

Reliance Jio Infocomm UK Limited

Financial statements

For the year ended 31 December 2022

Reliance Jio Infocomm UK Limited

Independent auditor's report to the members of Reliance Jio Infocomm UK Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Reliance Jio Infocomm UK Limited (the 'company'):

- 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, including Financial Reporting Standard 101 "Reduced Disclosure Framework; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the balance sheet;
- the statement of changes in equity;
- the statement of accounting policies; and
- the related notes 1 to 15.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Reliance Jio Infocomm UK Limited

Independent auditor's report to the members of Reliance Jio Infocomm UK Limited (continued)

Other information

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

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

We have nothing to report in this regard.

Responsibilities of directors

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

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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 auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act 2006; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

Reliance Jio Infocomm UK Limited

Independent auditor's report to the members of Reliance Jio Infocomm UK Limited (continued)

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

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

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

Reliance Jio Infocomm UK Limited

Independent auditor's report to the members of Reliance Jio Infocomm UK Limited (continued)

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Fred Hui FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

20th April 2023

Reliance Jio Infocomm UK Limited

Income statement

For the year ended 31 December 2022

	Note	Year ended 31 December 2022 £	Year ended 31 December 2021 £
Revenue from operations	14	21,649,516	15,405,401
Other operating income	14	135,479	0
Operating expenses	3	(21,380,757)	(15,305,651)
Profit before taxation		<u>404,238</u>	<u>99,750</u>
Income tax	5	(89,214)	(69,226)
Profit for the year		<u><u>315,024</u></u>	<u><u>30,524</u></u>

All amounts relate to continuing operations. There were no recognized income and expenses for 2022 and 2021 other than those included in the Income Statement and accordingly no statement of comprehensive income has been prepared.

The notes 1 to 15 form part of these financial statements.

Reliance Jio Infocomm UK Limited

Balance sheet

As at 31 December 2022

	Note	2022 £	2021 £
Non-current assets			
Property, plant and equipment	6	4,162,202	4,552,216
Intangible assets	7	839,980	924,263
Capital Work In Progress	6	74,444	12,043
		<u>5,076,626</u>	<u>5,488,522</u>
Current assets			
Trade receivables	8	2,469,890	1,616,161
Accrued income	8	5,690,723	1,571,011
Other current assets	8	1,790,067	494,429
Cash and bank balances		277,886	228,199
		<u>10,228,566</u>	<u>3,909,800</u>
Total assets		<u>15,305,192</u>	<u>9,398,322</u>
Non-current liabilities			
Deferred tax liabilities	5	(296,313)	(207,098)
Current liabilities			
Trade and other payables	9	(6,729,427)	(2,098,834)
Contract Liability	9	(1,349,398)	(477,360)
Net current assets		<u>2,149,741</u>	<u>1,333,606</u>
Total Assets less Current Liabilities		<u>7,226,367</u>	<u>6,822,128</u>
Net assets		<u>6,930,054</u>	<u>6,615,030</u>
Equity			
Share capital	10	6,000,000	6,000,000
Retained earnings	11	930,054	615,030
Equity attributable to owners of the Company		<u>6,930,054</u>	<u>6,615,030</u>

The financial statements of Reliance Jio Infocomm UK Limited (registered number 08630000) were approved by the Board and authorised for issue on **20th April 2023**. They were signed on its behalf by

Saji Varghese
Director

Reliance Jio Infocomm UK Limited

Statement of changes in equity

For the year ended 31 December 2022

	Note	Share capital £	Retained earnings £	Total £
Balance at 1 January 2021		6,000,000	584,506	6,584,506
Profit for the year ended 31 December 2021		-	30,524	30,524
Total comprehensive income for the year		-	30,524	30,524
Issue of share capital		-	-	-
Balance at 31 December 2021		6,000,000	615,030	6,615,030
Profit for the year ended 31 December 2022	11	-	315,024	315,024
Total comprehensive income for the year		-	315,024	315,024
Issue of share capital	10	-	-	-
Balance at 31 December 2022		6,000,000	930,054	6,930,054

Reliance Jio Infocomm UK Limited

Notes to the financial statements

For the year ended 31 December 2022

1. Significant accounting policies

Reliance Jio Infocomm UK Limited (the Company) is a private company limited by shares incorporated in the United Kingdom and registered in England & Wales, with its principal place of business and registered office at 8th Floor, 105 Wigmore Street, London W1U 1QY United Kingdom. The group accounts of Reliance Industries Limited are available to the public and can be obtained as set out in note 15.

The principal accounting policies are summarised below. They have all been applied consistently throughout the year ended 31 December 2022 and prior year ended 31 December 2021.

These financial statements are presented in pounds sterling which is the currency of the primary economic environment in which the Company operates.

Basis of preparation

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. Accordingly, these financial statements were 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 financial instruments, presentation of a cash flow statement, standards not yet effective, certain disclosures in respect of revenue from contracts with customers, impairment of assets and certain related party transactions. New and amended IFRS effective in the year have no material impact on the company. Where required, the equivalent disclosures are given in the group accounts of Reliance Industries Limited whose consolidated financial statements include those of the Company and are publicly available and can be obtained as set out in note 15.

The financial statements have been prepared under the historical cost convention.

Going concern

The Director has reviewed the cash flow projections for next 12 months from the date of signing of these accounts. Based on these projections and the commitment of the parent company to invest in the Company, should investment be needed, the Director has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Director has also considered the external factors and does not believe it will have any significant impact on the business and operations. Accordingly, the Director continues to adopt the going concern basis of accounting in preparing the annual financial statements.

IFRS 16 Leases

The Company has applied IFRS 16 Leases which is effective for an annual period that begins on or after 1 January 2021. As the Company has no leases IFRS 16 does not have an impact on the financial position and/or financial performance of the Company.

Revenue recognition

Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those services.

Rendering of services

Revenue from a contract to provide voice services is recognised at point in time and revenue from contracts to provide data services (including IP transit and bandwidth services) is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government).

Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional. Generally, the credit period varies between 30-60 days from the delivery of services.

In case of discounts, rebates, credits, price incentives or similar terms, consideration is determined based on its most likely amount, which is assessed at each reporting period.

Reliance Jio Infocomm UK Limited

Notes to the financial statements

For the year ended 31 December 2022

1. Significant accounting policies (continued)

Property, plant and equipment

Plant and equipment are carried at cost, less accumulated depreciation and any accumulated impairment losses. Plant and equipment in the course of construction for production, supply and administrative purpose is carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing cost capitalised in accordance with company's accounting policy. Depreciation commences when the assets are ready for their intended use.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis. The gain or loss arising on the disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Fully depreciated assets still in use are retained in the financial statements.

At each balance sheet date, the Company reviews the carrying amount of its tangible assets to determine whether there is an indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). The impairment loss is recognised in profit or loss.

Depreciation of property, plant and equipment

Depreciation of tangible fixed assets is charged so as to write off the cost of assets, other than assets under construction, using the straight line method over their estimated useful lives, as follows:

Plant and machinery	15 years.
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Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over the contractual life to which we can use that Asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is de-recognised.

Indefeasible Right to Use Capacity 15 years.

Taxation

Current tax

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

Foreign currency

The company's accounting records are maintained in Pounds Sterling (GBP) and transactions in foreign currencies during the year have been translated into GBP at rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange.

Reliance Jio Infocomm UK Limited

Notes to the financial statements

For the year ended 31 December 2022

1. Significant accounting policies (continued)

rates as at the dates of the initial transactions. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the income statement.

Pension costs

All pension costs have been charged to Income Statement. Differences between contributions payable in the year and contributions actually paid are shown as accruals in the balance sheet.

Financial Instruments

Financial assets and financial liabilities are recognised on the Company's balance sheet when the company becomes a party to the contractual provisions of the instrument.

Financial assets

Trade and other receivables are initially recognised at fair values plus transaction costs and subsequently measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest method, except for short-term balances when the effect of discounting is immaterial.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period. Income and expense is recognised on an effective interest basis for debt instruments.

Impairment of financial assets

The Company recognizes a loss allowance for lifetime expected credit losses ('ECL') on trade debtors and contract assets. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

Write-off policy

When a customer fails to pay an undisputed sum within due dates as per the credit period mentioned in the contract then it constitutes a default. If the default continues for a significant period (365 days), the company uses its best judgement and provides for a doubtful receivable taking into account substantial increase in the credit risk (e.g. there is significant uncertainty regarding the ultimate collectability considering the current financial position of the customer, current geographical tensions etc.).

During the financial year once it is established that debts are likely to be irrecoverable or that it is uneconomic to pursue further the debt will be recommended for write-off.

Reliance Jio Infocomm UK Limited

Notes to the financial statements

For the year ended 31 December 2022

1. Significant accounting policies (continued)

Derecognition of financial assets

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the company neither transfers or retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised at fair value, net of directly attributable cost.

Subsequent measurement

Financial liabilities are carried at amortised cost using the effective interest method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial instruments

A financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the Director is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The only significant judgement made by the Director relates to the useful lives of property, plant and equipment.

Useful lives of property, plant and equipment

As described above, the Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, the Director determined that there should be no changes in the useful lives of property, plant and equipment.

There are no other judgements that the Director considers to be of a critical nature.

The company does not have any key sources of estimation uncertainty.

Reliance Jio Infocomm UK Limited

Notes to the financial statements

For the year ended 31 December 2022

3. Operating expenses

	Year ended 31 December 2022 £	Year ended 31 December 2021 £
Employee Benefit Expenses	347,701	200,977
Depreciation and amortization	513,366	512,012
IP Transit Cost	1,310,494	1,181,998
Voice charges	18,196,771	12,453,816
Professional fees	8,433	13,238
Audit Fees	35,000	33,000
Insurance	40,785	38,370
Colocation Charges	821,372	679,430
Repairs & Maintenance	241,393	195,546
Foreign Exchange losses	(160,237)	(9,371)
General expenditure	25,679	6,635
	<u>21,380,757</u>	<u>15,305,651</u>

Auditor's remuneration

Fees payable to Deloitte LLP and their associates for the audit of the Company's annual accounts were £35,000 (2021: £33,000). No fees for any other services were paid to Deloitte LLP.

4. Directors' Emoluments and Staff costs

The Director did not receive any remuneration from the company during the year (2021: £nil) as it is borne by another group company and is not recharged to this company.

The average monthly number of employees (excluding the directors) during the year was 2 (2021: 1).

The aggregate remuneration comprised:

	Year ended 31 December 2022 £	Year ended 31 December 2021 £
Wages and salaries	292,500	166,667
Social security costs	41,041	22,123
Pension costs	14,160	12,187
	<u>347,701</u>	<u>200,977</u>

Reliance Jio Infocomm UK Limited

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

5. Tax

	Year ended 31 December 2022 £	Year ended 31 December 2021 £
Corporation tax:		
UK corporation tax at 19.00% (2021: 19.00%)	-	-
Deferred tax	89,214	69,226
	<u>89,214</u>	<u>69,226</u>

Corporation tax is calculated at 19.00% (2021: 19.00%) of the profit for the year. The charge for the year can be reconciled to the profit in the income statement as follows:

	Year ended 31 December 2022 £	Year ended 31 December 2021 £
Profit before tax	404,238	99,750
Tax at the UK corporation tax rate of 19.00 % (2021: 19.00 %)	76,805	18,952
Tax effect of expenses that are not deductible in determining taxable profit	73,808	73,551
Capital Allowance	(116,702)	(92,503)
Use of brought forward losses	(33,911)	-
Change in unrecognised deferred tax assets	-	-
Brought forward unrecognised deferred tax assets	-	-
Adjustment to prior year deferred tax assets	-	-
Deferred tax movement on fixed assets	89,214	69,226
Effect of change in tax rate	-	-
Other Adjustment	-	-
Tax expense for the year	<u>89,214</u>	<u>69,226</u>

At 31 December 2022, other temporary timing differences exceed losses available, resulting in a net deferred tax liability of £296,312.

An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using this tax rate and reflected in these financial statements. Finance Act 2023 does not have any impact on taxation of the Company as of 31 December 2022.

Reliance Jio Infocomm UK Limited

Notes to the financial statements

For the year ended 31 December 2022

5. Tax (continued)

The following are the major deferred tax liabilities and assets recognised by the Company and movements thereon during the current and prior reporting period.

	Accelerated tax depreciation £	Total £
At 1 January 2022	207,098	207,098
Charge to profit or loss	89,214	89,214
Effect of change in tax Rate		
– profit or loss	-	-
– equity	-	-
At 31 December 2022	<u>296,312</u>	<u>296,312</u>

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2022 £	2021 £
Deferred tax liabilities	296,312	207,098
Deferred tax assets	-	-
	<u>296,313</u>	<u>207,098</u>

Reliance Jio Infocomm UK Limited

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

6. Property, plant and equipment

	Plant and machinery £	Capital work- in-progress £	Total £
Cost:			
At 1 January 2021	6,376,790	12,043	6,388,833
Additions	-	-	-
Transfers to Plant and Machinery	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2021	6,376,790	12,043	6,388,833
Additions	27,026	74,444	101,470
Transfers to Plant and Machinery	12,043	(12,043)	-
	<hr/>	<hr/>	<hr/>
At 31 December 2022	6,415,859	74,444	6,490,303
	<hr/>	<hr/>	<hr/>
Accumulated depreciation:			
At 1 January 2021	(1,396,845)	-	(1,396,845)
Depreciation for the year	(427,729)	-	(4,27,729)
	<hr/>	<hr/>	<hr/>
At 31 December 2021	(1,824,574)	-	(1,824,574)
Depreciation for the year	(429,083)	-	(429,083)
	<hr/>	<hr/>	<hr/>
At 31 December 2022	(2,253,657)	-	(2,253,657)
	<hr/>	<hr/>	<hr/>
Carrying amount:			
At 31 December 2022	4,162,202	74,444	4,236,646
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2021	4,552,216	12,043	4,564,259
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Reliance Jio Infocomm UK Limited

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

7. Intangible assets

	Rights-to-use capacity £	Total £
Cost:		
At 1 January 2021	1,264,402	1,264,402
Adjustments	-	-
	<hr/>	<hr/>
At 31 December 2021	1,264,402	1,264,402
Additions	-	-
	<hr/>	<hr/>
At 31 December 2022	1,264,402	1,264,402
	<hr/>	<hr/>
Accumulated amortisation:		
At 1 January 2021	(255,856)	(255,856)
Charge for the year	(84,283)	(84,283)
	<hr/>	<hr/>
At 31 December 2021	(340,139)	(340,139)
Charge for the year	(84,283)	(84,283)
	<hr/>	<hr/>
At 31 December 2022	(424,422)	(424,422)
	<hr/>	<hr/>
Carrying amount:		
At 31 December 2022	839,980	839,980
	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2021	924,263	924,263
	<hr/> <hr/>	<hr/> <hr/>

The amortisation expense has been included in the line item 'depreciation and amortisation expense' in other operating expenses in the Income Statement. The intangible assets represent 'Indefeasible Right to Use' of capacities on optical fibre cables.

Reliance Jio Infocomm UK Limited

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

8. Trade and other receivables

	2022 £	2021 £
Trade receivables (payable within 30 to 45 days from invoice date)		
- Holding company	87,783	288,072
- Fellow Subsidiary	855,554	424,518
- Others	<u>1,526,553</u>	<u>903,571</u>
	<u>2,469,890</u>	<u>1,616,161</u>
Accrued income		
- Holding Company	491,117	183,524
- Fellow Subsidiary	2,340,455	540,556
- Others	<u>2,859,151</u>	<u>846,931</u>
	<u>5,690,723</u>	<u>1,571,011</u>
Other current assets	1,790,067	494,429
Total trade and other receivables	<u>9,950,680</u>	<u>3,681,601</u>

For details on the terms and conditions of the balances due from related parties, please refer to note 13.

9. Current liabilities

	2022 £	2021 £
Trade payables		
- Payable to parent company	922,964	624,213
- Others	<u>517,842</u>	<u>115,094</u>
	<u>1,440,806</u>	<u>739,307</u>
Other Payables	3,578,765	215,341
Accruals		
- Payable to parent company	21,027	647,475
- Payable to fellow subsidiary	1,546,067	215,417
- Others	<u>140,762</u>	<u>281,294</u>
	<u>1,707,856</u>	<u>1,144,186</u>
Total Trade and other Payable	6,727,427	2,098,834
Contract Liability	1,349,398	477,360
Amounts falling due within one year	<u>8,076,825</u>	<u>2,576,194</u>

The Contract Liability noted above is the deferred income. For details on the terms and conditions of the balances due to related parties, please refer to note 13.

Reliance Jio Infocomm UK Limited

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

10. Authorised share capital

	2022 £	2021 £
Authorised, Issued and fully paid:		
6,000,000 ordinary shares of £1 each (2021: 6,000,000 ordinary shares of £1 each)	6,000,000	6,000,000
	<u>6,000,000</u>	<u>6,000,000</u>

The Company has one class of ordinary shares which carry no right to fixed income.

11. Retained earnings

	£
Balance at 1 January 2021	584,506
Net profit for the year ended 31 December 2021	30,524
	<u>615,030</u>
Balance at 31 December 2021	615,030
Net Profit for the year ended 31 December 2022	315,024
	<u>930,054</u>
Balance at 31 December 2022	<u>930,054</u>

12. Capital Commitments

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

	2022 £	2021 £
Commitments for the acquisition of plant and equipment	<u>1,043,015</u>	<u>172,563</u>

Reliance Jio Infocomm UK Limited

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

13. Related party transactions

Trading transactions

During the year, the Company entered into the following trading transactions with related parties:

	Sale of services		Purchase of services	
	2022	2021	2022	2021
	£	£	£	£
Reliance Jio Infocomm Limited (Holding Company)	2,676,764	1,436,498	8,486,424	8,879,144
Associates (Other Group Undertakings)	4,945,722	3,595,547	4,386,726	1,511,210

The following amounts were outstanding at the balance sheet date:

	Amounts owed by related parties		Amounts owed to related parties	
	2022	2021	2022	2021
	£	£	£	£
Reliance Jio Infocomm Limited (Holding Company)	294,157	471,596	923,754	1,271,688
Associates (other Group Undertakings)	1,488,811	965,074	657,767	215,417

Reliance Jio Infocomm Limited is a related party of the Company because RJIL holds 100% share capital in RJIUK.

RJIPL and RJIUS are Associate companies for RJIUK as they are also 100% subsidiaries of RJIL.

Sales of services to related parties were made at the cost plus appropriate mark-up. Purchases were made at market price discounted to reflect the quantity of services purchased and the relationships between the parties.

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No provisions have been made for doubtful debts in respect of the amounts owed by related parties.

Amounts repayable to Reliance Jio Infocomm Limited carry no interest.

The Company does not have any loans outstanding with or from any of the group undertakings.

14. Revenue from Operations

All the revenue is generated in the UK.

Type of services	2022	2021
	£	£
Voice Termination Services	18,475,459	12,786,680
IP Transit Services	3,174,057	2,555,991
Other	135,479	62,730
Total	21,784,995	15,405,401

Reliance Jio Infocomm UK Limited

Notes to the financial statements

For the year ended 31 December 2022

15. Immediate parent and ultimate controlling party

The Company's immediate parent Company and controlling party is Reliance Jio Infocomm Limited, a Company incorporated in India and having registered address at Office -101, Saffron, Near Centre Point, Panchwati 5 Rasta, Ambawadi, Ahmedabad-380006, Gujarat, India. The smallest group of which the company is a member and for which group accounts are prepared is the consolidated financial statements of Reliance Jio Infocomm Limited.

The ultimate parent company, which is also the parent undertaking of the largest group which includes the Company and for which group accounts are prepared, is Reliance Industries Limited, a Company incorporated in India. The group accounts for Reliance Industries Limited can be obtained from the registered address, being the 3rd Floor, Maker Chambers IV, 222, Nariman Point, Mumbai 400 021, India.