

Registered no. 03116915

S.W.I.F.T. UK and Ireland Limited

**Report and Financial Statements for the financial year ended 31
December 2021**



Directors

R Stone (appointed 09 June 2022)
P Krekels
J Ellington (resigned on 09 June 2022)
G Agafonova (resigned on 31 July 2021)

Secretary

P Krekels

Independent Auditors

PRICEWATERHOUSECOOPERS LLP
Two Glass Wharf
Bristol
BS2 0FR

Registered Office

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Lincoln's Inn
London
WC2A 3TH
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Strategic Report

The Directors present their Strategic Report and the audited financial statements for the financial year ended 31 December 2021.

Principal activities

Consistent with previous years, the principal activity of the company during the financial year was the provision of network services for the UK securities and settlement system, both directly and as a consultancy for the holding company.

Review of the business

The company provides Certificateless Registry for Electronic Share Transfer ("CREST") services as well as promotion, marketing and pre-sales of SWIFT products and services in the UK. CREST is a UK based central securities depository for UK, Irish and International securities and government bonds, and has over 10,000 members. The CREST SWIFT service was established to increase the automation and connectivity to foreign depositories for the CREST settlement system. SWIFT has been accredited by CREST to carry data between CREST customers and the CREST system, using the data communications facilities offered by the SWIFT network and SWIFT interface located at the customer site.

| | 2021 £000 | 2020 £000 | Change % |
|----------------------------------|--------------|--------------|-------------|
| Turnover (continuing operations) | 37,758 | 25,865 | 46% |
| Operating profit | 3,422 | 1,152 | 197% |
| Profit for the financial year | 2,702 | 882 | 206% |
| Shareholders' equity | 6,931 | 4,229 | 64% |

The turnover of the company is driven by the transfer pricing mechanism between the entity and its parent company, S.W.I.F.T. SC. Under this mechanism, the entity is remunerated on a cost-plus, return of sales and profit-sharing basis. The increase in turnover in 2021 is linked to the increase in operating costs and in the return of sales.

Key performance indicators ("KPI")

The company KPIs are aligned to the SWIFT Group's KPIs. These KPIs are used by the management team to monitor the company's performance on a regular basis.

The main KPIs cover the following domains:

- Financial Results
- Customer Satisfaction
- People

The company has increased CREST traffic volume by 2% from last year and expanding the business in promotion, marketing and pre-sales of SWIFT products and services. This has contributed increase in turnover by 46% and operating profit by 197%.

The overall results for the financial year were in line with or better than budget.

Customer satisfaction with onboarding, ordering, professional services & support have shown an improvement compared to 2020. The company also recorded a reduction in the average number of cases raised for Community support customers.

In order to develop talents and diversity, the company initiated a series of initiatives, including a global mentoring programme and the promotion of diversity in management roles

Strategic Report (*continued*)

Principal risks and uncertainties and financial risks

The management of the business and execution of the company's strategy are subject to the following risks:

Market risk

Market risk defines the potential for variation in currency exchange rates and interest rates that adversely affect the value of the company's financial assets, liabilities or expected future cash flows.

Financial risk

The company finances its activities through cash generated from operations. Other financial assets and liabilities, such as debtors and creditors, arise directly from the company's operating activities. The main financial risks facing the business are the availability of funds to meet business needs; mainly servicing the company's customer receivables and the effect of fluctuations in exchange rates. The company has no financial debt and the revenue are secured through a solid transfer pricing mechanism, which will ensure that the company remains profitable over time.

Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting financial obligations due to shortage of funds. The company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The company's objective is to maintain a balance between continuity of funding and flexibility by monitoring and maintaining a level of cash and short-term deposits deemed adequate by management to finance the company's operations and mitigate the effects of fluctuation in cash flows.

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The company's exposure to credit risk arises primarily from debtors. The company minimises credit risk by dealing with recognised and creditworthy third parties, which have been assessed as low or medium collection risk. In addition, receivable balances are monitored on an ongoing basis with the result that the company's exposure to bad debts is not significant.

Approved by the Board on 14th September 2022 and signed on its behalf on 14th September 2022 by:



P Krekels
Director

Registered No. 03116915

Directors' Report

The Directors present their report and audited financial statements for the financial year ended 31 December 2021.

Results and dividends

The profit for the financial year after taxation amounted to £2,702k (2020: £882k). No dividend was paid during the financial year (2020 – NIL).

Future developments

The directors aim to continue developing existing products and services in the future, in line with SWIFT's overall strategy.

Going concern

During the current financial year the company made a profit of £2,702k (2020: profit of £882k) and had net assets of £6,931k (2020: £4,229k). On this basis the directors have considered the company's current and future prospects and its availability of financing, and is satisfied that the company can continue to pay its liabilities as they fall due over a period to 31 December 2023.

The directors have received a letter of support from S.W.I.F.T SC confirming that it will continue to support the company for a period to 31 December 2023.

The directors have made detailed enquiries, including confirmation of the strong liquidity position announced by S.W.I.F.T. SC and review of the latest financial results released in May 2022. After making these detailed enquiries, the directors are confident that S.W.I.F.T. SC has sufficient resources to enable it to provide continuous financial support.

Directors

The directors who served the company during the financial year and up to the approval date of the financial statements were as follows:

R Stone (appointed 09 June 2022)

P Krekels

J Ellington (resigned on 09 June 2022)

G Agafonova (resigned on 31 July 2021)

Political and charitable contributions

The company had no political expenditure during the financial year (2020: Nil). The company made charitable donations during the financial year of £3,466 (2020: £2,342).

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Directors' Report (Continued)

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report, 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework', and applicable law).

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;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and 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.

The financial statements on pages 10 to 28 were approved by the Board of Directors on 14th September 2022 and signed on its behalf by



P Krekels
Director

Independent auditors' report to the members of S.W.I.F.T. UK and Ireland Limited

Report on the audit of the financial statements

Opinion

In our opinion, S.W.I.F.T. UK and Ireland Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report and Financial Statements (the "Annual Report"), which comprise: the Statement of financial position as at 31 December 2021; Statement of comprehensive income and the Statement of changes in equity 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 Strategic report and 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.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2021 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 Strategic report and 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 in respect of the financial statements, 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 the requirements of UK Tax law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. 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 inappropriate journal entries. Audit procedures performed by the engagement team included:

- enquiries of management including consideration of known or suspected instances of non-compliance with laws and regulations and fraud
- reviewing relevant meeting minutes, including those of the Board; and
- identifying and testing journal entries, in particular unusual account combinations to income, where any such journals were identified.

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.



Nick Muzzlewhite (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol
14 September 2022

Statement of Comprehensive Income

For the financial year ended 31 December 2021

| | Notes | 2021 £000 | 2020 £000 |
|---|-------|--------------|--------------|
| Turnover | 3 | 37,758 | 25,865 |
| Other operating income | | 2 | 5 |
| Other expenses | 4 | (34,338) | (24,718) |
| Operating profit | 5 | <u>3,422</u> | <u>1,152</u> |
| Finance income | 7 | - | 4 |
| Finance costs | 8 | <u>(115)</u> | <u>(7)</u> |
| Profit before tax | | 3,307 | 1,149 |
| Tax on profit | 9 | <u>(605)</u> | <u>(267)</u> |
| Net profit and total comprehensive income for the financial year | | <u>2,702</u> | <u>882</u> |

All amounts relate to continuing activities.

The accompanying notes form an integral part of these financial statements.

Statement of Financial Position

As at ended 31 December 2021

| | Note | 2021 £000 | 2020 £000 |
|--|------|----------------|----------------|
| Non Current assets | | | |
| Property, plant and equipment | 11 | 839 | 1,151 |
| Right-of-use assets | 12 | 5,398 | 6,390 |
| Investments | 13 | - | - |
| | | <u>6,237</u> | <u>7,541</u> |
| Current assets | | | |
| Cash at bank and in hand | | 7,482 | 1,836 |
| Debtors | 14 | <u>8,339</u> | <u>8,737</u> |
| | | 15,821 | 10,573 |
| Creditors - amounts falling due within one year | 15 | <u>(9,610)</u> | <u>(8,221)</u> |
| Net current assets | | 6,211 | 2,352 |
| Creditors - Amounts falling due after more than one year | 16 | <u>(5,517)</u> | <u>(5,664)</u> |
| | | 694 | (3,312) |
| Net assets | | <u>6,931</u> | <u>4,229</u> |
| Capital and reserves | | | |
| Called up share capital | 17 | - | - |
| Retained earnings | | <u>6,931</u> | <u>4,229</u> |
| Total Shareholders' funds | | <u>6,931</u> | <u>4,229</u> |

The accompanying notes form an integral part of these financial statements.

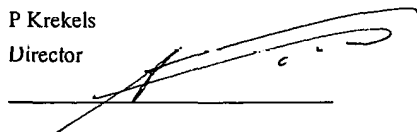
Company's registered no. 03116915

These financial statements were approved by the Board of Directors on 14th September 2022.

Signed on 14th September 2022 on behalf of the Board of Directors

P Krekels

Director



Statement of Changes in Equity

for the financial year ended 31 December 2021

| | Called up share capital | Retained earnings | Shareholders' funds |
|--|----------------------------|----------------------|------------------------|
| | £'000 | £'000 | £'000 |
| At 1 January 2020 | - | 3,347 | 3,347 |
| Profit for the financial year | - | 882 | 882 |
| Dividend paid | - | - | - |
| Total comprehensive income for the financial year | - | 882 | 882 |
| At 31 December 2020 | - | 4,229 | 4,229 |
| Profit for the financial year | - | 2,702 | 2,702 |
| Total comprehensive income for the financial year | - | 2,702 | 2,702 |
| At 31 December 2021 | - | 6,931 | 6,931 |

Called up share capital

The balance classified as share capital includes the nominal value on issue of the company's equity share capital, comprising £1 ordinary shares.

Retained Earnings

The balance classified as retained earnings includes the profit for the financial year of 2021 amounting to £2,702k (2020: £882k).

No dividend has been paid out through the intercompany account during the financial year (2020: NIL).

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

For the financial year ended 31 December 2021

1. Authorisation of Financial Statements and Statement of Compliance with FRS101

The financial statements of S.W.I.F.T. UK and Ireland Limited for the financial year ended 31 December 2021 were authorised for issue by the board of directors on 14th September 2022 and the balance sheet was signed on the board's behalf by P Krekels. S.W.I.F.T. UK and Ireland Limited is a private company, limited by shares, registered and domiciled in England and Wales. These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework. The registered office is:

2 Stone Buildings
Lincoln's Inn,
London
WC2A 3TH

The results of S.W.I.F.T. UK and Ireland Limited are included in the consolidated financial statements of S.W.I.F.T. SC which are available from the company Secretary at the address detailed in note 20.

The principal accounting policies adopted by the company are set out in note 2.

2. Accounting policies

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

2.1 Basis of preparation

The financial statements for the financial year ended 31 December 2016 were the first year the company had prepared in accordance with FRS 101 reduced disclosure framework. The company has continued to adopt the same FRS101 reduced disclosure framework as a basis of preparation for the financial year ended 31 December 2021. The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006

The company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

2.2 Changes in accounting policy

2.2.1 Standard and interpretations effective and adopted in the current financial year

The following amendments to standards are mandatory for the first time for the financial year beginning 1 January 2021.

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2, For the interest rate used on amount due from ultimate holding company, the Group is in progress of determining the most appropriate interest reference and mark-up to use for the intercompany positions. The Group aims to implement the new interest rate reference in the second half of the FY 2022. Details of interest rate are disclosed in Note 14.
- Amendments to IFRS 16 Leases Covid 19-Related Rent Concessions, effective 1 June 2020.
The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic.

The adoption of amendments listed above did not have any impact on the current period or any prior period and is not likely to affect future periods.

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the financial statements are disclosed below. The company has not early adopted these standards and interpretations and intends to implement those, if applicable, when they become effective.

Notes to the Financial Statements

For the financial year ended 31 December 2021

2. Accounting policies (continued)

2.2 Changes in accounting policy (Continued)

2.2.1 Standard and interpretations effective and adopted in the current financial year (Continued)

- Amendments to IFRS 16 Property, Plant and Equipment Proceeds before Intended Use; Amendments to IAS 37 Onerous Contracts Cost of Fulfilling a Contract; Annual Improvements Cycle 2018–2020, effective 1 January 2022.
- Amendments to IAS 1 'Presentation of Financial Statements: Classification of Liabilities as current or non-current', effective 1 January 2023.
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies, effective 1 January 2023.
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates, effective 1 January 2023.
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction, effective 1 January 2023.

2.2.2 Summary of disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101 – Reduced Disclosure Framework:

- (a) the requirements of IFRS 7 *Financial Instruments: Disclosures*;
- (b) the requirements of paragraphs 91-99 of IFRS 13 *Fair Value Measurement*;
- (c) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information requirements;
- (d) the requirements of IAS 7 *Statement of Cash Flows*;
- (e) the requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*;
- (f) the requirements of paragraph 17 of IAS 24 *Related Party Disclosures*;
- (g) the requirements in IAS 24 *Related Party Disclosures* to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- (h) the following paragraphs of IAS 1 *Presentation of Financial Statements*;
 - 10(d) – statement of cash flows,
 - 10(f) – statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective statement of items in its financial statements, or when it reclassifies items in its financial statements,
 - 16 – statement of compliance with IFRS,
 - 38A – requirement for minimum of two primary statements, including cash flow statements,
 - 38B-D – additional comparative information,
 - 40A-D – requirements for a third statement of financial position,
 - 111 – cash flow statement information,
 - 134-136 – capital management disclosures.

Notes to the Financial Statements

For the financial year ended 31 December 2021

2. Accounting policies (continued)

2.3 Critical accounting judgments and key sources of estimation uncertainty

The preparation of the financial statements requires judgements, estimations and assumptions to be made that affect the reported values of assets, liabilities, revenues and expenses. The nature of estimation means that the actual outcomes could differ from those estimates. The significant judgements or estimates arising during the preparation of the financial statements are as follows:

Useful lives of property and equipment

The company's management determines the estimated useful lives of its property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

Leases – Estimating the incremental borrowing rate

In calculating the present value of lease payments, the company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. In determining the incremental borrowing rate, the company uses inputs from available information such as risk-free rate based on interest rate swap curve and spread curve.

2.4 Going concern

During the current financial year the company made a profit of £2,702k (2020: profit of £882k) and had net assets of £6,931k (2020: £4,229k). On this basis the directors have considered the company's current and future prospects and its availability of financing, and is satisfied that the company can continue to pay its liabilities as they fall due over a period to 31 December 2023.

The directors have received a letter of support from S.W.I.F.T SC confirming that it will continue to support the company for a period to 31 December 2023.

The directors have made detailed enquiries, including confirmation of the strong liquidity position announced by S.W.I.F.T. SC and review of the latest financial results released in May 2022. After making these detailed enquiries, the directors are confident that S.W.I.F.T. SC has sufficient resources to enable it to provide financial support. The company therefore continues to adopt the going concern basis in preparing its financial statements.

2.5 Revenue recognition

Traffic revenue is recognised net of discounts when the transaction is processed through the SWIFT network. Traffic rebates are recognised when decided by the Board and communicated to the SWIFT user community.

Traffic revenue includes:

- The amounts billed for messaging services such as financial data exchange, structured message exchange, file exchange and browser based messaging.
- Amounts billed to a specific group of customers for matching services.
- Discounts and rebates on messaging services granted to customers.

Recurring revenue consists of fees charged for the provision of services and equipment other than direct message transmission which are recognised on a pro-rata basis over the period of the agreement.

Revenue on the provision of sales promotion and support services rendered is recognised as and when the services have been rendered based on the terms of service agreement with the holding company.

Notes to the Financial Statements

For the financial year ended 31 December 2021

2. Accounting policies (continued)

2.6 Foreign currency translation

The company's financial statements are presented in Sterling, which is also the company's functional currency.

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

2.7 Income Taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; or arise from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred tax is measured at 25%, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2.8 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Cost comprises the aggregate amount paid and the fair value of any other consideration given to acquire the asset and includes costs directly attributable to making the asset capable of operating as intended.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be reliably measured. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation is provided on all property, plant and equipment at rates calculated to write off the cost of each asset over its expected useful life, as follows:

| | | |
|----------------------------------|---|------------------------------|
| Fixtures, fittings and equipment | - | 3–5-year straight-line basis |
| Leasehold improvements | - | Based on period of lease |

Notes to the Financial Statements

For the financial year ended 31 December 2021

2. Accounting policies (continued)

2.8 Property, plant and equipment (Continued)

Leasehold improvements are depreciated over the term of the leases, using the straight-line method commencing in the month of actual use of the asset for the operations of the company.

The carrying value of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable, and are written down immediately to their recoverable amount. Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the derecognition of the asset is included in the income statement in the period of derecognition.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively, if appropriate.

The property and equipment transfer to/from inter-company are recognised at net carrying value (include the accumulated depreciation recognised in prior periods) and continue to recognise depreciation over the remaining useful lives of the assets.

2.9 Impairment of non-financial assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment loss is reversed only if there has been change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.10 Leases

S.W.I.F.T. UK and Ireland Limited recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. The company applies exemptions that exclude low-value assets (lower than USD 5 thousand) and short term leases (less than 12 months) from the scope of IFRS 16. The determination of whether a contract is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if its fulfilment is dependent on the use of a specific asset(s) and conveys a right to use the asset(s), even if that right is not explicitly specified.

Notes to the Financial Statements

For the financial year ended 31 December 2021

2. Accounting policies (continued)

2.10 Leases (Continued)

i) Right-of-use assets

The company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of cost to dismantle and remove underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

ii) Lease liabilities

At the commencement date of the lease, The company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the company, and payments of penalties for terminating the lease, if the lease term reflects the company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the company uses its incremental borrowing rate at the lease commencement date, since the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities increases, reflecting the accretion of interest and reduces by the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and deposits of up to original maturities of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.12 Trade receivables

Trade debtors do not carry any interest and are stated at their value measured on an amortised cost basis as reduced by appropriate allowances for estimated irrecoverable amounts incurred up to the balance sheet date. Any irrecoverable amounts result in a provision for impairment of trade debtors which is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

2.13 Impairment of financial assets

The company recognises an allowance for expected credit losses (ECLs) for all debt instrument not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Notes to the Financial Statements

For the financial year ended 31 December 2021

2. Accounting policies (continued)

2.13 Impairment of financial assets (Continued)

ECLs are recognised in two stages. For exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12 month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL)

For receivables, the company applies a simplified approach in calculating ECLs. Therefore, the company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

2.14 Financial instruments

(a) Financial assets

Financial assets are recognised on the balance sheet when, and only when, the company becomes a party to the contractual provisions of the financial instrument.

Initial recognition and subsequent measurement

The company determines the classification of its financial assets at initial recognition based on the business model for managing the assets and the asset's contractual terms and the category includes financial assets at fair value through OCI ("FVOCI") for debt and equity instruments, financial assets at fair value through profit or loss ("FVTPL") and amortised cost.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

(i) Financial assets at FVOCI

The company measures debt instruments at FVOCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For equity instruments, company can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under IAS 132 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

For equity instruments at FVOCI, gains and losses are never recycled to profit or loss. Dividends are recognised as other income in profit or loss when the right of payment has been established, except when the company benefit from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at FVOCI are not subject to impairment assessment.

The company does not have any financial assets at FVOCI during the financial year.

Notes to the Financial Statements

For the financial year ended 31 December 2021

2. Accounting policies (continued)

2.14 Financial instruments (Continued)

(a) Financial assets (Continued)

(ii) Financial assets at FVTPL

Financial assets are classified as financial assets at FVTPL if they are held for trading or are designated as such upon initial recognition. Financial assets held for trading are derivatives or financial assets acquired principally for the purpose of selling in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVTPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Subsequent to initial recognition, financial assets at FVTPL are measured at fair value. Any gains or losses arising from changes in fair value are recognised in profit or loss. Net gains or net losses on financial assets at FVTPL do not include exchange differences, interest and dividend income. Exchange differences, interest and dividend income on financial assets at fair value through profit or loss are recognised separately in profit or loss as part of other losses or other income.

The company does not have any financial assets at FVTPL during the financial year.

(iii) Financial assets at amortised cost

A financial asset is measured at amortised cost ("AC") if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the deposits and receivables are derecognised or impaired, and through the amortisation process.

The company includes in this category cash at bank and debtors.

De-recognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchase or sale of a financial asset

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the company commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised on the balance sheet when, and only when, the company becomes a party to the contractual provisions of the financial instrument. The company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and in the case of other financial liabilities, plus directly attributable transaction costs.

Notes to the Financial Statements

For the financial year ended 31 December 2021

2. Accounting policies (continued)

2.14 Financial instruments (Continued)

(b) Financial liabilities (Continued)

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

Other financial liabilities

After initial recognition, other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheets, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.15 Called up share capital

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity.

2.16 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Trade payables are presented as amounts falling due within one year unless payment is not due within 12 months after the reporting period.

2.17 Pensions

The company operates a defined contribution scheme and the amount charged to the income statement in respect of pension costs and other post-retirement benefits represents the contributions payable in the year. Difference between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

2.18 Cash dividend

The company recognises a liability to pay a dividend when the distribution is authorised and the distribution is no longer at the discretion of the company. A distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Notes to the Financial Statements

For the financial year ended 31 December 2021

3. Turnover

Turnover, which is stated net of VAT, represents the total amount receivable in the ordinary course of business for network services provided and related services and goods sold. The company's turnover arose almost exclusively in the UK from continuing activities and other segments are not sufficiently significant to require separate disclosure.

| | 2021 £000 | 2020 £000 |
|--------------------------------|---------------|---------------|
| Group commission-S.W.I.F.T. SC | 33,576 | 21,265 |
| Traffic Revenues | 4,182 | 4,600 |
| | <u>37,758</u> | <u>25,865</u> |

Increase in revenue is linked to the increase of group commission, following the Transfer Pricing Scheme which is based on a return on sales and cost-plus method on increasing operating costs.

4. Other expenses

| | 2021 £000 | 2020 £000 |
|----------------------|---------------|---------------|
| Administration costs | 34,338 | 24,718 |
| | <u>34,338</u> | <u>24,718</u> |

Administration cost inclusive of staff cost, contractor cost, non-labour cost and other expenses.

5. Operating profit

This is stated after charging:

| | 2021 £000 | 2020 £000 |
|--|--------------|--------------|
| Auditor's remuneration – for audit services | 27 | 27 |
| Depreciation and amounts written off tangible fixed assets – owned | 577 | 329 |
| Operating lease rentals – land and buildings | 325 | 196 |
| Depreciation of right of use asset | 992 | 668 |
| Bank charges | 8 | 7 |
| | <u></u> | <u></u> |

Total auditor's remuneration is £48,900 and amount paid by SWIFT UK is £26,700.

Notes to the Financial Statements

For the financial year ended 31 December 2021

6. Staff costs

Employee costs (including directors) are as shown below:

| | 2021 | 2020 |
|--------------------------------------|---------------|---------------|
| | £000 | £000 |
| Wages and salaries | 17,732 | 12,071 |
| Social security costs | 2,463 | 1,728 |
| Defined contribution pension expense | 1,733 | 1,476 |
| | <u>21,928</u> | <u>15,275</u> |

The average monthly number of employees during the financial year was made up as follows:

| | 2021 | 2020 |
|-----------------------------|------------|------------|
| | No. | No. |
| Average number of employees | 182 | 138 |
| | <u>182</u> | <u>138</u> |

There were no directors remunerated during the year (2020: Nil).

7. Finance income

| | 2021 | 2020 |
|---------------------------|----------|----------|
| | £000 | £000 |
| Group interest receivable | - | 4 |
| | <u>-</u> | <u>4</u> |

8. Finance costs

| | 2021 | 2020 |
|-------------------------------|------------|----------|
| | £000 | £000 |
| Interest on lease liabilities | 115 | 7 |
| | <u>115</u> | <u>7</u> |

Notes to the Financial Statements

For the financial year ended 31 December 2021

9. Tax on profit

(a) Tax on profit

The tax charge is made up as follows:

| | 2021 £000 | 2020 £000 |
|--------------------------------------|--------------|--------------|
| Current tax: | | |
| Debit for the year | 823 | 208 |
| Adjustment in respect of prior year | 20 | 97 |
| Total current tax | 843 | 305 |
| Deferred taxation: | | |
| (Credit)/Debit for the year | (209) | 34 |
| Adjustment in respect of prior years | (15) | (117) |
| Impact to change on tax rate | (14) | 45 |
| Total deferred tax | (238) | (38) |
| Tax in income statement | 605 | 267 |

(b) Factors affecting tax charge for the financial year

| | 2021 £000 | 2020 £000 |
|---|--------------|--------------|
| Profit before tax | 3,307 | 1,149 |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 – 19 %) | 628 | 218 |
| Adjustment in respect of prior years | 5 | (20) |
| Impact to change on tax rate | (14) | 45 |
| Disallowed expenses | (49) | - |
| Capital allowances in excess of depreciation | 35 | 24 |
| Total tax | 605 | 267 |

(c) Deferred tax asset

Deferred tax assets provided in the financial statements are as follows:

| | Accelerated Tax depreciation £000 | Provision £000 | Total £000 |
|--------------------------------------|---|-------------------|---------------|
| 2021 | | | |
| Beginning of financial year | (75) | 120 | 45 |
| (Credited)/charged to profit of loss | (11) | 249 | 238 |
| End of financial year | (86) | 369 | 283 |
| 2020 | | | |
| Beginning of financial year | (36) | 3 | (33) |
| (Credited)/charged to profit of loss | (39) | 117 | 78 |
| End of financial year | (75) | 120 | 45 |

Notes to the Financial Statements

For the financial year ended 31 December 2021

9. Tax on profit (Continued)

(d) Factors that may affect future tax charges

The standard rate of Corporation Tax in the UK has been 19% since 1 April 2017. Accordingly the company's profits for this accounting period are taxed at an effective rate of 19%.

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. As the proposal to increase the rate to 25% has been substantively enacted at the balance sheet date, its effects are included in these financial statements.

10. Dividends

Nil dividend paid (2020 – NIL).

11. Property, plant and equipment

| | <i>Leasehold improvements</i> | <i>Fixtures, fittings and equipment</i> | <i>Total</i> |
|---|-----------------------------------|---|--------------|
| | <i>£000</i> | <i>£000</i> | <i>£000</i> |
| At 31st December 2020 | | | |
| Cost | 2,932 | 1,114 | 4,046 |
| Accumulated depreciation | 2,321 | 574 | 2,895 |
| Net Book Value | 611 | 540 | 1,151 |
| | | | |
| Cost: | | | |
| At 1 January 2021 | 2,932 | 1,114 | 4,046 |
| Additions | 186 | 77 | 263 |
| Intercompany transfer | - | 5 | 5 |
| At 31 December 2021 | 3,118 | 1,196 | 4,314 |
| | | | |
| Accumulated depreciation: | | | |
| At 1 January 2021 | 2,321 | 574 | 2,895 |
| Charge for the year | 408 | 169 | 577 |
| Intercompany transfer | - | 3 | 3 |
| At 31 December 2021 | 2,729 | 746 | 3,475 |
| | | | |
| Net book value: | | | |
| At 31 December 2021 | 389 | 450 | 839 |
| At 31 December 2020 | 611 | 540 | 1,151 |

Notes to the Financial Statements

For the financial year ended 31 December 2021

12. Leases

The company has lease contracts for trade and office buildings with lease terms between 1 and 9 years.

Details of IFRS 16 related figures are disclosed below.

Set out below are the carrying amount of right-of-use assets recognised and the movements during the year

| | 2021 £000 | 2020 £000 |
|---------------------------|--------------|--------------|
| Cost: | | |
| At 1 January | 7,763 | 5,920 |
| Addition | - | 1,843 |
| At 31 December | 7,763 | 7,763 |
| Accumulated depreciation: | | |
| At 1 January | (1,373) | (705) |
| Charge for the year | (992) | (668) |
| At 31 December | (2,365) | (1,373) |
| Net book value: | | |
| At 31 December | 5,398 | 6,390 |

Variation of lease liabilities value during financial year:

| | 2021 £000 | 2020 £000 |
|-------------------------|--------------|--------------|
| Non-current liabilities | 4,559 | 5,534 |
| Current liabilities | 975 | 956 |
| Total liabilities | 5,534 | 6,490 |

The following are the amounts recognised in Statement of comprehensive income:

| | 2021 £000 | 2020 £000 |
|---------------------------------------|--------------|--------------|
| Depreciation on right of use asset | (992) | (668) |
| Interest expense on lease liabilities | (115) | (117) |
| Total expenses | (1,107) | (785) |

Notes to the Financial Statements

For the financial year ended 31 December 2021

16. Creditors: amounts falling due after more than one year

| | 2021 £000 | 2020 £000 |
|------------------|--------------|--------------|
| Accruals | 833 | - |
| Deferred income | 125 | 130 |
| Leases (note 12) | 4,559 | 5,534 |
| | <u>5,517</u> | <u>5,664</u> |

Deferred income expected to fully realise by 2027, in line with IFRS 15

17. Called up share capital

| | No. | 2021 £ | No. | 2020 £ |
|---|-----|-----------|-----|-----------|
| <i>Allotted, called up and fully paid</i> | | | | |
| Ordinary shares of £1 each | 2 | 2 | 2 | 2 |
| | | <u>2</u> | | <u>2</u> |

18. Pension commitments

The company operates a defined contribution pension scheme for its UK employees. The 2021 charge in this respect was £1,733k (2020: £1,476k). There were no outstanding contributions at the year end.

19. Related party transactions

During the financial year, the company entered into transactions, in the ordinary course of business, with other related parties. The company has taken advantage of the exemption under paragraph 8(k) of FRS 101 – Reduced Disclosure Framework not to disclose transactions with fellow wholly owned subsidiaries or the parent undertaking.

All transactions were made on an arm's length basis and at full market value.

There have been no transactions with directors of the company during the year (2020: NIL).

20. Ultimate parent undertaking and controlling party

As at 31 December 2021 the company's immediate parent undertaking and ultimate controlling party was S.W.I.F.T. SC, a co-operative society with limited responsibility incorporated in Belgium.

The smallest and largest group in which these financial statements are included is S.W.I.F.T. SC and are available from 1 Avenue Adele, 1310 La Hulpe, Belgium.

21. Off Balance Sheet Arrangements

The company is not (and has not been) party to any arrangements that are not reflected on its balance sheet that give rise to a material risk or benefit.

22. Events After Reporting Date

There is no event that occurred after the reporting date that would affect the proper evaluation and any decisions related to the financial statements.