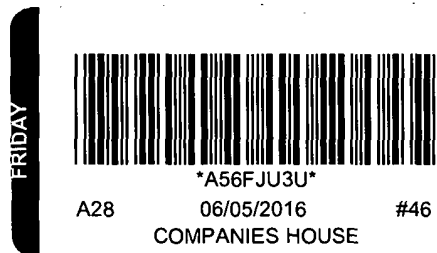


# Financial Statements Datum Datacentres Limited

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For the year ended 31 December 2015



Registered number: 07954217

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Datum Datacentres Limited  
Registered number:07954217

## Company Information

<b>Directors</b>	M Fowle P Howard (resigned 19 June 2015) P Morris J Jones (appointed 24 September 2015)
<b>Company secretary</b>	P Howard
<b>Registered number</b>	07954217
<b>Registered office</b>	90 High Holborn London WC1V 6XX
<b>Independent auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 1020 Eskdale Road Winnersh Reading Berkshire RG41 5TS

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## Strategic report

For the year ended 31 December 2015

The financial statements contain information about Datum Data Centres Ltd (“Datum” or “the Company”) as an individual company; the ultimate parent company Amphora Topco Limited produces consolidated accounts, which are publicly available.

### **Business review, principal activities and future developments**

The company was incorporated in 2012. Datum’s principal activity is the provision of colocation services; Datum’s vision is to build a highly secure, environmentally intelligent, carrier neutral datacentre. Datum differentiates itself around three themes:

- **Secure and Reliant**  
Highly available infrastructure with 2N main and backup power delivered from highly secure campus locations
- **Environmental Intelligence**  
Environmentally Intelligent Cooling - Our Free Cooling design uses a Flooded Airflow approach to deliver energy efficient and cost effective datacentres, significantly reducing running costs and carbon footprint both for ourselves and our Clients
- **100% Client Focused**  
Proactive service delivery and account management – Our clients business critical IT needs and our first class service in perfect alignment

### **Key performance indicators**

The results for the company show an operating loss of £1,783k (2014: loss £2,037k) and revenues of £2,201k (2014: £1,150k). Following on from the launch of the initial facility in Farnborough in 2013, 2015 was focussed on building the client base and further hall expansion.

### **Business environment and strategy**

Datum’s market – Datum’s core target markets are the mid to large Service Provider community and the security focused Enterprise who rely on business critical IT. Datum’s vision is to build a highly secure, environmentally intelligent, carrier neutral datacentre.

The prevailing economic climate continues to be of concern but sentiment has certainly improved over the last 6 months with significantly more activity amongst our target market. Competition remains strong and with additional capacity coming on stream during 2015 this is unlikely to change significantly. Datum’s focus however has resulted in the growth of a client base of companies where security, service and performance is core. These include major companies from the IT sector, Defence industry and security related public sector bodies. This has enabled Datum to continue to outperform the market.

### **Research and development**

Datum’s initial state-of-the-art Datacentre was completed and became operational in early 2013. A further extension of capacity is in progress and was completed during Q2 2015.

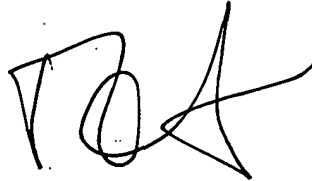
## Strategic report (continued)

### Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks; these risks are identified and mitigated where appropriate. The Farnborough Data Centre was opened in early 2013 and during 2015 the focus has been on continuing to grow the client base and build out further capacity.

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

M Fowle  
Director



Date: 29/4/16

# Directors' report

For the year ended 31 December 2015

The directors present their report and the financial statements for the year ended 31 December 2015.

## Principal activity

The principal activity of Datum Datacentres Limited is to provide colocation services.

## Results and dividends

The loss for the year, after taxation, amounted to £1,847k (2014 - loss £1,837k).

## Directors

The directors who served during the year were:

M Fowle

P Howard (resigned 19 June 2015)

P Morris

J Jones (appointed 24 September 2015)

## Financial risk management objectives and policies

The company uses a variety of financial instruments including cash, borrowings, equity investments and various items; such as trade debtors and trade creditors, that arise directly from its operations. The main purpose of these financial instruments is to provide working capital for the company's operations.

The directors are of the view that the main risks arising from the company's financial instruments are interest rate risk, liquidity risk and credit risk. The directors set and review policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

### Interest rate risk

The company and wider group finances its operations through a combination of bank funding and shareholders' funds. The interest rate on bank funding is variable with base rate but the group uses certain financial instruments to fix the effective cost of a significant portion of its borrowings for the medium to long term.

### Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The group has access to finance leases and has used and will continue to use these to fund capital investments as required. Cash flows are monitored on a monthly basis.

### Credit risk

The principal credit risk arises from trade debtors. In order to manage credit risk, credit limits are set for customers and a regular review is made of trade debtors outstanding. Credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history.

All potential areas of financial risk are monitored regularly and reviewed by the directors and local management. Any preventative or corrective measures are taken as necessary.

# Directors' report

For the year ended 31 December 2015

## Going concern

The directors have a reasonable expectation, consistent with their forecasting procedures and the repayments due on various loans within the group, that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Consequently, they continue to adopt the going concern basis in preparation of the annual report and accounts.

## Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 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; 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.

## Post balance sheet events

There have been no significant events affecting the Company since the year end.

## 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.

# Directors' report

For the year ended 31 December 2015

## Auditors

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.

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



M Fowle  
Director

Date: 29/4/16



## Independent auditor's report to the members of Datum Datacentres Limited

We have audited the financial statements of Datum Datacentres Limited for the year ended 31 December 2015, which comprise the Profit and loss account, the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity 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 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](http://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 December 2015 and of its loss 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 Strategic report and 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 Datum Datacentres 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.

*Grant Thornton UK LLP*

James Rogers (Senior statutory auditor)  
for and on behalf of  
Grant Thornton UK LLP  
Statutory Auditor  
Chartered Accountants  
Reading  
Date: 29 April 2016

## Profit and loss account

For the year ended 31 December 2015

	Note	2015 £000	2014 £000
Turnover	3	2,201	1,150
Cost of sales		<u>(3,066)</u>	<u>(2,377)</u>
<b>Gross loss</b>		<b>(865)</b>	<b>(1,227)</b>
Administrative expenses		<u>(918)</u>	<u>(810)</u>
<b>Operating loss</b>		<b>(1,783)</b>	<b>(2,037)</b>
Interest payable and similar charges	7	<u>(64)</u>	<u>(50)</u>
<b>Loss on ordinary activities before taxation</b>		<b>(1,847)</b>	<b>(2,087)</b>
Taxation on loss on ordinary activities	8	<u>-</u>	<u>250</u>
<b>Loss for the year</b>		<b><u>(1,847)</u></b>	<b><u>(1,837)</u></b>

There were no recognised gains and losses for 2015 or 2014 other than those included in the profit and loss account.

The notes on pages 12 to 24 form part of these financial statements.

## Statement of comprehensive income

For the year ended 31 December 2015

	Note	2015 £000	2014 £000
Loss for the financial year		<u>(1,847)</u>	<u>(1,837)</u>
<b>Other comprehensive income</b>			
<b>Total comprehensive loss for the year</b>		<u><u>(1,847)</u></u>	<u><u>(1,837)</u></u>

The notes on pages 12 to 24 form part of these financial statements.

## Balance sheet

As at 31 December 2015

	Note	2015 £000	2014 £000
<b>Fixed assets</b>			
Tangible assets	9	6,960	5,935
		<u>6,960</u>	<u>5,935</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	1,795	1,495
Cash at bank and in hand	11	1,247	805
		<u>3,042</u>	<u>2,300</u>
Creditors: amounts falling due within one year	12	(1,517)	(1,246)
		<u>1,525</u>	<u>1,054</u>
<b>Net current assets</b>			
		<u>8,485</u>	<u>6,989</u>
<b>Total assets less current liabilities</b>			
Creditors: amounts falling due after more than one year	13	(14,967)	(11,624)
		<u>(6,482)</u>	<u>(4,635)</u>
<b>Net assets</b>			
<b>Capital and reserves</b>			
Called up share capital	17	-	-
Profit and loss account	16	(6,482)	(4,635)
		<u>(6,482)</u>	<u>(4,635)</u>

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

  
J Jones  
Director

Date:

29/4/16

The notes on pages 12 to 24 form part of these financial statements.

## Statement of changes in equity

As at 31 December 2015

	Share capital	Retained earnings	Total equity
	£000	£000	£000
At 1 January 2015	-	(4,635)	(4,635)
<b>Comprehensive income for the year</b>			
Loss for the year	-	(1,847)	(1,847)
<b>Total comprehensive loss for the year</b>	<u>-</u>	<u>(1,847)</u>	<u>(1,847)</u>
<b>At 31 December 2015</b>	<u>-</u>	<u>(6,482)</u>	<u>(6,482)</u>

## Statement of changes in equity

As at 31 December 2014

	Share capital	Retained earnings	Total equity
	£000	£000	£000
At 1 January 2014	-	(2,798)	(2,798)
<b>Comprehensive income for the year</b>			
Loss for the year	-	(1,837)	(1,837)
<b>Total comprehensive loss for the year</b>	<u>-</u>	<u>(1,837)</u>	<u>(1,837)</u>
<b>At 31 December 2014</b>	<u>-</u>	<u>(4,635)</u>	<u>(4,635)</u>

The notes on pages 12 to 24 form part of these financial statements.

# Notes to the financial statements

For the year ended 31 December 2015

## 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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 21.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

The following principal accounting policies have been applied:

### 1.2 Going concern

The financial statements have been prepared on the going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The directors have reviewed the working capital requirements of the group for a period of at least 12 months from the anticipated date of signing of the financial statements and are satisfied that the company will be able to meet its liabilities as they fall due.

### 1.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

#### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and;
- the costs incurred and the costs to complete the contract can be measured reliably.

Deployment revenues are recognised over the length of the set-up period on a percentage to completion basis. Recurring revenues are recognised on a straight line basis, from a pre-defined date explicit in each contract, to the end of the contract. Flowthrough revenues are recognised in full once fulfilment has been achieved.

# Notes to the financial statements

For the year ended 31 December 2015

## 1. Accounting policies (continued)

### 1.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Repairs and maintenance are charged to the Profit and loss account during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

The estimated useful lives range as follows:

Datacentre property equipment	-	10 years
Fixtures, fittings & equipment	-	3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Profit and loss account.

### 1.5 Operating leases: Lessee

Rentals paid under operating leases are charged to the profit or loss on a straight line basis over the period of the lease.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period of the lease.

### 1.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### 1.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.



# Notes to the financial statements

For the year ended 31 December 2015

## 1. Accounting policies (continued)

### 1.8 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and loss account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

### 1.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### 1.10 Finance costs

Finance costs are charged to the Profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

# Notes to the financial statements

For the year ended 31 December 2015

## 1. Accounting policies (continued)

### 1.11 Leased assets: Lessee

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to profit or loss over the shorter of estimated useful economic life and the term of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to profit or loss over the term of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

The Group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 31 December 2014 to continue to be charged over the period to the first market rent review rather than the term of the lease.

### 1.12 Sale and leaseback

Where a sale and leaseback transaction results in a finance lease, no gain is immediately recognised for any excess of sales proceeds over the carrying amount of the asset. Instead, the proceeds are presented as a liability and subsequently measured at amortised cost using the effective interest method.

When a sale and leaseback transaction results in an operating lease, and it is clear that the transaction is established at fair value any profit or loss is recognised immediately. If the sale price is below fair value, any profit or loss is recognised immediately unless the loss is compensated for by the future lease payments at below market price. In that case any such loss is amortised in proportion to the lease payments over the period for which the asset is expected to be used. If the sale price is above fair value, the excess over fair value is amortised over the period for which the asset is expected to be used.

### 1.13 Pensions

#### Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

### 1.14 Interest income

Interest income is recognised in the profit and loss account using the effective interest method.

# Notes to the financial statements

For the year ended 31 December 2015

## 1. Accounting policies (continued)

### 1.15 Taxation

Tax is recognised in the profit and loss account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

# Notes to the financial statements

For the year ended 31 December 2015

## **2. Judgments in applying accounting policies and key sources of estimation uncertainty**

Preparation of the financial statements requires management to make significant judgements and estimates. Judgements and estimates are continually re-assessed and are based on historical experience as well as other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The judgements and estimates that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

### **Carrying value of fixed assets**

The majority of tangible assets are depreciated over 3 years using the straight line method. This is computer equipment and is in line with the industry, taking into consideration useful economic life and introduction of new products into the computer market.

There are tangible assets which are depreciated over 5 years on a straight line method. These assets relate to the wide area infrastructure that the business invests in, which is crucial to the organisation. This greater length of depreciation is due to a longer economic life of which this investment will be utilised for.

There are tangible assets for which a 10 year straight line method is applied. This category is for land and buildings for which heavy investment is placed into a structure that will provide longer term benefit.

### **Classification of leases**

Management has classified finance leases if the full value of the item is repaid under the initial term, and/or there is an option to take legal title of that item. If this criteria is not met, it is deemed to be an operating lease.

### **Service Level Agreement (SLA) Breaches**

A Service Level Agreement is reported on either a monthly or quarterly basis. The client is required to highlight a service level breach at the end of each period, and therefore management's judgement is that there are no SLA breach's that remain unsettled for 2015.

### **Allowance for Doubtful debts**

The estimate applied to the allowance for doubtful debts is based on regular reviews of outstanding amounts, close working relationships with our clients and experience built over the years. Management are prudent and provide for 5% of everything over 90 days and a specific amount for any known issues.

# Notes to the financial statements

For the year ended 31 December 2015

### 3. Analysis of turnover

An analysis of turnover by class of business is as follows:

	2015 £000	2014 £000
Provision of colocation services	2,201	1,150
	<u>2,201</u>	<u>1,150</u>

Analysis of turnover by country of destination:

	2015 £000	2014 £000
United Kingdom	2,201	1,150
	<u>2,201</u>	<u>1,150</u>

### 4. Operating loss

The operating loss is stated after charging:

	2015 £000	2014 £000
Depreciation of tangible fixed assets	938	808
Operating lease rentals	408	338
Defined contribution pension cost	32	-
	<u>32</u>	<u>-</u>

During the year, no director received any emoluments (2014 - £NIL).

## Notes to the financial statements

For the year ended 31 December 2015

**5. Auditor's remuneration**

	2015 £000	2014 £000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	10	10
	<u>10</u>	<u>10</u>
<b>Fees payable to the Company's auditor and its associates in respect of:</b>		
Other services relating to taxation	2	2
	<u>2</u>	<u>2</u>

**6. Employees**

Staff costs were as follows:

	2015 £000	2014 £000
Wages and salaries	565	405
Social security costs	60	59
Cost of defined contribution scheme	32	24
	<u>657</u>	<u>488</u>

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

	2015 No.	2014 No.
	8	9
	<u>8</u>	<u>9</u>

**7. Interest payable and similar charges**

	2015 £000	2014 £000
Finance leases and hire purchase contracts	64	50
	<u>64</u>	<u>50</u>

## Notes to the financial statements

For the year ended 31 December 2015

**8. Taxation**

	2015 £000	2014 £000
<b>Corporation tax</b>		
Adjustments to tax charge in respect of prior periods	-	(250)
<b>Total current tax</b>	<u>-</u>	<u>(250)</u>
<b>Taxation on loss on ordinary activities</b>	<u>-</u>	<u>(250)</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2014 - higher than) the standard rate of corporation tax in the UK of 20.25% (2014 - 21.5%). The differences are explained below:

	2015 £000	2014 £000
Loss on ordinary activities before tax	<u>(1,847)</u>	<u>(2,087)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014 - 21.5%)	<u>(374)</u>	<u>(449)</u>
<b>Effects of:</b>		
Expenses not deductible for tax purposes	3	-
Fixed asset timing differences	189	78
Adjustments to tax charge in respect of prior periods	-	(250)
Deferred tax asset not recognised	182	-
Group relief surrendered	-	371
<b>Total tax charge for the year</b>	<u>-</u>	<u>(250)</u>

**Factors that may affect future tax charges**

The company has a potential deferred tax asset in respect of taxable losses carried forward. The amount not recognised is £495k (2014 - £288k)

## Notes to the financial statements

For the year ended 31 December 2015

## 9. Tangible fixed assets

	Datacentre property equipment £000	Fixtures, fittings & equipment £000	Total £000
<b>Cost or valuation</b>			
At 1 January 2015	6,817	493	7,310
Additions	1,963	-	1,963
<b>At 31 December 2015</b>	<u>8,780</u>	<u>493</u>	<u>9,273</u>
<b>Depreciation</b>			
At 1 January 2015	1,168	207	1,375
Charge for the year	812	126	938
<b>At 31 December 2015</b>	<u>1,980</u>	<u>333</u>	<u>2,313</u>
<b>At 31 December 2015</b>	<u>6,800</u>	<u>160</u>	<u>6,960</u>
At 31 December 2014	<u>5,649</u>	<u>286</u>	<u>5,935</u>

The above amounts include assets held under finance leases amounting to £2,299k at cost (2014 - £1,410k). As the substance of the transaction is a secured loan, the asset has remained on the balance sheet and the sale price reflected as a liability.

## 10. Debtors

	2015 £000	2014 £000
Trade debtors	160	167
Amounts owed by group undertakings	788	510
Other debtors	279	258
Prepayments and accrued income	318	310
Corporation tax repayable	250	250
	<u>1,795</u>	<u>1,495</u>



## Notes to the financial statements

For the year ended 31 December 2015

**11. Cash and cash equivalents**

	2015 £000	2014 £000
Cash at bank and in hand	1,247	805
	<u>1,247</u>	<u>805</u>

**12. Creditors: Amounts falling due within one year**

	2015 £000	2014 £000
Trade creditors	734	465
Taxation and social security	14	21
Obligations under finance lease and hire purchase contracts	392	500
Accruals and deferred income	377	260
	<u>1,517</u>	<u>1,246</u>

**13. Creditors: Amounts falling due after more than one year**

	2015 £000	2014 £000
Net obligations under finance leases and hire purchase contracts	467	124
Amounts owed to group undertakings	14,500	11,500
	<u>14,967</u>	<u>11,624</u>

**14. Hire purchase & finance leases**

Minimum lease payments under hire purchase fall due as follows:

	2015 £000	2014 £000
Within one year	392	500
Between 1-2 years	267	124
Between 2-5 years	200	-
	<u>859</u>	<u>624</u>

## Notes to the financial statements

For the year ended 31 December 2015

**15. Financial Instruments**

	2015 £000	2014 £000
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	1,145	861
	<u>1,145</u>	<u>861</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	(16,348)	(12,820)
	<u>(16,348)</u>	<u>(12,820)</u>

Financial assets measured at amortised cost is comprised of trade debtors, accrued income, amounts owed from group undertakings and other debtors excluding amounts recoverable from HMRC. These are initially and subsequently measured at the undiscounted amount of the cash or other consideration expected to be received.

Financial liabilities measured at amortised cost is comprised of trade creditors, accruals, obligations under finance leases and hire purchase contracts and amounts owed to group undertakings. These have been initially and subsequently measured at the undiscounted amount of the cash or other consideration expected to be paid.

**16. Reserves**

Called-up share capital – represents the nominal value of shares that have been issued.

Profit and loss account – includes all current and prior period retained profits and losses.

**17. Share capital**

	2015 £	2014 £
<b>Allotted, called up and fully paid</b>		
1 Ordinary share of £1	1	1
	<u>1</u>	<u>1</u>

# Notes to the financial statements

For the year ended 31 December 2015

## 18. Commitments under operating leases

At 31 December 2015 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2015 £000	2014 £000
Not later than 1 year	407	407
Later than 1 year and not later than 5 years	183	589
<b>Total</b>	<u>590</u>	<u>996</u>

## 19. Related party transactions

The company has taken advantage of the exemption provided not to disclose transactions with fellow group undertakings controlled by Amphora Topco Limited where 100% of the voting rights are controlled within the group.

## 20. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Amphora Finco Limited and the ultimate parent undertaking is Amphora Topco Limited. Both companies are incorporated in the United Kingdom.

Amphora Topco Limited is the parent undertaking of the largest group of undertakings to consolidate these financial statements at the 31 December 2015. The consolidated financial statements of Amphora Topco Limited are available from Companies House on request.

The ultimate controlling party is Darwin Private Equity LLP which manages a majority of the shares in Amphora Topco Limited.

## 21. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.