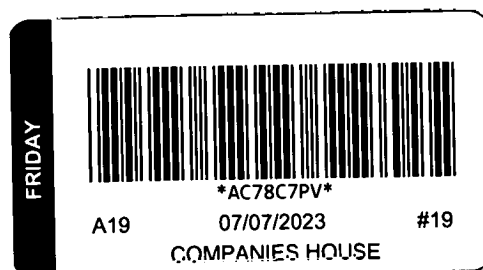


S.W.I.F.T. UK AND IRELAND LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**



S.W.I.F.T. UK AND IRELAND LIMITED

COMPANY INFORMATION

Directors	P Krekels M Mamondez (appointed 14 December 2022) R Stone (appointed 9 June 2022) J Ellington (resigned 9 June 2022)
Company secretary	P Krekels
Registered number	03116915
Registered office	2 Stone Buildings Lincoln's Inn London WC2A 3TH
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 2 Glass Wharf Temple Quay Bristol BS2 0FR

S.W.I.F.T. UK AND IRELAND LIMITED

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S.W.I.F.T. UK AND IRELAND LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Introduction

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

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.

Business review

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 11,000 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.

	2022 £000	2021 £000	Change %
Turnover (continuing operations)	52,606	37,758	39%
Operating profit	1,622	3,422	-53%
Profit for the financial year	1,354	2,702	-50%
Net assets	8,285	6,931	20%

The turnover of the Company is driven by traffic revenue and service fees received from its parent company, S.W.I.F.T. SC.

Service fees are a 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 2022 is linked to the increase in operating costs.

S.W.I.F.T. UK AND IRELAND LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Key performance indicators "KPIs"

The Company's 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 revenue by 39% from last year and is expanding the business in promotion, marketing and pre-sales of SWIFT products and services. This has contributed to an increase in service fee by 46%. Residual profit has been reduced by 79%, driven by one-off community discounts on messaging usage, granted in 2022.

The overall results for the financial year were in line with or better than budget. Lower residual profit mainly driven by a one-off, community discount on messaging usage granted in 2022.

Customer satisfaction with onboarding, ordering, professional services & support have shown an improvement compared to 2021. 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.

S.W.I.F.T. UK AND IRELAND LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Principal risks and uncertainties

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.

S.W.I.F.T. UK AND IRELAND LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Section 172 Statement

The Company is part of the SWIFT Group, with S.W.I.F.T. SC being the main shareholder and holding company ("the holding company") of S.W.I.F.T. UK and Ireland Limited.

Section 172 of The Companies Act 2006 states that a director of a company must act in the way it considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole.

In doing so a director of a Company must have regard (amongst other matters) to:

- The likely consequences of any decision in the long term;
- The interests of the Company's employees;
- The need to foster the Company's business relationships with suppliers, customers and others;
- The impact of the Company's operations on the community and the environment;
- The desirability of the Company maintaining a reputations for high standards of business conduct; and
- The need to act fairly as between members of the Company.

The directors have acted in a way they considered, in good faith, would be most likely to promote the success of the Company through its implementation of the SWIFT Group strategy in respect of decisions taken during the financial year.

The Company is part of the SWIFT 's global network that ensures an active presence in all the major financial centres and in discharging their duty under section 172(1) of the Companies Act 2006, its directors have had regard to the abovementioned matters in line with the decisions and actions taken by the holding company (as referred to on its website www.swift.com) on which the Company depends on key operational, risk and administrative functions such as finance, legal and human resources management.

The directors and the management are committed to the SWIFT group's KPIs of keeping the core secure and resilient, driving instant and frictionless cross-border transaction, shaping the future, foundation for customer success and enabling employee experience.

Every employee plays a vital role at the place they work. SWIFT group implements mandatory Code of Conduct training designed to help employees to understand and reflect on their personal responsibilities. SWIFT also provides regular trainings on topics such as anti-corruption, sanctions, anti-bribery, data privacy, etc. Our success is therefore a team effort and a joint effort from every employee. All our employees work on modern, bright and clean workplaces. The working conditions are regularly checked and further improved.

For each financial year, the Company's shareholder and holding company, S.W.I.F.T. SC, also makes a statement published on its website pursuant to section 54 of the UK Modern Slavery Act 2015 setting out the steps that S.W.I.F.T. SC and its group take to ensure that modern slavery or human trafficking does not occur within its business or its supply chain.

The Company emphasises on the importance of Diversity and Inclusion. D&I objectives have been added to the corporate On-boarding day and Newly Appointed Managers Training. Education, diversity, sustainability and community outreach are embedded in the Company mindset.

The Company seeks long-term sustainable relationships with suppliers and partners which are fostered by customer satisfaction. All suppliers are required to sign the SWIFT Suppliers Code of Conduct and suppliers are expected to comply with local applicable laws and regulations. Despite the complex geopolitical situation, the holding company maintained its highest standards of operational excellence. There were no incidents related to customer business, data integrity and data confidentiality. The holding company also met required security patching levels for targeted platforms.

S.W.I.F.T. UK AND IRELAND LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Section 172 Statement (continued)

S.W.I.F.T. SC has approved the roadmap of Sustainability Strategy to achieve SBTi targets by 2030. Environmental and Social Governance are integrated into the operational strategy of the SWIFT group. The SWIFT group became a signatory to the United Nations Global Compact in October 2012 and therefore strongly supports the Sustainable Development Goals of the United Nations.

Responsible business conduct is fundamental to the long-term success of the Company. The Company is committed to carry out all activities connected to our business in accordance with the applicable laws and have implemented policies and procedure design to ensure regulatory and legal compliance.

The Company works together with a solution-based approach to overcome challenges and set standards. The Company believes in fuelling potential and our purpose is to help people achieve their goals. We work together to help everyone be their very best, each and every day. To achieve continuous improvement across all areas of the business, we repeatedly challenge ourselves to be better, to do better. It is a never-ending journey, always asking ourselves how we can improve.

This report was approved by the board on 29 June 2023 and signed on its behalf.



M Mamóndez
Director

S.W.I.F.T. UK AND IRELAND LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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

Results and dividends

The profit for the year, after taxation, amounted to £1,354k (2021 - £2,702k). No dividend was paid during the financial year (2021 - 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 £1,354k (2021: profit of £2,702k) and had net assets of £8,285k (2021: £6,931k). 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 2024.

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 2024.

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 June 2023. 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:

P Krekels

M Mamondez (appointed 14 December 2022)

R Stone (appointed 9 June 2022)

J Ellington (resigned 9 June 2022)

S.W.I.F.T. UK AND IRELAND LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Streamlined Energy and Carbon Reporting (SECR)

The Company meets the qualifying conditions to report their carbon emission and energy usage. The GHG Protocol Corporate Standard classifies a company's GHG emission into three scopes:

- Scope 1 emissions are direct emissions from owned or controlled sources
- Scope 2 emissions are indirect emissions from the generation of purchased energy
- Scope 3 emissions includes all other indirect emissions that occur at sources which the Company do not own or control.

SECR required that all scope 1 and 2 emissions are reported. Inclusion of scope 3 emissions is voluntary. The Company is committed to investigate the merit of including Scope 3 emissions in the future submission.

An intensity ratio is used to determine the carbon emissions relative to a single common business metric and allows the Company's carbon footprint to be compared over time or allow comparison with similar organisations.

An analysis of the Company's operations was completed for reporting period running 1 Jan 2022 to 31 December 2022 and the total energy consumption (scope 1 and 2) was 485,896 kWh. Corresponding total emissions emitted by the Company were calculated to be 93.96 tCO₂e (tonnes of carbon dioxide equivalent) with an intensity ratio of 1.78 tCO₂e per million £ revenue and 0.36 tCO₂e per FTE. The GHG emissions and energy reported are shown in the table below.

Total energy consumption	485,896	kWh
Emission from purchased electricity (scope 2)	93.96	tCO ₂ e
Emission from combustion of gas (scope 1)	0	tCO ₂ e
Emission from combustion of fuel for the purpose of transport (scope 1)	0	tCO ₂ e
Total gross emission	93.96	tCO ₂ e
Intensity based on revenue		
Revenue	52.61	£m
Emissions	93.96	tCO ₂ e
Metric	1.78	tCO ₂ e/£m
Intensity based on headcount		
Headcount	259	FTE
Emissions	93.96	tCO ₂ e
Metric	0.36	tCO ₂ e/FTE

Comparison to previous financial year

As this is first SECR report submitted by S.W.I.F.T. UK and Ireland Limited, there is no comparison to the previous reporting year's carbon emissions or energy consumption.

1. Methodology:

To report our CO₂e emissions resulting from the purchased electricity. The conversion is calculated using a location-based grid average emissions factor from the 2022 Department for Environment Food & Rural Affairs (Defra) Emission Factor set.

S.W.I.F.T. UK AND IRELAND LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Streamlined Energy and Carbon Reporting (SECR) (continued)

2. Intensity ratio:

We have chosen to report our gross emission against £m and headcount.

Political and charitable contributions

The Company had no political expenditure during the financial year (2021: Nil). The Company made charitable donations during the financial year of £314,762 (2021: £3,466).

Disclosure of information to auditors

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

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

Post balance sheet events

There have been no significant events affecting the Company since the year end.

S.W.I.F.T. UK AND IRELAND LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' report and the audited 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 prepared 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, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

In preparing these audited 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;
- state whether applicable UK Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the audited 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 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 also 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.

Independent auditors

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

This report was approved by the board on 29 June 2023 and signed on its behalf.



M Mamondez
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 2022 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, including 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 Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2022; Profit and Loss Account 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.

S.W.I.F.T. UK AND IRELAND LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF S.W.I.F.T. UK AND IRELAND LIMITED (CONTINUED)

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 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

S.W.I.F.T. UK AND IRELAND LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF S.W.I.F.T. UK AND IRELAND LIMITED (CONTINUED)

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 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF S.W.I.F.T. UK AND IRELAND LIMITED
(CONTINUED)

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
29 June 2023

S.W.I.F.T. UK AND IRELAND LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £000	2021 £000
Turnover	4	52,606	37,758
Other operating income		-	2
Other expenses		(50,984)	(34,338)
Operating profit	5	1,622	3,422
Finance income	8	65	-
Finance cost	9	(101)	(115)
Profit before tax		1,586	3,307
Tax on profit	10	(232)	(605)
Profit for the financial year		1,354	2,702

The notes on pages 17 to 38 form part of these financial statements.

S.W.I.F.T. UK AND IRELAND LIMITED
REGISTERED NUMBER: 03116915

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £000	2021 £000
Fixed assets			
Property, plant and equipment	12	674	839
Right-of-use assets	13	4,790	5,398
Investments	14	-	-
		<u>5,464</u>	<u>6,237</u>
Current assets			
Cash at bank and in hand		11,110	7,482
Debtors	15	13,226	8,339
		<u>24,336</u>	<u>15,821</u>
Creditors: amounts falling due within one year	16	(15,992)	(9,610)
Net current assets		<u>8,344</u>	<u>6,211</u>
Total assets less current liabilities		<u>13,808</u>	<u>12,448</u>
Creditors: amounts falling due after more than one year	17	(5,523)	(5,517)
		<u>8,285</u>	<u>6,931</u>
Net assets		<u><u>8,285</u></u>	<u><u>6,931</u></u>
Capital and reserves			
Called up share capital	18	-	-
Profit and loss account		8,285	6,931
		<u><u>8,285</u></u>	<u><u>6,931</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 June 2023.



M Mamondez
Director

The notes on pages 17 to 38 form part of these financial statements.

S.W.I.F.T. UK AND IRELAND LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2021	-	4,229	4,229
Profit for the year	-	2,702	2,702
Total comprehensive income for the year	-	2,702	2,702
At 31 December 2021 and 1 January 2022	-	6,931	6,931
Profit for the year	-	1,354	1,354
Total comprehensive income for the year	-	1,354	1,354
At 31 December 2022	-	8,285	8,285

The notes on pages 17 to 38 form part of these financial statements.

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.

Profit and loss account

The balance classified as retained earnings includes the profit for the financial year of 2022 amounting to £1,354k (2021: £2,702k).

No dividend has been paid out through the intercompany account during the financial year (2021: NIL).

S.W.I.F.T. UK AND IRELAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022 were authorised for issue by the board of directors on 29 June 2023 and the balance sheet was signed on the board's behalf by M Maximiliano. 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 standards 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 22.

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

2. Accounting policies

2.1 Basis of preparation of financial statements

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 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.2 Financial Reporting Standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
 - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
 - paragraph 50 of IAS 41 Agriculture
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- 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.

This information is included in the consolidated financial statements of S.W.I.F.T. SC for the year end 31 December 2022 and these financial statements may be obtained from 1 Avenue Adele, 1310 La Hulpe, Belgium.

2.3 Going concern

During the current financial year the Company made a profit of £1,354k (2021: profit of £2,702k) and had net assets of £8,285k (2021: £6,931k). 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 2024.

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 2024.

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 June 2023. 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.4 Revenue recognition

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluded amounts collected on behalf of third parties.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

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.

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.

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.

2.5 Foreign currency translation

Functional and presentation currency

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

Transactions and balances

Transactions in foreign currencies are initially translated to the functional currency at the exchange rate applicable on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate that applies on the balance sheet date. All differences are taken to profit or loss. Non-monetary assets and liabilities denominated in foreign currencies are translated using the exchange rates that were applied on the dates of the initial transactions.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.6 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 the 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.

2.7 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 the 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.7 Property, plant and equipment (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

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

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 the 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.

S.W.I.F.T. UK AND IRELAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.8 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. 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 a 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.

S.W.I.F.T. UK AND IRELAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.9 Leases

The Company as a lessee

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 IFRS16. 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.

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 and 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.

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 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 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.

The lease liability is included in 'Creditors' on the balance sheet.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in note 2.8.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.10 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.

2.11 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.

2.12 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.

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.

2.13 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.13 Financial instruments (continued)

(a) Financial assets (continued)

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 benefits 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.

(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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.13 Financial instruments (continued)

(a) Financial assets (continued)

(ii) Financial assets at FVTPL (continued)

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

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.

Subsequent measurement

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.13 Financial instruments (continued)

(b) Financial liabilities (continued)

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.

2.14 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.

2.15 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.16 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.17 Interest income

Interest income is recognised in profit or loss using the effective interest method.

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.

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.

S.W.I.F.T. UK AND IRELAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

4. 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.

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

	2022 £000	2021 £000
Traffic Revenues	3,523	4,182
Group Commission - S.W.I.F.T. SC	49,083	33,576
	<u>52,606</u>	<u>37,758</u>

5. Operating profit

The operating profit is stated after charging:

	2022 £000	2021 £000
Defined contribution pension cost	2,384	1,733
Depreciation of tangible fixed assets	354	577
Operating lease rentals - land and building	419	325
Depreciation of right of use assets	1,058	992
Bank charges	9	8
	<u> </u>	<u> </u>

6. Auditors' remuneration

	2022 £000	2021 £000
Fees payable to the Company's auditors for the audit of the Company's annual financial statements	39	27
	<u> </u>	<u> </u>

Total auditor's remuneration is £52,233 and amount paid by SWIFT UK is £38,962.

S.W.I.F.T. UK AND IRELAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

7. Employees

Staff costs were as follows:

	2022 £000	2021 £000
Wages and salaries	28,173	17,732
Social security costs	3,407	2,463
Cost of defined contribution scheme	2,384	1,733
Other personnel costs	4,248	3,658
	<u>38,212</u>	<u>25,586</u>

There was no remuneration paid to directors during the year (2021: Nil).

The average monthly number of employees, including the directors, during the year was as follows:

	2022 No.	2021 No.
Administration and technical services	<u>234</u>	<u>182</u>

8. Finance income

	2022 £000	2021 £000
Interest receivable from group companies	50	-
Bank interest receivable	15	-
	<u>65</u>	<u>-</u>

9. Finance costs

	2022 £000	2021 £000
Interest on lease liabilities	101	115
	<u>101</u>	<u>115</u>

S.W.I.F.T. UK AND IRELAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

10. Tax on profit

	2022	2021
	£000	£000
Corporation tax		
Current tax on profits for the year	569	823
Adjustments in respect of previous periods	(60)	20
	<u>509</u>	<u>843</u>
Deferred tax		
Credit for the year	(350)	(209)
Adjustment in respect of prior years	73	(15)
Impact to change on tax rate	-	(14)
Total deferred tax	<u>(277)</u>	<u>(238)</u>
Taxation on profit on ordinary activities	<u><u>232</u></u>	<u><u>605</u></u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022	2021
	£000	£000
Profit on ordinary activities before tax	<u>1,586</u>	<u>3,307</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	<u>301</u>	<u>628</u>
Effects of:		
Adjustments to tax charge in respect of prior periods	13	5
Impact to change on tax rate	-	(14)
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	(82)	(49)
Capital allowances for year in excess of depreciation	-	35
Total tax charge for the year	<u><u>232</u></u>	<u><u>605</u></u>

S.W.I.F.T. UK AND IRELAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

10. Tax on profit (continued)

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 announce 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.

The UK deferred tax asset which is expected to unwind after 1 April 2023 has been re-measured in the current reporting period based on the increased UK corporation tax rate and reflected in the statement of profit and loss and in equity.

11. Deferred taxation

	2022	2021
	£000	£000
At beginning of year	283	45
Credited to the profit or loss	277	238
At 31 December 2022	560	283

The deferred tax asset is made up as follows:

	2022	2021
	£000	£000
Accelerated capital allowances/(tax depreciation)	(53)	(86)
Provision	613	369
	560	283

S.W.I.F.T. UK AND IRELAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

12. Property, plant and equipment

	Leasehold improvements £000	Fixtures, fittings and equipment £000	Total £000
At 31st December 2021			
Cost	3,118	1,196	4,314
Accumulated depreciation	2,729	746	3,475
	<hr/>	<hr/>	<hr/>
Net book value	389	450	839
Cost:			
At 1 January 2022	3,118	1,196	4,314
Additions	-	190	190
Disposals	1	1	2
	<hr/>	<hr/>	<hr/>
At 31 December 2022	3,117	1,385	4,502
Accumulated depreciation:			
At 1 January 2022	2,729	746	3,475
Charge for the year	182	172	354
Depreciation on disposals	-	1	1
	<hr/>	<hr/>	<hr/>
At 31 December 2022	2,911	917	3,828
Net book value:			
At 31 December 2022	<hr/> <hr/> 206	<hr/> <hr/> 468	<hr/> <hr/> 674

S.W.I.F.T. UK AND IRELAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. Leases

Company as a lessee

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 is the carrying amount of right-of-use assets recognised and the movements during the year.

	2022 £000	2021 £000
Cost:		
At 1 January	7,763	7,763
Additions	450	-
At 31 December	8,213	7,763
Accumulated depreciation		
At 1 January	(2,365)	(1,373)
Charge for the year	(1,058)	(992)
At 31 December	(3,423)	(2,365)

	2022 £000	2021 £000
Net book value		
At 31 December	4,790	5,398

Variation of lease liabilities value during financial year:

	2022 £000	2021 £000
Non-current liabilities	3,607	4,559
Current liabilities	952	975
Total liabilities	4,559	5,534

S.W.I.F.T. UK AND IRELAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. Leases (continued)

The following are the amounts recognised in the Statement of profit and loss:

	2022	2021
	£000	£000
Depreciation of right of use asset	(1,058)	(992)
Interest expense on lease liabilities	(101)	(115)
Total expenses	(1,159)	(1,107)

14. Investments

The Company has a 1% (2021: 1%) participation interest in S.W.I.F.T. Lease, a member of the SWIFT Group which is valued at cost of £223 (2021: £223).

S.W.I.F.T. UK AND IRELAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

15. Debtors

	2022 £000	2021 £000
Amounts falling due within one year		
Trade debtors	384	474
Amounts owed by group undertakings	11,050	6,120
Other debtors	2	3
Prepayments and accrued income	689	959
VAT recoverable	541	500
Deferred taxation	560	283
	13,226	8,339

For the year ended 31 December 2022, amount due by parent undertaking of £11,050 thousands bears interest at a rate of GBP LIBOR 1 month minus 0.375% (2021: GBP LIBOR 1 month minus 0.375%). The GBP LIBOR interest rates used currently are synthetically available during the year. The interest rate is floored at 0% and the amount due by the parent undertaking is repayable on demand and expected to be settled in cash.

Due to the decommission of the LIBOR, the Company is expected to apply as from 1 January 2023, interest at a reference rate (refer to table below) minus 0.25%, depending on the currency of the intercompany invoice. No other terms are expected to be amended as part of the transition.

Currency	Reference Rate applicable
EUR	EURIBOR
GBP	SONIA
USD	USD - SOFR

16. Creditors: Amounts falling due within one year

	2022 £000	2021 £000
Trade creditors	2,676	2,270
Corporation tax	2	325
Other taxation and social security	1,081	732
Leases (note 13)	952	975
Accruals	11,259	5,286
Deferred income	22	22
	15,992	9,610

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Creditors: Amounts falling due after more than one year

	2022 £000	2021 £000
Accruals	1,814	833
Deferred income	102	125
Leases (note 13)	3,607	4,559
	<u>5,523</u>	<u>5,517</u>

Deferred income expected to be fully realised by 2027, in line with IFRS 15.

18. Called up share capital

	2022 £	2021 £
Allotted, called up and fully paid		
2 (2021 - 2) Ordinary shares of £1.00 each	<u>2.00</u>	<u>2.00</u>

19. Pension commitments

The Company operates a defined contribution pension scheme for its UK employees. The 2022 charge in this respect was £2,384k (2021: £1,733k). There were no outstanding contributions at the year end.

20. 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 FRS101 – 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 (2021: NIL).

21. Events after reporting date

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

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**NOTES TO THE FINANCIAL STATEMENTS
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22. Ultimate parent undertaking and controlling party

As at 31 December 2022 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.