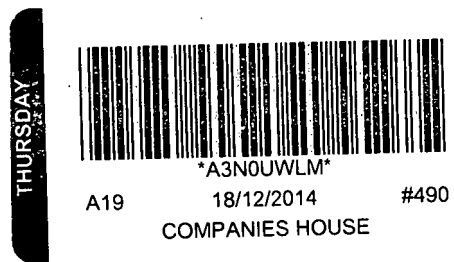


Financial Statements

Allurian Limited

For the year ended 31 March 2014



Registered number: 02935835

Allurian Limited

Company Information

Directors	Wayne Churchill Michael Mulford Mark Thompson
Registered number	02935835
Registered office	St James House Oldbury Bracknell RG12 8TH
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 1020 Eskdale Road Winnersh Wokingham Berkshire RG41 5TS
Solicitors	Proskauer Rose Ninth Floor Ten Bishops Square London E1 6EG

Contents

	Page
Directors' report	1 - 2
Independent auditor's report	3 - 4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 11

Directors' Report

For the year ended 31 March 2014

The directors present their report and the financial statements for the year ended 31 March 2014.

Directors' responsibilities statement

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 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;
- 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.

Principal activities

Allurian Limited is a non-trading subsidiary within the Easynet Group, the UK's largest independent provider of managed network and hosting services. This independence facilitates its exceptional service and commitment to innovation which in turn enables it to provide the best possible range of services to customers.

Directors

The directors who served during the year were:

Wayne Churchill
Michael Mulford
Mark Thompson

Results and dividends

The profit for the year, after taxation, amounted to £nil (2013: £119,000).

The directors do not recommend the payment of a dividend (2013: £nil).

Directors' Report

For the year ended 31 March 2014

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

Directors' indemnities

The Group has made qualifying third party indemnity provisions for the benefit of its directors, which remain in force at the date of this report.

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

This report was approved by the board on 12/12/14 and signed on its behalf.



Mark Thompson
Director

Independent Auditor's Report to the Members of Allurian Limited

We have audited the financial statements of Allurian Limited for the year ended 31 March 2014, 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 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 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2014 and of its results 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 Allurian 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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the Directors' report.

Grant Thornton UK LLP

James Rogers (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
Reading

Date: 18 December 2014.

Profit and Loss Account

For the year ended 31 March 2014

	Note	31 March 2014 £000	15 month period ended 31 March 2013 £000
Turnover	1,2	-	2,117
Cost of sales		-	(65)
Gross profit		-	2,052
Administrative expenses	2	-	(1,933)
Profit on ordinary activities before taxation		-	119
Tax on profit on ordinary activities		-	-
Profit for the financial year		-	119

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and loss account.

The company has not traded during the year. During this period, the company received no income and incurred no expenditure and therefore made neither profit or loss.

Balance Sheet

As at 31 March 2014

	Note	£000	2014 £000	£000	2013 £000
Current assets					
Debtors	5	123		1,257	
Cash at bank		2		20	
		<u>125</u>		<u>1,277</u>	
Creditors: amounts falling due within one year					
	6	<u>(5)</u>		<u>(1,157)</u>	
Net current assets			<u>120</u>		<u>120</u>
Net assets			<u>120</u>		<u>120</u>
Capital and reserves					
Called up share capital	8		860		860
Share premium account			429		429
Profit and loss account			<u>(1,169)</u>		<u>(1,169)</u>
Shareholders' funds	9		<u>120</u>		<u>120</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006. The financial statements were approved and authorised for issue by the board and were signed on its behalf on 12/12/14



Mark Thompson
Director

The notes on pages 7 to 11 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 March 2014

1. Accounting Policies

1.1 Basis of preparation of financial statements

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

1.2 Going concern

The company is part of the largest independent provider of managed network and hosting services in the UK. MDNX Group Limited is committed to supporting the company, and the group of which the company is part, which benefits from a number of long term service contracts with customers and the financing facilities made available by MDNX.

After making enquiries, the Directors believe that the company, with the support of MDNX, has adequate resources to continue in operational existence for the foreseeable future. The Group as a result will not recall the long-term debt in the immediate future. For this reason the company continues to adopt the going concern basis in preparing the financial statements.

1.3 Turnover

Turnover represents the value of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts. The company's turnover comprises income from the provision of managed secure, resilient wide area networks and managed hostings.

Turnover is recognised as the services are provided. Installation, equipment and consulting services are recognised when delivered and services are recognised over the period of the contract to which they relate.

1.4 Pensions

Pension contributions are made by the company to the defined-contribution pension schemes for certain employees. Contributions payable in the period are charged to the profit and loss account. Differences between contributions payable in the period and contributions paid are shown as either accruals or prepayments in the balance sheet.

1.5 Current taxation

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

Notes to the Financial Statements

For the year ended 31 March 2014

1. Accounting Policies (continued)

1.6 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 at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.7 Management of liquid resources

The directors define cash for the purposes of the cash flow statements as cash at bank and in hand.

1.8 Cash flow statement

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.9 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

Notes to the Financial Statements

For the year ended 31 March 2014

2. Turnover

The whole of turnover is attributable to managed hosting and network services which arise solely in the UK.

3. Auditors' remuneration

	31 March 2014 £000	15 month period ended 31 March 2013 £000
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	-	5

Group audit fees amounted to £65,000 for audit services and £33,000 for non-audit services (2013: £83,000 for audit services and £132,000 for non-audit services). They were borne by Easynet Enterprise Services Limited. A more detailed breakdown is shown in the consolidated financial statements of MDNX Group Limited.

This has been allocated amongst group members according to their level of activity in the year. No fees have been allocated to this Company.

4. Directors' remuneration

	31 March 2014 £000	15 month period ended 31 March 2013 £000
Remuneration	-	130

Directors' remuneration was paid through Easynet Enterprise Services Limited, and then allocated throughout the group depending on the level of activity in each company. No remuneration (2013: no remuneration) was allocated to Allurian Limited.

The total remuneration across the group is shown in the consolidated accounts of MDNX Group Limited.

5. Debtors

	2014 £000	2013 £000
Amounts owed by group undertakings	3	1,123
Other debtors	120	134
	<u>123</u>	<u>1,257</u>

Notes to the Financial Statements

For the year ended 31 March 2014

6. Creditors:
Amounts falling due within one year

	2014	2013
	£000	£000
Other creditors	5	33
Amounts owed to group undertakings	-	946
Accruals and deferred income	-	178
	<u>5</u>	<u>1,157</u>

7. Deferred taxation

There is a potential deferred tax asset of £3,000 (2013: £3,450) arising from brought forward tax losses. This has not been recognised in the accounts because, as a non-trading company, it is not certain that Allurian Limited will make sufficient profits in the future for this to be recovered.

8. Share capital

	2014	2013
	£000	£000
Allotted, called up and fully paid		
860,000 Ordinary shares of £1 each	<u>860</u>	<u>860</u>

9. Reconciliation of movement in shareholders' funds

	2014	2013
	£000	£000
Opening shareholders' funds	120	1
Profit for the year/15 month period	-	119
	<u>120</u>	<u>120</u>

10. Contingent liabilities

During the year the company, together with the other members of the MDNX Group and the wider group headed by MDNX Group Holdings Limited, entered into new banking facilities with Highbridge Principal Strategies LLC and Barclays Bank PLC by which the company provides security over its assets to Highbridge Principal Strategies LLC and Barclays Bank PLC.

At the balance sheet date, the net liabilities of the group headed by MDNX Group Holdings Limited were £143.6m (2013: group liabilities of £15m).

Notes to the Financial Statements

For the year ended 31 March 2014

11. Capital commitments

There were no capital commitments at 31 March 2014 or 31 March 2013.

12. Financial commitments

There were no financial commitments at 31 March 2014 or 31 March 2013.

13. Related party transactions

The company has taken advantage of the exemption granted by FRS 8, Related Party Transactions, not to disclose details of transactions with other Group companies. There were no other related party transactions.

14. Ultimate parent undertaking and controlling party

The ultimate parent undertaking and ultimate controlling party is considered to be MDNX Group Limited, a Company registered in England and Wales, by virtue of its 100% shareholding in MDNX Limited which owns 100% of the ordinary share capital of the company.

The smallest and largest group of undertakings for which group accounts (including Allurian Limited) have been drawn up for the year ended 31 March 2014 is the group headed by MDNX Group Limited. Copies of Group financial statements can be obtained from St James House, Oldbury, Bracknell, RG12 8TH.