

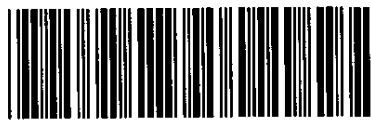
**Company Registration No. 08783277**

**LayerV Limited**

**Unaudited report and financial statements**

**For the period ended 31 December 2017**

THURSDAY



\*S7GCEV60\*

SPE

11/10/2018

#106

COMPANIES HOUSE

# **LayerV Limited**

## **Annual report and financial statements for the period ended 31 December 2017**

<b>Contents</b>	<b>Page</b>
<b>Officers and professional advisers</b>	<b>1</b>
<b>Directors' report</b>	<b>2</b>
<b>Directors' responsibilities statement</b>	<b>4</b>
<b>Statement of comprehensive income</b>	<b>5</b>
<b>Balance sheet</b>	<b>6</b>
<b>Statement of changes in equity</b>	<b>7</b>
<b>Notes to the financial statements</b>	<b>8</b>

# **LayerV Limited**

## **Annual report and financial statements for the period ended 31 December 2017**

### **Officers and professional advisers**

#### **Directors**

R Davies (appointed 10 August 2017)  
M Howling (appointed 10 August 2017, resigned 21 August 2017)  
G MacKenzie (appointed 10 August 2017, resigned 6 September 2017)  
N Sanfridsson (appointed 21 August 2017)  
B Petzer (appointed 6 September 2017)  
J Khan  
J Letley

#### **Company Secretary**

G MacKenzie (appointed 10 August 2017, resigned 6 September 2017)  
B Petzer (appointed 6 September 2017)

#### **Registered Office**

Cadogan House  
Rose Kiln Lane  
Reading  
Berkshire  
RG2 0HP

#### **Bankers**

HSBC Bank  
69 Pall Mall  
London  
SW1Y 5EY

#### **Solicitors**

Ropes & Gray  
60 Ludgate Hill  
London  
EC4M 7AW

Travers Smith LLP  
10 Snow Hill  
London  
EC1A 2AL

# **LayerV Limited**

## **Directors' report**

The directors have pleasure in submitting their annual report and audited financial statements for the period ended 31 December 2017.

The director's report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption and as such there is no requirement to prepare a strategic report.

### **Principal activity**

The principal activity of the company is the provision of cloud computing services.

### **Future developments**

The directors expect the general level of activity to improve in the forthcoming year and are forecasting a break-even position by the end of 2018.

### **Financial Risk Management**

LayerV Limited does not use derivative financial instruments for speculative purposes.

### **Results and dividends**

The Statement of comprehensive income is set out on page 5 and shows a loss for the year of £1,510,518 (2016: £70,431).

### **Dividends**

No dividend was paid or proposed during the current year.

### **Going Concern**

The Directors, in their consideration of whether the Company is a going concern, have reviewed the Group's future cash forecasts and revenue projections, which have been prepared on the basis of market knowledge, past experience and current trading conditions.

The banking facilities are provided on a group wide basis and following the successful refinancing of all existing bank debt in May 2018 the directors are of the opinion that the company and the group's forecasts and revenue projections, taking account of reasonable possible changes in trading performance, show that the company and the group should be able to operate within its current facilities. The Directors are mindful that the company and the group's management team has a strong focus on liquidity and cash flow management and that it is currently financed through term loan facilities committed to 2023.

Having assessed the responses of the Directors of Pulsant Group Holdings Limited to their enquiries and based on the forecast and projections, the Groups committed debt position and the projected cash generation from trading, the Directors continue to adopt the going concern basis in preparing the financial statements.

### **Directors**

The directors who served during the year and at the date of this report are set out on page 1.

### **Directors' indemnities**

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

## **LayerV Limited**

### **Directors' report (continued)**

#### **Statement of disclosure to auditor**

So far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all 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.

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



Bradley Petzer  
Chief Financial Officer  
26 June 2018

## **LayerV 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 judgments and accounting 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 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.

## LayerV Limited

### Statement of comprehensive income For the year ended 31 December 2017

	Notes	13 months ended 31 December 2017 £	12 months ended 30 November 2016 £
Turnover	3	1,229,863	1,342,162
Cost of sales		(2,025,331)	(1,014,018)
<b>Gross profit</b>		(795,468)	328,144
Administrative expenses		(780,274)	(391,429)
<b>Operating loss</b>	4	(1,575,742)	(63,285)
Interest payable and similar expenses		(119,979)	(7,056)
<b>Loss before taxation</b>		(1,695,721)	(70,341)
Tax on Loss	5	185,203	-
<b>Loss after taxation</b>		(1,510,518)	(70,341)
<b>Other comprehensive income</b>			
Other comprehensive income		-	-
<b>Loss after taxation</b>		<u>(1,510,518)</u>	<u>(70,341)</u>

All results in the current and prior year are from continuing operations.

The accompanying notes on pages 8 to 14 form an integral part of these financial statements.

# LayerV Limited

## Balance sheet

As at 31 December 2017

	Notes	13 months ended 31 December 2017 £	12 months ended 30 November 2016 £
<b>Fixed assets</b>			
Tangible assets	6	37,767	8,167
<b>Current assets</b>			
Debtors	7	423,557	241,377
Cash at bank and in hand		7,102	-
		430,659	241,377
<b>Creditors: amounts falling due within one year</b>	8	(2,163,085)	(433,685)
<b>Net current liabilities</b>		(1,732,426)	(192,308)
<b>Total assets less current liabilities</b>		(1,694,659)	(184,141)
<b>Capital and reserves</b>			
Called up share capital	10	4	4
Share premium		74,998	74,998
Profit and loss account		(1,769,661)	(259,143)
<b>Total Shareholder's funds</b>		(1,694,659)	(184,141)

The accompanying notes on pages 8 to 14 form an integral part of these financial statements.

For the 13 months ended 31 December 2017 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of accounts.

The financial statements of LayerV Limited, Company Registration No. 08783277 were approved and authorised for issue by the Board and were signed on its behalf on 26 June 2018.



Bradley Petzer  
Chief Financial Officer



## LayerV Limited

### Statement of changes in equity For the period 31 December 2017

	Called up share capital £	Share premium account £	Profit and loss account £	Total £
At 1 January 2016	4	74,998	(188,802)	(113,800)
Loss for the year	-	-	(70,341)	(70,431)
Other comprehensive income	-	-	-	-
<b>At 31 December 2016</b>	<u>4</u>	<u>74,998</u>	<u>(259,143)</u>	<u>(184,141)</u>
Loss for the period			(1,510,518)	(1,510,518)
Total comprehensive income	-	-	-	-
<b>At 31 December 2017</b>	<u>4</u>	<u>74,998</u>	<u>(1,769,661)</u>	<u>(1,694,659)</u>

The accompanying notes on pages 8 to 14 form an integral part of these financial statements.

# LayerV Limited

## Notes to the financial statements For the period ended 31 December 2017

### 1. Accounting policies

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

#### a. General information and basis of accounting

LayerV Limited is a company incorporated in the United Kingdom under the Companies Act. The Company is a private Company limited by shares and is registered in England and Wales (Company Registration No. 08783277). The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the Directors' report on page 2.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of LayerV Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

LayerV Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. LayerV Limited is consolidated in the financial statements of its parent, Pulsant Parent Limited, which may be obtained from the address in note 11. Exemptions have been taken in these separate Company financial statements in relation to financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

#### b. Going concern

The Directors, in their consideration of whether the Company is a going concern, have reviewed the Group's future cash forecasts and revenue projections, which have been prepared on the basis of market knowledge, past experience and current trading conditions.

The banking facilities are provided on a group wide basis and following the successful refinancing of all existing bank debt in May 2018 the directors are of the opinion that the company and the group's forecasts and revenue projections, taking account of reasonable possible changes in trading performance, show that the company and the group should be able to operate within its current facilities. The Directors are mindful that the company and the group's management team has a strong focus on liquidity and cash flow management and that it is currently financed through term loan facilities committed to 2023.

Having assessed the responses of the Directors of Pulsant Group Holdings Limited to their enquiries and based on the forecast and projections, the Groups committed debt position and the projected cash generation from trading, the Directors continue to adopt the going concern basis in preparing the financial statements.

#### c. Investments

Fixed asset investments are stated at cost less provision for any impairment.

#### d. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

# LayerV Limited

## Notes to the financial statements (continued) For the year ended 31 December 2017

### 1. Accounting policies (continued)

#### d. Financial instruments (continued)

##### *Financial assets and liabilities*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

#### e. Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

##### *Non-financial assets*

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

##### *Financial assets*

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

# **LayerV Limited**

## **Notes to the financial statements (continued)** **For the year ended 31 December 2017**

### **1. Accounting policies (continued)**

#### **f. 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 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.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, 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.

When the amount that can be deducted for tax for an asset that is recognised in a business combination is less (more) than the value at which it is recognised, a deferred tax liability (asset) is recognised for the additional tax that will be paid (avoided) in respect of that difference. Similarly, a deferred tax asset (liability) is recognised for the additional tax that will be avoided (paid) because of a difference between the value at which a liability is recognised and the amount that will be assessed for tax.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

### **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 directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

# LayerV Limited

## Notes to the financial statements (continued) For the year ended 31 December 2017

### 2. Critical accounting judgements and key sources of estimation uncertainty (continued)

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

In the view of the directors, there are no critical accounting judgements or key sources of estimation uncertainty which affect the company's financial statements.

### 3. Turnover

Turnover, which is stated net of value added tax, is attributable to one continuing activity, the provision of that of business continuity services.

Turnover is generated wholly from within the United Kingdom.

### 4. Operating loss

Operating loss is stated after charging:

	13 months ended 31 December 2017	12 months ended 30 November 2016 £
Foreign currency losses /(gains)	(3,656)	27,156
Depreciation of fixed assets	8,017	2,722

### 5. Tax on loss

	13 months ended 31 December 2017	12 months ended 30 November 2016 £
<b>Analysis of tax expense in the year</b>		
<b>Current tax</b>		
Corporation tax on loss at 19.25% (2016: 20.00%)	(112,139)	-
Adjustment in respect of previous periods	(74,320)	-
	<u>(186,459)</u>	<u>-</u>
<b>Deferred tax (note 9)</b>		
Origination and reversal of timing differences	(149)	-
Prior year adjustments	1,388	-
Effect of changes in tax rates	17	-
	<u>1,256</u>	<u>-</u>
<b>Total deferred tax</b>	<u>1,256</u>	<u>-</u>
<b>Total tax expense</b>	<u>(185,203)</u>	<u>-</u>

## LayerV Limited

### Notes to the financial statements (continued) For the year ended 31 December 2017

#### 5. Tax on loss (continued)

The UK corporation tax rate was reduced from 20% to 19% on 1 April 2017. As a result, the average UK corporation tax rate for the year was 19.25%.

The UK corporation tax rate will reduce from 19% to 17% from 1 April 2020. This change has been substantively enacted at the balance sheet date and, therefore the deferred tax assets and liabilities at 31 December 2017 have been measured using the rates that apply in the periods when the underlying timing differences, on which deferred tax is recognised, are expected to unwind.

The difference between the total tax expense shown above and the amount calculated by applying Standard rate of UK Corporation Tax to the loss before tax is as follows:

	13 months ended 31 December 2017	12 months ended 30 November 2016 £
<b>Loss before taxation</b>	(1,695,721)	-
Loss before taxation multiplied by standard rate of UK corporation tax of 19.25% (2016: 20.00%)	(326,426)	-
Effects of :		
Expenses not deductible for tax purposes	6,708	-
Adjustment in respect of previous periods	(72,932)	-
Effect of rate differential and rounding	37	-
Deferred tax not recognised	207,410	-
<b>Total tax charge for the year</b>	<b>(185,203)</b>	<b>-</b>

#### 6. Tangible fixed assets

	Plant, equipment, fixtures and fittings £
<b>Cost</b>	
At 1 January 2016	11,709
Additions	37,617
At 31 December 2017	49,326
<b>Depreciation</b>	
At 1 January 2016	3,542
Charge for the period	8,017
At 31 December 2017	11,559
<b>Net book value</b>	
At 31 December 2017	37,767
At 31 December 2016	8,167

# LayerV Limited

## Notes to the financial statements (continued) For the year ended 31 December 2017

### 7. Debtors

	13 months ended 31 December 2017 £	12 months ended 30 November 2016 £
Trade debtors	298,193	199,835
Prepayments and other debtors	125,364	41,542
	<u>423,557</u>	<u>241,377</u>

Amounts owed by group undertakings are repayable on demand and accrue interest at a rate of 5%.

### 8. Creditors: amounts falling due within one year

	13 months ended 31 December 2017 £	12 months ended 30 November 2016 £
Trade creditors	232,941	61,806
Bank loans and overdrafts	-	22,723
Other taxes and social security	157,025	171,340
Amounts due to group undertakings	1,645,597	-
Other creditors	126,266	177,816
Deferred tax asset	1,256	-
	<u>2,163,085</u>	<u>433,685</u>

Amounts owed to Group undertakings are repayable on demand and accrue interest at a rate of 5%.

### 9. Deferred tax

	Deferred tax asset £
Balance at 1 January 2017	-
Adjustment in respect of prior years	1,388
Profit and loss account (note 5)	(132)
Balance at 31 December 2017	<u>1,256</u>

## LayerV Limited

### Notes to the financial statements (continued) For the year ended 31 December 2017

#### 9. Deferred tax (continued)

The deferred tax is made up as follows:

	2017 £	2016 £
Fixed asset timing differences	1,256	
	<u>1,256</u>	<u></u>

The deferred tax asset has been recognised on the basis that it will generate losses which the company should be able to surrender as group relief.

#### 10. Called up Share capital and reserves

	13 months ended 31 December 2017 £	12 months ended 30 November 2016 £
<b>Allotted, called up and fully paid</b>		
2 (2016: 2) A Ordinary shares of £1 each	2	2
2 (2016: 2) B Ordinary shares of £1 each	2	2
	<u>4</u>	<u>4</u>

All shares rank pari passu.

The profit and loss reserve represents cumulative profits or losses net of any dividends paid.

#### 11. Immediate and ultimate parent undertakings

The immediate parent undertaking of the company is LayerV (Holdings) Limited, which is a company registered in England and Wales.

The largest UK group which the results of this company are consolidated is that headed by Pulsant Group Holdings Limited (registered office address Cadogan House, Rose Kiln Lane, Reading, Berkshire, RG2 0HP). The smallest group in which the results of this company are consolidated is that headed by Pulsant Parent Limited (registered office address Cadogan House, Rose Kiln Lane, Reading, Berkshire, RG2 0HP). Copies of the consolidated financial statements of Pulsant Parent Limited and Pulsant Group Holdings Limited are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

The ultimate controlling party is OHCP MGP III Limited (registered office address c/o Intertrust Corporate Services (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman, KY1-9005 Cayman Islands).