

Company Registration No 7685812

ISDC DEVELOPMENTS (NO 4) LIMITED

Report and Financial Statements

31 March 2013

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ISDC DEVELOPMENTS (NO 4) LIMITED

REPORT AND FINANCIAL STATEMENTS 2013

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ISDC DEVELOPMENTS (NO 4) LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

S Sutton
J A Thompson
N G P Stevens

REGISTERED OFFICE

Witan Gate House
500-600 Witan Gate West
Milton Keynes
MK9 1SH

SOLICITORS

Taylor Wessing LLP
5 New Street Square
London
EC4A 3TW

AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
St Albans

ISDC DEVELOPMENTS (NO 4) LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 March 2013

The directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption

PRINCIPAL ACTIVITY

The principal activity of the company is the development and future provision of data centre and ancillary services

GOING CONCERN

The directors have a reasonable expectation that the company will have adequate resources available to continue in operational existence for the foreseeable future. The parent company has confirmed their support and therefore the directors believe that it is appropriate to continue to adopt the going concern basis in preparing the annual financial statements

DIRECTORS

The directors who held office during the year and to the date of this report, unless otherwise stated, were as follows

J A Thompson
N G P Stevens
S Sutton
M J Lynch (resigned 1 August 2012)

Qualifying third party indemnity insurance was in place for the benefit of all directors of the company

AUDITOR

Each of the persons who is a director at the date of approval of this annual report confirms that

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the 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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Deloitte LLP have expressed their willingness to continue in office as auditor. A resolution to reappoint them as auditor will be proposed at the forthcoming Annual General Meeting

Approved by the Board of Directors
and signed on behalf of the Board



S Sutton

Director

27 November 2013

ISDC DEVELOPMENTS (NO 4) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

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 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent, 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 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 ISDC DEVELOPMENTS (NO 4) LIMITED

We have audited the financial statements of ISDC Development (No 4) Limited for the year ended 31 March 2013 which comprise the profit and loss account, the statement of recognised gains and losses, the balance sheet and the related notes 1 to 12. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditor

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. 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 Auditing Practices Board'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 annual report 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 financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its profit for the year ended 31 March 2013,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, 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 period for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ISDC DEVELOPMENTS (NO 4) LIMITED (continued)**

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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime or take advantage of the small companies exemption in preparing the directors' report



Paul Schofield, FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
St Albans, United Kingdom

27 November 2013

ISDC DEVELOPMENTS (NO 4) LIMITED

PROFIT AND LOSS ACCOUNT

Year Ended 31 March 2013

	Note	Year Ended 31 March 2013 £	28 June 2011 to 31 March 2012 £
Operating Expenses		(13,718)	(4,038)
OPERATING LOSS, BEING LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	2	(13,718)	(4,038)
Tax on ordinary activities	4	83,470	-
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION	9	<u>69,752</u>	<u>(4,038)</u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

Year ended 31 March 2013

	Year Ended 31 March 2013 £	28 June 2011 to 31 March 2012 £
Profit/(Loss) for the financial period	69,752	(4,038)
Total recognised gains and losses for the financial period	<u>69,752</u>	<u>(4,038)</u>

ISDC DEVELOPMENTS (NO 4) LIMITED

BALANCE SHEET

31 March 2013

	Note	2013 £	2012 £
FIXED ASSETS			
Tangible assets	5	<u>4,727,145</u>	<u>4,594,940</u>
CURRENT ASSETS			
Debtors	6	101,887	849,620
Cash at bank and in hand		<u>23,073</u>	<u>982</u>
		124,960	850,602
CREDITORS: amounts falling due within one year	7	<u>(4,785,391)</u>	<u>(5,448,580)</u>
NET CURRENT LIABILITIES		<u>(4,660,431)</u>	<u>(4,597,978)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>66,714</u>	<u>(3,038)</u>
CAPITAL AND RESERVES			
Called up share capital	8	1,000	1,000
Profit and loss account	9	65,714	(4,038)
TOTAL SHAREHOLDERS' FUNDS/(DEFICIT)		<u>66,714</u>	<u>(3,038)</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements of ISDC Development (No 4) Limited, registered number 7685812, were approved by the Board of Directors and authorised for issue on 27 November 2013

Signed on behalf of the Board of Directors



J A Thompson

Director

ISDC DEVELOPMENTS (NO 4) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 March 2013

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently in the current year and preceding period.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Going concern

The directors have satisfied themselves that based on the financial projections of the company, and taking into account the fact that the parent company has also agreed to provide continued support, the board expects that the company will have available adequate resources and facilities to continue to trade for the foreseeable future, and have therefore prepared these financial statements on a going concern basis.

Cash flow statement

No cash flow statement has been prepared as allowed by FRS 1, as it is included in the consolidated financial statements of its parent undertaking, Infinity SDC Limited.

Taxation

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 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, tax in the future.

Deferred tax assets are recognised only to the extent that the directors consider 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 at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Fixed assets and depreciation

No depreciation is provided on assets under construction. On other fixed assets depreciation is provided at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows:

Leasehold improvements	over the life of the lease
Plant and equipment	between 3 and 15 years
Furniture, fittings and equipment	between 2 and 4 years

ISDC DEVELOPMENTS (NO 4) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2013

1. ACCOUNTING POLICIES (continued)

Long leasehold properties (where the lease term exceeds 25 years) are included in the financial statements at valuation. The aggregate surplus or temporary deficit below cost arising from such valuations is transferred to a revaluation reserve. Deficits that are expected to be permanent are charged to the profit and loss account.

The company policy is to revalue long leasehold properties. On realisation, any gain or loss is calculated by reference to the carrying value at the last financial year end balance sheet date and is included in the profit and loss account. Any balance in the revaluation reserve is transferred to the profit and loss account.

2. PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

	Year Ended 31 March 2013 £	28 June 2011 to 31 March 2012 £
Profit/(loss) on ordinary activities before taxation is stated after charging:		
Fees payable to the company's auditor for the audit of the company's annual accounts	3,000	4,000

3. INFORMATION REGARDING THE DIRECTORS

The directors received no remuneration for their services to the company and were remunerated by another company within the group.

4. TAXATION

No taxation charge arises during the year due to the incidence of losses. At 31 March 2013 there are approximately £18,000 (2012: £4,000) of tax losses available for set off against future trading profits. During the year the company surrendered tax losses amounting to £321,000 under the capital allowances and land remediation schemes operated by HM Revenue & Customs.

	2013 £	2012 £
Adjustments to tax charge in respect of previous periods	83,470	-
Total tax credit	83,470	-

No deferred tax asset has been recognised in respect of trading losses due to the uncertainty as to their realisation in the foreseeable future.

On 21 March 2012, the Chancellor announced that the main rate of UK corporation tax would reduce to 23.0% from 1 April 2013. This was substantively enacted on 3 July 2012.

In addition to this, a number of further changes to the UK corporation tax system were announced in the 5 December 2012 and the 20 March 2013 UK Budget Statements. The main rate of corporation tax is expected to reduce to 21% from 1 April 2014, and to 20% from 1 April 2015. Neither of these expected rate reductions had been substantively enacted at the balance sheet date.

The effect of these tax rate reductions on the deferred tax balance will be accounted for in the period in which the tax rate reductions are substantively enacted.

ISDC DEVELOPMENTS (NO 4) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2013

5. TANGIBLE FIXED ASSETS

	Freehold properties	Assets under construction	Total data centre assets	Total
	£	£	£	£
Cost or valuation				
At 1 April 2012	3,392,000	1,202,940	4,594,940	4,594,940
Transfers	809,755	(809,755)	-	-
Additions	-	132,205	132,205	132,205
At 31 March 2013	<u>4,201,755</u>	<u>525,390</u>	<u>4,727,145</u>	<u>4,727,145</u>
Depreciation				
At 1 April 2012	-	-	-	-
Charge for the year	-	-	-	-
At 31 March 2013	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net book value				
At 31 March 2013	<u>4,201,755</u>	<u>525,390</u>	<u>4,727,145</u>	<u>4,727,145</u>
At 31 March 2012	<u>3,392,000</u>	<u>1,202,940</u>	<u>4,594,940</u>	<u>4,594,940</u>

ISDC DEVELOPMENTS (NO 4) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2013

6. DEBTORS

	Year Ended 31 March 2013 £	28 June 2011 to 31 March 2012 £
Other taxation and social security	18,417	-
Corporation Tax	83,470	-
Other debtors	-	849,620
	<u>101,887</u>	<u>849,620</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Year Ended 31 March 2013 £	28 June 2011 to 31 March 2012 £
Trade creditors	-	211,194
Amounts owed to group undertakings	4,772,279	5,131,291
Accruals and deferred income	13,112	106,095
	<u>4,785,391</u>	<u>5,448,580</u>

8. CALLED UP SHARE CAPITAL

	Year Ended 31 March 2013 £	28 June 2011 to 31 March 2012 £
Called up, allotted and fully paid		
100,000 ordinary shares of £0.01 each	<u>1,000</u>	<u>1,000</u>

9. STATEMENT OF MOVEMENT IN RESERVES

	Profit and loss account £
At 1 April 2012	(4,038)
Profit for the year	69,752
At 31 March 2013	<u>65,714</u>

ISDC DEVELOPMENTS (NO 4) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2013

10. RELATED PARTY TRANSACTIONS

As a wholly owned subsidiary of Infinity SDC Limited, the company is exempt from the requirement of FRS 8 to disclose transactions with other wholly owned members of the group headed by Infinity SDC Limited

11. FINANCIAL COMMITMENTS

Capital commitments are as follows

	2013	2012
	£	£
Contracted for but not provided for - other	-	147,645

12. PARENT UNDERTAKING AND ULTIMATE CONTROLLING PARTY

The company's parent undertaking and ultimate controlling party is Infinity SDC Limited, which is incorporated in the United Kingdom. The group in which the results of the company are consolidated, being the largest and smallest group of which the company is part, is that headed by Infinity SDC Limited. Copies of the financial statements of that group can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.