

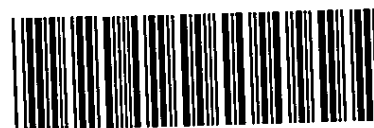
Dimension Data Cloud Solutions, United Kingdom Limited

Directors' report and
financial statements

Year ended 30 September 2015

Registered number 04935017

TUESDAY



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COMPANIES HOUSE

Dimension Data Cloud Solutions, United Kingdom Limited

Directors' report and financial statements

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Dimension Data Cloud Solutions, United Kingdom Limited

Directors and other information

Directors

S Wessels
J D Rowell

Registered office

Dimension Data House
Waterfront Business Park
Fleet Road
Fleet
Hampshire
GU51 3QT
United Kingdom

Auditor

KPMG
Chartered Accountants
1 Stokes Place
St Stephen's Green
Dublin 2

Bankers

Royal Bank of Scotland
Threadneedle Street
London

HSBC Bank Plc
RMS Department Level 2
2nd Floor
62-76 Park Street
London
SE1 9DZ

Company number

04935017

Dimension Data Cloud Solutions, United Kingdom Limited

Directors' report

The directors present their report and the financial statements for the year ended 30 September 2015

Principal activity

The principal activity of the company during the year was to generate revenue from its newly operational cloud data centres and to provide support to its parent undertaking, Dimension Data Cloud Solutions, Inc. The increase in the cost base in 2015 reflects the cost of operating the newly operational data centres. It is anticipated that revenue will increase over the coming years as data centre usage increases.

Directors

The directors who served during the period were

R J Ryan (resigned on 15 May 2015)
J D Rowell
S Wessels

On 15 May 2015, S Wessels was appointed as a director of the company. The directors held no shares or other instruments in the company at any time during the financial year.

In accordance with Section 270(1) of the Companies Act 2006, the company has availed of the provision not requiring the company to have a secretary.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

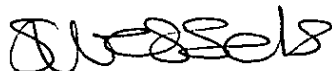
Strategic report: exemption

In preparing this report, the directors have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

Auditor

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

By order of the board



S Wessels
Director

2016

Dimension Data House
Waterfront Business Park
Fleet Road
Fleet, Hampshire
GU51 3QT
United Kingdom

Dimension Data Cloud Solutions, United Kingdom Limited

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)


The financial statements are required by law to 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 year

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 the financial statements the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are 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 its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

On behalf of the board



S Wessels
Director



KPMG
1 Stokes Place
St Stephen's Green
Dublin 2
D02 DE03
Ireland

Telephone +353 1 410 1000
Fax +353 1 412 1122
Internet www.kpmg.ie

Independent auditor's report to the members of Dimension Data Cloud Solutions, United Kingdom Limited

We have audited the financial statements ("financial statements") of Dimension Data Cloud Solutions, United Kingdom Limited for the year ended 30 September 2015 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice)

Opinions and conclusions arising from our audit

1 Our opinion on the financial statements is unmodified

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 September 2015 and of its result for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been properly prepared in accordance with the requirements of the Companies Act 2006

2 Our conclusions on other matters on which we are required to report by the Companies Act 2006 are set out below

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements

3 We have nothing to report in respect of matters on which we are required to report by exception

Under ISAs (UK & Ireland) we are required to report to you if, based on the knowledge we acquired during our audit, we have identified other information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading

In addition, the Companies Act 2006 we are required to report to you if, in our opinion

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

- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report

Shaun Murphy • Marie Armstrong • Darina Barrett • Alan Boyne • Brian Brennan • Gareth Bryan • Sharon Burke • Niall Campbell
Hubert Crehan • Kilian Croke • Brian Daly • Michael Daughton • Eamon Dillon • Paul Dooley • Robert Dowley • Michael Farrell • Patrick Farrell
Eugene Flanagan • Eamonn Gannon • Andrew Gallagher • Laura Gallagher • Frank Gannon • Orla Gavin • Michael Gibbons
Ruaidhri Gibbons • Roger Gillespie • Colm Gorman • Seamus Hand • Johnny Hanna • John Hansen • Ken Hardy • Michael Hayes
Selwyn Heerns • Declan Keane • Gillian Kelly • David Kennedy • Jonathan Lew • Liam Lynch • Olivia Lynch • Tim Lynch • Ryan McCarthy
Pat McDaid • Tom McEvoy • Emer McGrath • Niamh Marshall • David Meagher • Brian Morrissey • Cliona Mullen • Ian Nelson
Colin O'Brien • Conor O'Brien • Paul O'Brien • Barrie O'Connell • Conall O'Halloran • Sean O'Keefe • David O'Kelly • Eoin O'Ludeadha
Garrett O'Neill • Terence O'Neill • Colm O'Sé • Conor O'Sullivan • Eoghan Oungley • Vincent Reilly • Eamonn Richardson • Colm Rogers
Eamonn Russell • Anna Scally • Paul Toner • Eric Wallace • Kieran Wallace • David Wilkinson • Tom Woods



Independent auditor's report to the members of Dimension Data Cloud Solutions, United Kingdom Limited *(continued)*

Basis of our report, responsibilities and restrictions on use

As explained more fully in the statement of directors' responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2006. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

An audit undertaken in accordance with ISAs (UK & Ireland) involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Whilst an audit conducted in accordance with ISAs (UK & Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

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.

Maunce McCann
for and on behalf of
KPMG

Chartered Accountants, Statutory Auditor
1 Stokes Place
St Stephen's Green
Dublin 2

11 August 2016

Dimension Data Cloud Solutions, United Kingdom Limited

Profit and loss account

for the year ended 30 September 2015

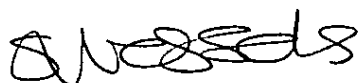
	Note	2015 £	2014 £
Turnover	2	1,342,405	582,101
Cost of sales		(1,364,504)	(793,141)
		<hr/>	<hr/>
Gross (loss)/profit		(22,099)	(211,040)
Administrative expenses		(1,031,305)	(641,045)
		<hr/>	<hr/>
(Loss)/profit on ordinary activities before interest	3	(1,053,404)	(852,085)
Interest receivable and similar income	4	4,697	5,409
Interest payable and similar charges	4	(99,838)	(48,410)
		<hr/>	<hr/>
(Loss)/profit on ordinary activities before taxation		(1,148,545)	(895,086)
Tax on (loss)/profit on ordinary activities	6	-	8,481
		<hr/>	<hr/>
(Loss)/profit for the financial year	13	(1,148,545)	(886,605)
		<hr/>	<hr/>

All amounts relate to continuing operations

There were no recognised gains and losses for the year other than those included in the profit and loss account

The notes on pages 8 to 14 form part of these financial statements

On behalf of the board



S Wessels
Director

Dimension Data Cloud Solutions, United Kingdom Limited

Balance sheet

as at 30 September 2015

	Note	2015 £	2014 £
Fixed assets			
Tangible assets	7	2,873,781	2,503,197
Current assets			
Debtors	8	715,479	701,068
Cash at bank		-	219,940
		<u>715,479</u>	<u>921,008</u>
Creditors amounts falling due within one year	9	(5,816,995)	(4,503,393)
		<u>(5,101,516)</u>	<u>(3,582,385)</u>
Net current liabilities			
		<u>(5,101,516)</u>	<u>(3,582,385)</u>
Net liabilities		<u>(2,227,735)</u>	<u>(1,079,189)</u>
Capital and reserves			
Called up share capital	12	1	1
Profit and loss account	13	(2,227,736)	(1,079,191)
		<u>(2,227,735)</u>	<u>(1,079,190)</u>
Shareholders' deficit	14	<u>(2,227,735)</u>	<u>(1,079,190)</u>

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



S Wessels
Director

Dimension Data Cloud Solutions, United Kingdom Limited

Notes

forming part of the financial statements

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

Basis of preparation of financial statements

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules

Going concern

The financial statements have been prepared on a going concern basis notwithstanding the fact that the company has a deficiency on shareholders' funds and net current liabilities at the end of the year. The directors consider this basis to be appropriate as the company has sufficient facilities available from its parent undertaking to fund its working capital requirement for the foreseeable future, being a period of at least twelve months from the date these financial statements were approved

Cash flow statement

The company is exempt from the requirement to include a cash flow statement under Financial Reporting Standard 1 (Revised) *Cash Flow Statements* on the grounds of size

Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the period, exclusive of value added tax

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Laptops – Over 24 months

Servers – Over 36 months

Network Gear & Storage Equipment – Over 60 months

RAMs, HDDs, Network Cards & Other subsequent Add-ons – 18 months

Furniture & Fixtures – 60 months

Office equipment - Over 36 months

Software – Over 36 months

Leasehold Improvements – Over Life of Associated Lease

Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term

Dimension Data Cloud Solutions, United Kingdom Limited

Notes (continued)

1 Accounting policies (continued)

Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated using the tax rates enacted or substantively enacted by the balance sheet date and which are expected to apply in the periods in which the timing differences are expected to reverse

Foreign currencies

All transactions denominated in foreign currencies are translated at the exchange rates ruling at the dates of the transactions

Profits and losses arising from foreign currency translations and on settlement of amounts receivable and payable in foreign currency are dealt with through the profit and loss account

Monetary assets and liabilities denominated in foreign currencies outstanding at the year-end are converted at the rate ruling at that date and dealt with through the profit and loss account

2 Turnover

The whole of the turnover is attributable to the principal activity of the company

3 (Loss)/profit on ordinary activities before taxation

The (loss)/profit is stated after charging/(crediting)

	2015 £	2014 £
Auditor's remuneration	5,500	4,400
Foreign currency exchange differences	16,429	30,169
	<hr/>	<hr/>

During the year, no director received any emoluments (2014 £Nil)

Dimension Data Cloud Solutions, United Kingdom Limited

Notes *(continued)*

4 Interest receivable/(payable)	2015	2014
	£	£
Interest income on amounts owed by group undertakings	4,697	5,409
Interest payable on bank overdraft	(99,838)	(48,410)
	<u><u> </u></u>	<u><u> </u></u>

5 Staff costs

Staff costs were as follows

	2015	2014
	£	£
Wages and salaries	260,785	141,566
Social security costs	20,349	27,597
Other pension costs	11,531	4,110
	<u><u> </u></u>	<u><u> </u></u>
	292,665	173,273
	<u><u> </u></u>	<u><u> </u></u>

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

	2015	2014
	No.	No
Administration	2	2
	<u><u> </u></u>	<u><u> </u></u>

Dimension Data Cloud Solutions, United Kingdom Limited

Notes (continued)

6 Taxation on (loss)/profit on ordinary activities	2015 £	2014 £
Current tax on (loss)/profit for the period	-	-
Adjustments in respect of prior years	-	(317)
	<hr/>	<hr/>
Total current tax	-	(317)
	<hr/>	<hr/>
<i>Deferred tax</i>		
(Reversal)/origination of timing differences (note 10)	-	(8,164)
	<hr/>	<hr/>
Total deferred tax	-	(8,164)
	<hr/>	<hr/>
Tax on (loss)/ profit on ordinary activities	-	(8,481)
	<hr/>	<hr/>

Factors affecting tax charge for the year

The current tax charge for the year is higher than the standard rate of corporation tax in the UK of 20.5% (2014 22%). The differences are explained below

Current tax reconciliation	2015 £	2014 £
(Loss)/profit on ordinary activities before tax	(1,148,545)	(895,086)
	<hr/>	<hr/>
Current tax at 20.5% (2014 22%)	(235,452)	(196,919)
	<hr/>	<hr/>
<i>Effects of</i>		
Losses forward	211,873	185,283
Capital allowances for year in excess of depreciation	15,742	2,176
Tax adjustment for imputed interest on non-trade loan	7,837	9,460
	<hr/>	<hr/>
Total current tax charge/(credit)	-	-
	<hr/>	<hr/>

At the balance sheet date, the company had an unrecognised deferred tax asset of £0 (2014 £48,019) relating to tax losses carried forward

Dimension Data Cloud Solutions, United Kingdom Limited

Notes (continued)

7	Tangible fixed assets	Computer Equipment £	Fixtures and Fittings £	Total £
	Cost			
	At 1 October 2014	2,888,431	9,455	2,897,886
	Additions during year	1,056,756	-	1,056,756
		<hr/>	<hr/>	<hr/>
	At 30 September 2015	3,945,187	9,455	3,954,642
		<hr/>	<hr/>	<hr/>
	Depreciation			
	At 1 October 2014	(385,234)	(9,455)	(394,689)
	Charged in year	(686,172)	-	(686,172)
		<hr/>	<hr/>	<hr/>
	At 30 September 2015	(1,071,406)	(9,455)	(1,080,861)
		<hr/>	<hr/>	<hr/>
	Net book values			
	At 30 September 2015	2,873,781	-	2,873,781
		<hr/>	<hr/>	<hr/>
	At 30 September 2014	2,503,197	-	2,503,197
		<hr/>	<hr/>	<hr/>
8	Debtors		2015 £	2014 £
	Amounts owed by group undertakings (note 11)		41,156	22,026
	VAT recoverable		458,876	199,090
	Prepayments and accrued income		215,447	479,952
			<hr/>	<hr/>
			715,479	701,068
			<hr/>	<hr/>

Dimension Data Cloud Solutions, United Kingdom Limited

Notes (continued)

9 Creditors amounts falling due within one year	2015	2014
	£	£
Bank overdraft	4,784,942	3,175,041
Trade creditors	49,972	43,904
Amounts owed to group undertakings (note 11)	928,382	1,225,266
Other creditors	53,699	59,182
Deferred tax liability (note 10)	-	-
	<hr/>	<hr/>
	5,816,995	4,503,393
	<hr/>	<hr/>

The amounts owed to group undertakings are interest free, unsecured and have no fixed repayment date. The bank overdraft arises under a global cash pooling facility which the Dimension Data group has with HSBC, to which the company is a related party (note 11)

10 Deferred tax liability	2015	2014
	£	£
Balance at beginning of year	-	8,164
Charge/(credit) to profit and loss account	-	(8,164)
	<hr/>	<hr/>
Balance at end of year	-	-
	<hr/>	<hr/>

The deferred tax liability consists of timing differences in relation to capital allowances and amortisation associated with tangible assets

11 Related party transaction

The company is availing of exemptions from disclosure of transactions and balances with fellow group companies in accordance with Financial Reporting Standard 8 *Related Party Transactions*

12 Share capital	2015	2014
	£	£
Allotted, called up and fully paid		
1 ordinary share of £1	1	1
	<hr/>	<hr/>

Dimension Data Cloud Solutions, United Kingdom Limited

Notes (continued)

13 Profit and loss account	2015 £	2014 £
At beginning of year	(1,079,191)	(192,586)
(Loss)/profit for year	(1,148,545)	(886,605)
	<hr/>	<hr/>
At end of year	(2,227,736)	(1,079,191)
	<hr/>	<hr/>

14 Reconciliation of movements in shareholder's deficit	2015 £	2014 £
Opening shareholder's deficit	(1,079,190)	(192,585)
(Loss)/profit for the year	(1,148,545)	(886,605)
	<hr/>	<hr/>
Closing shareholder's deficit	(2,227,735)	(1,079,190)
	<hr/>	<hr/>

15 Parent undertaking

The company's parent undertaking is Dimension Data Cloud Solutions, Inc (formerly OpSource Inc) which is incorporated in the USA. The corporate headquarters are located at Suite 120, 5201 Great American Parkway, Santa Clara, CA 95054.

The ultimate parent company at 30 September 2015 is NTT Holdings, a company incorporated in Japan.

16 Approval of financial statements

The board of directors approved these financial statements on 11 August 2016.