	<u>301,789</u>

7 Interest receivable and similar income

	2023	2022
	€	€
Interest income		
Interest receivable from group companies	-	157,805
	<u>-</u>	<u>157,805</u>

8 Interest payable and similar expenses

	2023	2022
	€	€
Bank interest paid	18,503	5,913
	<u>18,503</u>	<u>5,913</u>

9 Taxation

	2023	2022
	€	€
Current tax		
UK corporation tax on profits for the current period	26,604	-
	<u>26,604</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	-	(160,522)
	<u>-</u>	<u>(160,522)</u>
Total tax charge/(credit)	<u>26,604</u>	<u>(160,522)</u>

EUTELSAT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

9 Taxation

(Continued)

The actual charge/(credit) for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023 €	2022 €
Profit before taxation	132,539	86,067
Expected tax charge based on the standard rate of corporation tax in the UK of 20.50% (2022: 19.00%)	27,170	16,353
Tax effect of expenses that are not deductible in determining taxable profit	9,632	-
Gains not taxable	-	698,115
Other permanent differences	-	(963,651)
Deferred tax not recognised	(12,439)	167,350
Deferred tax adjustment to average rate	2,241	(78,689)
Taxation charge/(credit) for the year	26,604	(160,522)

The Company has unrecognised tax losses carried forward amounting to €2,177,570 (2022 - €2,177,570) available for utilisation in future periods where the tax rate will increase to 25%. This is not recognised as a deferred tax asset. The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

10 Tangible fixed assets

	Fixtures and fittings €	Computers €	Total €
Cost			
At 1 July 2022	1,764	12,961	14,725
Disposals	(150)	(11,496)	(11,646)
At 30 June 2023	1,614	1,465	3,079
Depreciation and impairment			
At 1 July 2022	1,717	11,661	13,378
Depreciation charged in the year	8	72	80
Eliminated in respect of disposals	(137)	(10,483)	(10,620)
At 30 June 2023	1,588	1,250	2,838
Carrying amount			
At 30 June 2023	26	215	241
At 30 June 2022	47	1,300	1,347

EUTELSAT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

11 Debtors

	2023	2022
	€	€
Amounts falling due within one year:		
Amounts owed by group undertakings	238,814	6,009
Other debtors	40,696	56,116
Prepayments and accrued income	179,831	257,323
	<u>459,341</u>	<u>319,448</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

12 Creditors: amounts falling due within one year

	2023	2022
	€	€
Trade creditors	12,549	1,015,361
Amounts owed to parent undertaking	949,794	5,582
Corporation tax	26,604	-
Other taxation and social security	29,640	35,134
Other creditors	-	97,965
Accruals and deferred income	464,281	1,339,036
	<u>1,482,868</u>	<u>2,493,078</u>

13 Retirement benefit schemes

	2023	2022
	€	€
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	100,117	108,700

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

Contributions totalling €10,179 (2022: €18,293) were payable to the funds at the balance sheet date.

EUTELSAT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

14 Share capital

	2023	2022
	€	€
Ordinary share capital		
Issued and fully paid		
123,305,690 shares at an average nominal price of €0.012 each (2022 - €1.2817 each)	<u>1,580,579</u>	<u>1,580,579</u>

On 1 July 2016 the company changed its functional currency to Euros. On conversion the opening balance sheet was translated at the rate prevailing at the time.

On 21 June 2022 the nominal value of each Ordinary share was reduced by €1.2697, and the amount of €156,455,068 by which the Company's share capital was so reduced, was repaid in cash to the sole shareholder, Eutelsat SA.

15 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
	€	€
Within one year	<u>63,542</u>	<u>50,322</u>

16 Related party transactions

As permitted by FRS102 section 33.1A, the financial statements do not disclose transactions with the parent company and fellow subsidiaries where 100% of the voting rights are controlled within the group.

17 Ultimate controlling party

The immediate parent Company is Eutelsat S.A., a Company incorporated in France, which owns 100% of the Share Capital in issue. The ultimate parent undertaking is Eutelsat Communications Group S.A., 32, Boulevard Gallieni, 92130 Issy-les-Moulineaux, Paris, France a company also incorporated in France. Consolidated Financial statements are available from this address.

EUTELSAT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

18 Share based payments

At the balance sheet date the parent company was not operating any share based payment incentive schemes (2022: four) based on the performance of Eutelsat Communications Group SA. Amounts calculated as bonus shares are only calculated based on the employee being employed at the vesting date.

The vesting date of the 2016 AGA free shares plan was 16 February 2020. The payment of this incentive was delayed due to Covid-19. The fair value of this scheme at the balance sheet date is estimated to be €nil (2022: €49,471). €49,471 (2022: €NIL) has been adjusted to the profit and loss this year, this is a reversal of the provision due to the departure of the only qualifying employee. This scheme has now ended.

The vesting date of the 2020 LTIP free shares plan was 30 June 2022. The fair value of this scheme at the balance sheet date at the vesting date was estimated to be €25,767. €26,921 was paid in August 2022 resulting in €1,154 being adjusted to the profit and loss this year. This scheme has now ended.

The vesting date of the 2021 LTIP free shares plan was planned to be 30 June 2023. The fair value of this scheme at the balance sheet date is estimated to be €nil (2022: €11,165) and €2,791 (2022:€11,165) has been adjusted to the profit and loss this year. The total provision to date was reversed in January 2023 totalling €13,956 due to the departure of the only qualifying employee. This scheme has now ended.

The vesting date of the 2022 LTIP free shares plan was planned to be 30 June 2024. The fair value of this scheme at the balance sheet date is estimated to be €nil (2022: €5,682) and €2,841 (2022:€5,682) has been adjusted to the profit and loss this year. The total provision to date was reversed in January 2023 totalling €8,523 due to the departure of the only qualifying employee. This scheme has now ended.

The fair value of the schemes are calculated based on the market value of the parent Company's shares (at the year end) multiplied by the number of shares to be issued. The number of shares to be issued is based on the Company's performance to date during the reference period and the charge has been apportioned on a straight line basis over the full vesting period.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.