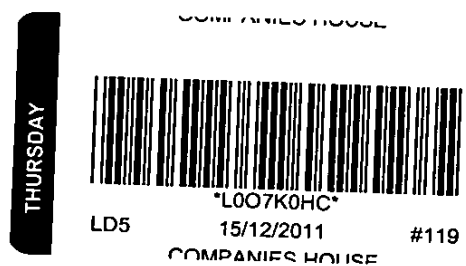


Companies House

IPC Network Services UK Holdings Limited

Report and Financial Statements

30 September 2011



IPC Network Services UK Holdings Limited

Registered No 05887379

Directors

D Hart
K Acott

Secretary

C Spitzer

Auditor

Ernst & Young LLP
1 More London Place
London SE1 2AF

Registered Office

Tower House
67-73 Worship Street
London EC2A 2DZ

Directors' report

The directors present their report and financial statements for the year ended 30 September 2011

Results and dividends

The profit for the year after taxation amounted to £2,584,491 (2010 – profit £2,584,507) A dividend of £2,584,506 was paid during the year (2010 - £nil) The directors do not propose a final dividend

Principal activity, review of business and principal risks and uncertainties

The company did not trade during the year and continues to act as a holding company for investments in fellow group undertakings. The investments held by the company in the year are listed in note 6 to the financial statements. Thus the principal risks are not operational or competitive in nature but associated with the carrying value of the investments and the ability to service the intercompany loans

Going concern

The financial statements have been prepared on a going concern basis. The use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern

Future developments

The company will continue to act as a holding company for investments in fellow group undertakings

Events since the balance sheet date

There are no material post balance sheet events that require disclosure in the financial statements

Directors and their indemnity arrangements

The directors listed below held office during the year and subsequently

D Hart
K Acott

There is in force a qualifying third party indemnity for all directors and officers of the company

Auditor

The company has elected to dispense with the obligation to appoint auditors annually. Ernst & Young LLP are accordingly deemed to be reappointed as auditor

Disclosure of information to the auditor

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

On behalf of the Board of Directors



D Hart
Director
13 December 2011

Statement of directors' responsibilities

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements 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 proper 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report

to the members of IPC Network Services UK Holdings Limited

We have audited the financial statements of IPC Network Services UK Holdings Limited for the year ended 30 September 2011 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditors

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. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit 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 Report and Financial Statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 September 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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.


Independent auditor's report

to the members of IPC Network Services UK Holdings Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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



Nick Powell (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
London

14 December 2011

Profit and loss account

for the year ended 30 September 2011

	Notes	2011 £	2010 £
Administrative expenses		(22)	—
Operating loss	2	(22)	—
Interest receivable and similar income	4	2,584,507	2,584,507
Profit on ordinary activities before taxation		2,584,485	2,584,507
Tax on profit on ordinary activities	5	6	—
Profit for the financial year	10	2,584,491	2,584,507

All operations of the company were continuing

Statement of total recognised gains and losses

for the year ended 30 September 2011

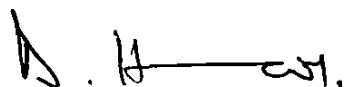
There were no recognised gains or losses other than the profit for the year of £2,584,491 (2010 – profit of £2,584,507)

Balance sheet

at 30 September 2011

	Notes	2011 £	2010 £
Fixed assets			
Investments	6	25,771,619	25,771,619
Current assets			
Debtors	7	32,353,374	32,353,374
Cash at bank and in hand		80	1
		32,353,454	32,353,375
Creditors amounts falling due within one year	8	(47,952)	(47,858)
Net current assets		32,305,502	32,305,517
Total assets less current liabilities		58,077,121	58,077,136
Capital and reserves			
Called up share capital	9	55,430,101	55,430,101
Profit and loss account	10	2,647,020	2,647,035
Shareholders' funds	10	58,077,121	58,077,136

These financial statements were approved by the Board of Directors on 13 December 2011 and were signed on its behalf by



D Hart
Director

Notes to the financial statements

at 30 September 2011

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom

The following are principal policies adopted in preparing the financial statements. These policies have been applied consistently throughout the current period

Going concern

The financial statements have been prepared on a going concern basis. The use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern

Consolidation

The company is exempt from the requirements to prepare consolidated financial statements by virtue of section 401 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not its group

Statement of cash flows

In accordance with FRS 1 "Cash flow statements" the company has taken advantage of the exemption available to companies that are at least 90% owned and whose parent prepares consolidated financial statements which include the company and are publicly available. Accordingly, no cash flow statement has been included with the financial statements

Related party transactions

The company has taken advantage of the exemption available under FRS 8 not to disclose transactions with other members of the IPC Corp. group in these financial statements as the company is a wholly owned subsidiary of a parent which prepares consolidated financial statements available to the public

Fixed asset investments

Fixed asset investments are initially recorded at cost

The carrying values of fixed asset investments are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable

Deferred taxation

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions

- provision is made for deferred tax that would arise on remittance of the retained earnings of subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable,
- deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling on the last day of the previous month. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account

Notes to the financial statements

at 30 September 2011

2. Operating loss

Auditor's remuneration in the current and preceding year has been borne by the company's subsidiary undertaking, IPC Network Services Limited

3. Directors' remuneration and staff costs

Kevin Acott and Damian Hart are employees of IPC Information Systems and IPC Network Services Limited respectively and their remuneration is borne by those entities. The level of qualifying services they provide for IPC Network Services UK Holdings Limited are negligible compared to their main roles so they have determined their remuneration for these services is £nil

4. Interest receivable and similar income

	2011 £	2010 £
Interest receivable on loans to fellow group undertakings	2,584,507	2,584,507

5. Tax

(a) Tax on profit on ordinary activities

	2011 £	2010 £
<i>Current tax</i>		
Total current tax (credit) / charge for year (note 5(b))	(6)	–

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year differs from the standard rate of corporation tax in the UK of 27% (2010 – 28%). The differences are reconciled below

	2011 £	2010 £
Profit on ordinary activities before tax	2,584,485	2,584,507
Profit on ordinary activities multiplied by average rate of corporation tax of 27% (2010 – 28%)	697,811	723,662
Group relief claimed – nil paid	(697,817)	(723,662)
Total current tax for the year (note 5(a))	(6)	–

(c) Deferred tax

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

The company has no unrecognised deferred tax assets

Notes to the financial statements

at 30 September 2011

6. Investments

£

At 1 October 2010 and 30 September 2011

25,771,619

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows

<i>Name of company</i>	<i>Country of incorporation if not Great Britain</i>	<i>Holding</i>	<i>Effective proportion held</i>
IPC NS UK SPC Limited		Ordinary	99.73%
IPC Network Services Limited *		Ordinary	100.00%
IPC Network Services EMEA Limited *		Ordinary	100.00%
Westcom Europe Limited *		Ordinary	100.00%
Westcom Dedicated Private Lines Limited *		Ordinary	100.00%
Lexar UK Limited *		Ordinary	100.00%

*Held by subsidiary undertaking

7. Debtors

	<i>2011 £</i>	<i>2010 £</i>
Amounts owed by fellow group undertakings	32,337,012	32,337,012
Corporation tax	16,362	16,362
	<u>32,353,374</u>	<u>32,353,374</u>

The amount owed by a fellow group undertaking includes a loan note of £32,306,332 bearing interest of 8% and is repayable on demand

8. Creditors: amounts falling due within one year

	<i>2011 £</i>	<i>2010 £</i>
Amounts owed to fellow group undertakings	47,952	47,858
	<u>47,952</u>	<u>47,858</u>

Notes to the financial statements

at 30 September 2011

9. Issued share capital

	2011 No	2010 No	2011 £	2010 £
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	55,430,101	55,430,101	55,430,101	55,430,101

10. Reconciliation of shareholders' funds and movements on reserves

	Share capital £	Profit and loss account £	Total shareholders' funds £
At 1 October 2009	50,522,758	62,528	50,585,286
Profit for the year	–	2,584,507	2,584,507
Shares issued during the year	4,907,343	–	4,907,343
At 1 October 2010	55,430,101	2,647,035	58,077,136
Profit for the year	–	2,584,491	2,584,491
Dividends paid during the year	–	(2,584,506)	(2,584,506)
At 30 September 2011	55,430,101	2,647,020	58,077,121

11. Immediate and ultimate parent undertaking and controlling party

The company's immediate parent undertaking as at 30 September 2011 is IPC Information Systems UK Holdings Limited

IPC Corp, (formerly known as IPC Systems Super Holdings Corp) is the parent undertaking of the only group for which consolidated financial statements are prepared, and of which the company is a member as at 30 September 2011. Its consolidated financial statements are publicly available from the Registrar, Companies House, Crown Way, Cardiff, CF14 3UZ

The directors consider the company's controlling party to be Silver Lake Partners II, LP as at 30 September 2011