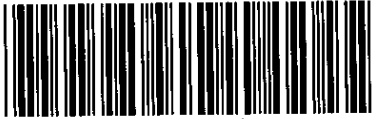


# Inmarsat Investments Limited

(Registered Number: 4886096)

**Annual Report and Financial Statements  
For the year ended 31 December 2020**

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A01	21/10/2021	#9
COMPANIES HOUSE		

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A04	23/12/2021	#121
COMPANIES HOUSE		

## **Inmarsat Investments Limited**

### **Strategic Report**

### **For the year ended 31 December 2020**

#### **Review of business**

The results for the period are shown in the Statement of Comprehensive Income on page 4. Inmarsat Investments Limited (the 'Company') incurred a loss of \$77.7m for the year (2019: loss of \$108.7m). Net assets as at 31 December 2020 is \$623.0m (2019: \$700.7m).

The ultimate controlling party of the Company is Connect Topco Limited (the 'Group') which is an entity based in Guernsey. The results of the Company are consolidated into Connect Topco Limited. The immediate parent company is Inmarsat Group Limited based in the United Kingdom.

The Directors are of the opinion that the current level of activity and the year-end financial position are satisfactory and will remain so in the foreseeable future.

The loss for the period will be transferred to reserves.

#### **Principal risks and uncertainties**

The Directors of the Group manage the risks of the Group at a Group level rather than at an individual business unit (or statutory entity) level. For this reason, the Company's Directors believe that a discussion of the Group's risks would not be appropriate for an understanding of the development, performance or position of the Company's business. The principal risks and uncertainties of the Group which include those of the Company are discussed in the Group's 2020 Annual Report which does not form part of this report, but can be obtained from 99 City Road, London, EC1Y 1AX.

#### **Key performance indicators**

The Directors of the Group manage the Group's operations on a business sector basis. For this reason, the Company's Directors believe that an analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the Company's business. The development, performance and position of the Group are discussed in the Group's 2020 Annual Report, which does not form part of this report.

By order of the Board

DocuSigned by:

*Alison Horrocks*

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**Alison Horrocks**

Director and Company Secretary

22 September 2021

## **Inmarsat Investments Limited Directors' Report For the year ended 31 December 2020**

### **Directors' Report**

The Directors submit their annual report and the financial statements for Inmarsat Investments Limited (the 'Company') for the year ended 31 December 2020.

### **Directors and their interests**

The Directors of the Company who were in office during the year were as follows:

- Tony Bates
- Alison Horrocks
- Rupert Pearce (resigned 26 February 2021)

No Director had during the year or at the end of the year any material interest in any contract of significance to the Company's business.

### **Principal activities**

The Company is principally a holding company and the Company is part of the Connect Topco Limited group of companies (the 'Group').

The Company provides services to other companies in the Group and acts as a Group holding company. The Directors do not envisage any change to the nature of the business in the foreseeable future.

### **Results and Dividends**

The Company's results for the financial year are shown in the Statement of Comprehensive Income on page 4.

During the year no dividend was declared or paid by the company (2019: \$nil was declared and \$nil paid).

### **Financial risk management**

The Directors of the Group manage the risks of the Group at a Group level rather than at an individual business unit level. For this reason, the Company's Directors believe that a discussion of the Group's risks would not be appropriate for an understanding of the development, performance or position of the Company's business. The principal risks and uncertainties of the Group which include those of the Company are discussed in the Group's 2020 Annual Report which does not form part of this report.

### **Directors' indemnity**

Each of the Directors benefit from an indemnity given by the Company under its Articles of Association. This indemnity is in respect of liabilities incurred by the Director in the execution and discharge of his or her duties.

### **Events since the balance sheet date**

Details of events since the balance sheet date are given in Note 13 to the financial statements.

### **Future developments**

The Company intends to continue operating as holding company.

### **Going concern**

In determining whether the Company's financial statements can be prepared on a going concern basis, the Directors have considered all the factors likely to affect its future development, performance and its financial position, including the matters disclosed in the Strategic and Directors' Report. The Company is part of the Connect Bidco Limited Group ('Bidco'), ultimately owned by Connect Topco Limited. The going concern review completed at the date of signing the Bidco accounts is set out within the Connect Bidco Limited 2020 annual report, which does not form part of this report but can be obtained from the address detailed in Note 1.

### **Employees**

The Company does not have any employees.

**Inmarsat Investments Limited**  
**Directors' Report**  
**For the year ended 31 December 2020**

**Statement of Directors' responsibilities**

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

Company law requires the Directors to prepare financial statement for each financial year. Under that law the Directors have prepared the financial statements in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS101) issued by the Financial Reporting Council (FRC). 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 suitably accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the ongoing basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Board

DocuSigned by:

*Alison Horrocks*

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**Alison Horrocks**

Director & Company Secretary

22 September 2021

**Inmarsat Investments Limited**  
**Statement of Comprehensive Income**  
**For the year ended 31 December 2020**

(\$ in millions)	Notes	2020	2019
<b>Revenue</b>		-	-
Other operating costs	3	-	(0.1)
<b>EBITDA</b>		-	<b>(0.1)</b>
Impairment loss on investments	3	-	(63.8)
<b>Operating loss</b>		-	<b>(63.9)</b>
Dividend revenue – from Group companies	3	11.2	61.8
Financing income		14.1	36.7
Financing cost		(131.6)	(164.1)
<b>Net financing costs</b>	4	<b>(117.5)</b>	<b>(127.4)</b>
<b>Loss before tax</b>		<b>(106.3)</b>	<b>(129.5)</b>
Taxation credit	5	28.6	20.8
<b>Loss for the year</b>		<b>(77.7)</b>	<b>(108.7)</b>
Other comprehensive income		-	-
<b>Total other comprehensive loss</b>		<b>(77.7)</b>	<b>(108.7)</b>

The accompanying notes are an integral part of the financial statements.

**Inmarsat Investments Limited**  
**Balance Sheet**  
**As at 31 December 2020**

(\$ in millions)	Notes	As at 31 December 2020	As at 31 December 2019
<b>Assets</b>			
<b>Non-current assets</b>			
Investments	6	3,164.9	3,164.9
Other receivables	7	224.9	210.6
Deferred income tax asset	5	64.3	33.0
		<b>3,454.1</b>	<b>3,408.5</b>
<b>Current assets</b>			
Trade and other receivables	7	30.1	58.0
		<b>30.1</b>	<b>58.0</b>
<b>Total assets</b>		<b>3,484.2</b>	<b>3,466.5</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Borrowings	8	-	(1.7)
Trade and other payables	9	1,362.6	1,399.7
		<b>1,362.6</b>	<b>1,398.0</b>
<b>Non-current liabilities</b>			
Borrowings	8	1,498.6	1,367.8
		<b>1,498.6</b>	<b>1,367.8</b>
<b>Total liabilities</b>		<b>2,861.2</b>	<b>2,765.8</b>
<b>Net assets</b>		<b>623.0</b>	<b>700.7</b>
<b>Shareholders' equity</b>			
Ordinary share capital	10	0.3	0.3
Share premium		806.7	806.7
Other reserves		637.7	637.7
Accumulated losses		(821.7)	(744.0)
<b>Total equity</b>		<b>623.0</b>	<b>700.7</b>

The accompanying notes are an integral part of the financial statements.

**Audit exemption statement**

For the year ending 31 December 2020, the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 (the 'Act') relating to subsidiary companies. The members have not required the company to obtain an audit of its accounts for the year in question and Inmarsat Group Holdings Limited, acting as a parent undertaking, has provided guarantee to the Company under section 479C of the Act. The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements of Inmarsat Investments Limited, registered number 4886096, were approved by the Board of Directors on 22 September 2021 and signed on its behalf by:

DocuSigned by:

*Alison Horrocks*

63BCDBF93A3D451

**Alison Horrocks**

Director

22 September 2021

**Inmarsat Investments Limited**  
**Statement of Changes in Equity**  
**For the year ended 31 December 2020**

(\$ in millions)	Ordinary share capital	Share premium account <sup>1</sup>	Other reserves <sup>2</sup>	Accumulated losses	Total
<b>Balance at 1 January 2019</b>	0.3	806.7	637.7	(635.3)	<b>809.4</b>
<i>Comprehensive income</i>					
Loss for the year	-	-	-	(108.7)	<b>(108.7)</b>
<b>Balance at 31 December</b>	<b>0.3</b>	<b>806.7</b>	<b>637.7</b>	<b>(744.0)</b>	<b>700.7</b>
<i>Comprehensive income</i>					
Loss for the year	-	-	-	(77.7)	<b>(77.7)</b>
<b>Balance at 31 December</b>	<b>0.3</b>	<b>806.7</b>	<b>637.7</b>	<b>(821.7)</b>	<b>623.0</b>

1 Share premium relates to historical share issue's from Inmarsat Group Limited. The amounts are not distributable.

2 Other reserves consists of the cashflow hedge reserve of \$0.1m (2019: \$0.1m) and the capital contribution reserve of \$637.6m (2019: \$637.6m). The capital contribution reserve is considered distributable as it was made in 2010 with qualifying consideration.

The accompanying notes are an integral part of the financial statements.

# **Inmarsat Investments Limited**

## **Notes to the Financial Statements**

### **For the year ended 31 December 2020**

#### **1. General information**

Inmarsat Investments Ltd (the 'Company') is a company incorporated in the United Kingdom and domiciled in England and Wales. The address of its registered office is 99 City Road, London, EC1Y 1AX, United Kingdom.

The ultimate controlling party of the Company is Connect Topco Limited (the 'Group') which is an entity based in Guernsey. The results of the Company are consolidated into Connect Topco Ltd. The immediate parent company is Inmarsat Group Limited based in the United Kingdom. The smallest and largest group into which the results of the Company are consolidated are headed by Inmarsat Group Holdings Limited and Connect Topco Limited respectively.

In accordance with paragraph 4(a) of IFRS 10 and Section 400 of the Companies Act, the Company has elected not to prepare consolidated financial statements and has presented separate Company financial statements.

The financial statements have been prepared under the historical cost convention, modified for certain items carried at fair value, as stated in the accounting policies. A summary of the more significant accounting policies is set out below. These policies have been applied consistently for all the years presented unless otherwise stated.

#### **2. Principal accounting policies**

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

##### **Basis of preparation**

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the Financial Reporting Council ('FRC'). Accordingly, the Company financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to presentation of a cash flow statement, the reconciliation of net cash from operations, capital management, presentation of comparative information in respect of certain assets, standards not yet effective, impairment of assets and related party transactions, share based payments and financial instruments. Where required, equivalent disclosures have been given in the accounts of Connect Bidco Limited ('Bidco').

##### **New accounting policies adopted in the year**

No new accounting policies were adopted for the year ended 31 December 2020.

##### **Going concern**

In determining whether the Company's financial statements can be prepared on a going concern basis the Directors have considered all the factors likely to affect its future development, performance and its financial position. The Company is part of the Connect Bidco Limited Group ('Bidco'), ultimately owned by Connect Topco Limited (the 'Group'), and the going concern review completed at the date of signing of the Bidco accounts is set out within the Connect Bidco Limited 2020 Annual report which does not form part of this report. The going concern of the Company is dependent on the going concern of Bidco.

Despite the uncertain economic outlook related to Covid-19, the Directors of Bidco continue to believe that Bidco has a robust business model and good medium to long-term growth prospects. Bidco has responded robustly and quickly to the challenges created by the spread of the virus and material actions have been and will be taken as appropriate to maintain Bidco business continuity and provide sufficient liquidity to the Bidco Group. As at 31 December 2020, Bidco has \$1,638m of liquid resources (Cash: \$938m and undrawn credit facilities: \$700m) and an expectation that Bidco will generate positive free cash flow and reduce leverage over the medium to long term.



# **Inmarsat Investments Limited**

## **Notes to the Financial Statements**

### **For the year ended 31 December 2020**

#### **2. Principal accounting policies (continued)**

At the date of signing of these financial statements the Directors have considered all the factors impacting the Company's and Bidco's business, including downside sensitivities. This includes information pertaining to the potential operational and financial impacts of Covid-19 to the Company and Bidco. The Directors therefore have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

The Company and Bidco continues to adopt the going concern basis in preparing the 2020 financial statements.

#### **Basis of accounting**

The financial statements are presented in US dollars which is the functional currency of the company. The preparation of the financial statements is in conformity with FRS 101.

#### **Employee costs and Directors' remuneration**

The company does not have any directly employed employees.

#### **Foreign currency translation**

The financial statements are presented in US dollars which is the functional currency of the company. The functional currency of the Company and most of the Group's subsidiaries and the presentation currency of the Group is the US dollar, as the majority of operational transactions are denominated in US dollars.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of transactions and the translation of monetary assets and liabilities denominated in foreign currencies at period end exchange rates are recognised in the Income Statement line which most appropriately reflects the nature of the item or transactions.

#### **Financing income and financing cost**

Financing income comprises interest receivable on funds invested and the net interest on intercompany loans.

Financing costs comprise interest payable on borrowings including the Senior Notes and intercompany loans and the amortisation of Senior Notes.

#### **Financial assets**

##### *Trade and other receivables*

Trade and other receivables, are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method. The Company calculates the loss allowance for trade receivables based on lifetime expected credit losses under the IFRS 9 simplified approach.

#### **Financial liabilities and equity**

##### *Equity instruments*

An equity instrument is any contract that evidences a residual interest in the net assets of the Company. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue cost.

##### *Trade and other payables*

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

##### *Borrowings*

Borrowings, comprising interest-bearing bank loans, are initially recorded at fair value which equates to the proceeds received, net of direct transaction and arrangement costs. They are subsequently held at amortised cost. Finance charges related to borrowings, including premiums payable on settlement or redemption and direct issue costs, are accounted for using the effective interest method and are added to the carrying value of the instrument. Amortisation of direct transaction costs, are charged to the Income Statement over the term of the borrowing.

Borrowings are classified as current liabilities unless the Company has unconditional right to defer settlement of the liability for at least 12 months after the Balance Sheet date.

**Inmarsat Investments Limited**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2020**

**2. Principal accounting policies (continued)**

*Derivative financial instruments*

In accordance with its treasury policy, the Company does not hold or issue derivative financial instruments for trading or speculative purposes.

**Taxation**

*Current tax*

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

*Deferred income tax*

Deferred tax is provided on temporary differences arising between assets and liabilities' tax bases and their carrying amounts (the balance sheet method). 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 tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary deductible differences or tax loss carry forwards can be utilised.

Deferred tax liabilities are provided on all taxable temporary differences except on those:

- arising from the 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.
- associated with investments in subsidiaries and associates, but only to the extent that the Company controls the timing of the reversal of the differences and it is probable that the reversal will not occur in the foreseeable future

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set them off, when they relate to income taxes levied by the same taxation authority and if the Company intends to settle its current tax assets and liabilities on a net basis.

**Impairment reviews**

An asset is tested for impairment on an individual basis as far as possible to determine its recoverable amount. Where this is not possible, assets are grouped and tested for impairment in a cash generating unit. A cash generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

An asset will be impaired if the carrying amount exceeds its recoverable amount, which is the higher of the fair value less costs to sell the asset and the value in use. The impairment loss will be recognised in the income statement.

In assessing value in use, estimated future cash flows 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. Subsequent to an impairment loss, if indications exist that an asset's recoverable amount might have increased, the recoverable amount will be reassessed and any impairment reversal recognised in the income statement.

An impairment loss is reversed only to the extent that the asset's carrying amount will not exceed the depreciated historical cost (what the carrying amount would have been had there been no initial impairment loss).

**Inmarsat Investments Limited**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2020**

**2. Principal accounting policies (continued)**

**Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

**Investments**

Investments are held at historical cost and are assessed for impairment annually.

**Dividends**

Dividend distributions to the company's shareholders are recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

**Capital risk management**

The Company's objective when managing its capital is to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company continually evaluates sources of capital and may repurchase, refinance, exchange or retire current or future borrowings and/or debt securities from time to time in private or open-market transactions, or by any other means permitted by the terms and conditions of borrowing facilities and debt securities.

No changes were made in the Company's objectives, policies or processes for managing capital in the years ended 31 December 2020 and 2019.

**Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, the Director's are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

**Key sources of estimation uncertainty**

Key assumptions concerning the future and other key sources of estimation uncertainty at the reporting period may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**(a) Estimation uncertainty relating to impairment of investment in subsidiaries**

Determining whether the Company's investments in subsidiaries have been impaired involves estimation of the recoverable amount of the investments. To the extent that the carrying value of the Company's investment in a subsidiary is greater than the recoverable amount of the subsidiary, an impairment is recognised in the investment and charged to the Company's profit or loss in the period.

The impairment review comprises a comparison of the carrying amount of the investment with its recoverable amount, which is the higher of fair value less costs to sell and value in use. Fair value less costs to sell is calculated by reference to the amount at which the investment could be disposed of. Value in use is calculated by discounting the expected future cash flows obtainable as a result of the investment's continued use, including those resulting from its ultimate disposal, at a market-based discount rate on a pre-tax basis.

The inherent uncertainty regarding the outcome of this recoverable amount from the accounting estimate calculated could affect the Company's results and cash flows.

**Inmarsat Investments Limited**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2020**

**2. Principal accounting policies (continued)**

Critical judgements in applying the Company's accounting policies

There have been no critical judgements that the Director's have made in the process of applying the Company's accounting policies, which have a significant effect on the amounts recognised in financial statements.

**3. Profit / (loss) before tax**

Costs are presented by the nature of the expense to the Company. The Company does not have any directly employed employees. Loss before tax is stated after charging the following items:

(\$ in millions)	2020	2019
Purchases of goods and services with Group companies	-	(0.1)
Impairment loss	-	(63.8)
Dividend revenue from Group companies	11.2	61.8

The company was not subject to an audit in 2020 and did not incur an audit fee. In 2019, the fee of \$10,000 for the audit of the financial statements was paid by a company within the Group. There were no non audit services provided in either years.

**4. Net financing costs**

(\$ in millions)	2020	2019
Related party interest income	14.1	36.7
<b>Total financing income</b>	<b>14.1</b>	<b>36.7</b>
Intercompany interest on subordinated loans	(95.9)	(108.2)
Interest on Ex-im facility	-	(14.3)
Other intercompany interest	(32.4)	(21.0)
Loan commitment fees	-	(2.3)
Amortisation of discount on subordinated Senior Notes 2022 & Senior Notes 2024	(3.3)	(8.2)
Amortisation of other debt issue costs	-	(10.1)
<b>Total financing costs</b>	<b>(131.6)</b>	<b>(164.1)</b>
<b>Net financing cost</b>	<b>(117.5)</b>	<b>(127.4)</b>

**5. Taxation**

The tax charge for the year recognised in the income statement:

(\$ in millions)	2020	2019
<b>Current tax:</b>		
Adjustments in respect of prior years	(2.8)	(12.2)
<b>Total current tax</b>	<b>(2.8)</b>	<b>(12.2)</b>
<b>Deferred tax:</b>		
Origination and reversal of temporary differences	22.3	21.6
Adjustments due to changes in corporation tax rates	4.4	-
Adjustments in respect of prior years	4.7	11.4
<b>Total deferred tax</b>	<b>31.4</b>	<b>33.0</b>
<b>Total taxation credit</b>	<b>28.6</b>	<b>20.8</b>

**Inmarsat Investments Limited**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2020**

**5. Taxation (continued)**

The effective tax rate is 16.1% (2019: 9.2%) and is reconciled below:

(\$ in millions)	2020	2019
Loss before tax	(106.3)	(129.5)
Income tax at 19.0% (2019: 19.0%)	20.2	24.6
Adjustments in respect of prior periods	1.9	(0.8)
Adjustments due to changes in corporation tax rates	4.4	(2.6)
Other non-deductible expenses/non-taxable income	2.1	(0.4)
<b>Total taxation credit</b>	<b>28.6</b>	<b>20.8</b>

The current tax asset of \$nil (2019: \$nil) represents the tax receivable in respect of the current and prior periods.

**Recognised deferred tax liabilities**

Deferred tax assets and liabilities (prior to the offsetting of balances within the same jurisdiction as permitted by IAS 12) for the year are shown below:

(\$ in millions)	As at 31 December 2020			As at 31 December 2019		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Corporate interest restriction	41.6	-	41.6	4.0	-	4.0
Tax losses carried forward	22.7	-	22.7	29.0	-	29.0
<b>Net deferred tax assets</b>	<b>64.3</b>	<b>-</b>	<b>64.3</b>	<b>33.0</b>	<b>-</b>	<b>33.0</b>

Deferred income 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 deferred income taxes relate to the same fiscal authority.

The Budget announced by the Chancellor on 3 March 2021, included changes to the main rate of corporation tax for UK companies. The standard rate of corporation tax remains at 19% for the financial year commencing 1 April 2020, however this will be increased to 25% from 1 April 2023. UK deferred tax has been recognised in the accounts at a rate of 19% on the basis that this is the substantively enacted rate at 31 December 2020. A revaluation to 25% is expected to increase the net deferred tax liability by \$20.4k.

Movement in temporary differences during the year (2019: nil):

(\$ in millions)	As at 1 January 2020	Recognised in income	As at 31 December 2020
Corporate interest restriction	4.0	37.6	41.6
Tax losses	29.0	(6.3)	22.7
<b>Total</b>	<b>33.0</b>	<b>31.3</b>	<b>64.3</b>

**6. Investment**

(\$ in millions)	Principal activity	Country of incorporation	Ownership %	2020	2019
Interest in Inmarsat Ventures SE	Operating company	Luxembourg	100%	20.8	20.8
Interest in Inmarsat New Ventures	Holding company	England and Wales	100%	3,143.0	3,143.0
Other Investments				1.1	1.1
<b>Total Investments</b>				<b>3,164.9</b>	<b>3,164.9</b>

Other investments represent the Company's 0.6% investment in Actility S.A. which was made on 5 April 2017 and is accounted for as fair value through profit and loss.

**Inmarsat Investments Limited**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2020**

**7. Trade and other receivables**

	Effective interest rate	At 31 December 2020	At 31 December 2019
<b>(\$ in millions)</b>			
<b>Current:</b>			
Dividend receivable from Group companies		29.0	29.0
Amounts due from Group undertakings		-	27.7
Interest on loans from Group undertakings		1.1	1.3
		<b>30.1</b>	<b>58.0</b>
<b>Non-current:</b>			
Loans due from Group undertakings	LIBORUSD03	224.9	210.6
		<b>224.9</b>	<b>210.6</b>

The Directors consider the carrying value of other receivables to approximate to their fair value.

**8. Borrowings**

	Effective interest rate	At 31 December 2020	At 31 December 2019
<b>(\$ in millions)</b>			
<b>Current:</b>			
Loan issue costs		-	(1.7)
		-	<b>(1.7)</b>
<b>Non-current:</b>			
Loans due to Group undertakings	3-month LIBOR	1,498.6	367.8
Subordinated intercompany shareholder funding		-	1,000.0
		<b>1,498.6</b>	<b>1,367.8</b>

The Directors consider the carrying value of borrowings to approximate to their fair value.

**9. Trade and other payables**

	At 31 December 2020	At 31 December 2019
<b>(\$ in millions)</b>		
Amounts due to Group undertakings	1,036.7	1,103.9
Interest on loans to Group undertakings	-	6.9
Intercompany trading interest	176.8	139.8
Dividend payable to Group companies	149.1	149.1
	<b>1,362.6</b>	<b>1,399.7</b>

The Directors consider the carrying value of trade and other payables to approximate to their fair value.

**Inmarsat Investments Limited**  
**\*Notes to the Financial Statements**  
**For the year ended 31 December 2020**

**10. Ordinary shares**

	At 31 December 2020	At 31 December 2019
<b>(\$ in millions)</b>		
<b>Authorised:</b>		
630,780,000 ordinary shares of €0.0005 each (2019: 630,780,000)	0.4	0.4
	<b>0.4</b>	<b>0.4</b>
<b>Allotted, issued and fully paid:</b>		
534,900,100 ordinary shares of €0.0005 each (2019: 534,900,100)	0.3	0.3
	<b>0.3</b>	<b>0.3</b>

During the year ended 31 December 2020 no new shares were allotted and issued (2019: nil).

During the year no dividend was declared or paid by the company (2019: \$nil).

**11. Related party transactions**

The Directors of the Company are the key management personnel and none received any remuneration from the Company during the year (2019: nil).

Other than what is already disclosed within these financial statements, there were no other material related party transactions during the year (2019: nil).

**12. Contingent liabilities**

In the ordinary course of business, the Company is subject to contingencies pursuant to requirements that it complies with relevant laws, regulations and standards. Failure to comply could result in restrictions in operations, damages, fines, increased tax, increased cost of compliance, interest charges, reputational damage and other sanctions. These matters are inherently difficult to quantify.

In cases where the Company has an obligation as a result of a past event existing at the balance sheet date, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated, a provision will be recognised based on best estimates and management judgement.

A contingent liability is disclosed where the existence of the obligation will only be confirmed by future events, or where the amount of the obligation cannot be measured with reasonable reliability. At 31 December 2020, the Company had no material contingent liabilities.

**13. Events after balance sheet date**

On 18 January 2021, the Company contributed capital in cash in the amount of \$6.1m by subscribing for new shares in Inmarsat New Ventures. The Company subscribed to an additional 100 ordinary shares at £1 (\$1.3546) per share and share premium totalling \$6.1m. This transaction is a non-adjusting post balance event and in 2021 will increase the investments in subsidiaries within the Company.

On 28 January 2021, the Company contributed capital in cash in the amount of \$4.7m by subscribing for new shares in Inmarsat New Ventures. The Company subscribed to an additional 100 ordinary shares at £1 (\$1.3546) per share and share premium totalling \$4.7m. This transaction is a non-adjusting post balance event and in 2021 will increase the investments in subsidiaries within the Company.

There have been no significant subsequent events which would require disclosure in the 31 December 2020 financial statements.