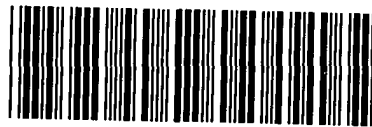


Facebook UK Limited

Annual report and financial statements

for the year ended 31 December 2013

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Facebook UK Limited

Company Information

Directors	J S Athwal S H Crehan D W Kling T W Ulyot
Company secretary	Jordan Cosec Limited
Registered number	06331310
Registered office	21 St Thomas Street Bristol BS1 6JS
Auditors	Ernst & Young Chartered Accountants Harcourt Centre Harcourt Street Dublin 2 Ireland

Facebook UK Limited

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Facebook UK Limited

Strategic report for the year ended 31 December 2013

The directors present their strategic report on the company for the year ended 31 December 2013.

Business review and future developments

The principal activity of the company in the year under review was that of providing marketing and engineering support to the Facebook Group.

Having become the first engineering office outside of the US in 2012 the company's business activities have continued to grow during 2013, resulting in an increased headcount to 208 at the year end.

The total of marketing and engineering services provided to the Facebook Group amounted to £49,851,557, which is an increase of £15,235,515 on the value of marketing services provided in 2012. Loss before tax has increased from a loss of £2,420,679 in 2012 to a loss of £11,648,466 in 2013 due to a higher share based payment charge.

The company is positioned to continue to expand in the future and is set to move into new premises in 2014.

Principal risks and uncertainties

The principal risks and uncertainties have been identified as the emergence of rival social networks, security and privacy breaches, global recession reducing online advertising spend and user engagement.

Financial key performance indicators

Key performance indicators that are focused on by management include:

- Overheads
- Cost control
- New industry developments

The directors are satisfied with the performance of the Company during the year with regard to the indicators set out above.

By order of the board

Shane Crehan 25/9/14
Director
SHANE CREHAN

Facebook UK Limited

Directors' report for the year ended 31 December 2013

The directors present their report and the audited financial statements of the company for the year ended 31 December 2013.

Business review and future developments

The business review and future developments section can be found in the Strategic report on page 1.

Results and dividends

The loss for the year, after taxation, amounted to £11,466,439 (2012: £6,335,589).

No dividends will be distributed for the year ended 31 December 2013 (2012: £nil).

Directors

The directors who held office during the year and up to the date of signing the financial statements are given below:

J S Athwal (appointed 1 July 2013)
S H Crehan (appointed 1 July 2013)
D W Kling (appointed 1 July 2013)
T W Ulliyot (resigned 5 July 2013)

Financial instruments

The company's financial instruments at the balance sheet date comprised of loans, from the parent company and fellow group undertakings, plus cash and liquid resources. The main purpose of these financial instruments is to raise finance for the company's operations. The company has various other financial instruments such as trade creditors, that arise directly from its operations.

It is, and has been throughout the period under review, the company's policy that no trading in financial instruments shall be undertaken.

The main risk arising from the company's financial instruments is foreign currency risk.

- Foreign currency risk

The gains and losses arising from the company's exposure to foreign currency risk arising from its overseas operations are recognised in the profit and loss account.

Facebook UK Limited

Directors' report for the year ended 31 December 2013

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, 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 judgements 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.

Provision 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 information needed by the company's auditor in connection with preparing their audit report and to establish that the company's auditor is aware of that information.

Auditor

In accordance with Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Ernst & Young will therefore continue in office.

By order of the board

Director
Date:



28/7/14

SHANE CREHAN

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FACEBOOK UK LIMITED

We have audited the financial statements of Facebook UK Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 19. 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 set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit 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 Directors' report and the Strategic report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 December 2013 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 Directors' Report and the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.



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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
- 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.

Dermot Quinn (Senior statutory auditor)

for and on behalf of Ernst & Young, Statutory Auditor

Dublin

26 September 2014

Facebook UK Limited

Profit and loss account for the year ended 31 December 2013

	Note	2013 £	2012 £
Turnover	1,2	49,851,557	34,616,042
Cost of sales		(564,067)	(473,387)
Gross profit		49,287,490	34,142,655
Administrative expenses		(60,932,049)	(36,556,482)
Operating loss	3	(11,644,559)	(2,413,827)
Interest receivable and similar income		14,951	8,977
Interest payable and similar charges	5	(18,858)	(15,829)
Loss on ordinary activities before taxation		(11,648,466)	(2,420,679)
Tax on loss on ordinary activities	6	182,027	(3,914,910)
Loss for the financial year	14	(11,466,439)	(6,335,589)

The results for the current and prior year are in respect of continuing operations.

There were no recognised gains and losses for 2013 or 2012 other than those included in the profit and loss account.

The notes on pages 8 to 17 form part of these financial statements.

Facebook UK Limited

Registered number: 06331310

Balance sheet as at 31 December 2013

	Note	£	2013 £	£	2012 £
Fixed assets					
Tangible assets	7		4,341,376		3,521,827
Current assets					
Debtors	8	10,788,192		6,409,691	
Cash at bank and in hand		9,230,370		4,078,169	
		<u>20,018,562</u>		<u>10,487,860</u>	
Creditors: amounts falling due within one year	9	(10,067,513)		(5,201,037)	
Net current assets			9,951,049		5,286,823
Total assets less current liabilities			14,292,425		8,808,650
Creditors: amounts falling due after more than one year	10	(5,183,918)		(2,777,344)	
Provisions for liabilities					
Other provisions	12		-		(936,100)
Net assets			9,108,507		5,095,206
Capital and reserves					
Called up share capital	13		1,000		1,000
Profit and loss account	14		9,107,507		5,094,206
Total shareholders' funds	15		9,108,507		5,095,206

The financial statements on pages 6 to 17 were approved and authorised for issue by the board of directors on 2014 and were signed on its behalf by:

Director *Shane Crehan* 25/9/14

The notes on pages 8 to 17 form part of these financial statements.

SHANE CREHAN

Facebook UK Limited

Notes to the financial statements for the year ended 31 December 2013

1. Accounting policies

1.1 Basis of preparation of the financial statements

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable United Kingdom accounting standards.

The principal accounting policies, which have been applied consistently in the current and previous financial year, are set out below.

1.2 Turnover

Turnover comprises the fair value of the consideration receivable for the sale of services to the Facebook Group in the ordinary course of the company's activities. Revenue is shown net of value-added tax.

The company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity.

1.3 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.

1.4 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

1.5 Taxation

Current tax, including UK Corporation Tax, is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

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.

Facebook UK Limited

Notes to the financial statements for the year ended 31 December 2013

1. Accounting policies (continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are recognised at cost and subsequently stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements	-	Straight line over period of the lease
Plant & machinery	-	33% on cost
Fixtures & fittings	-	20% on cost
Computer equipment	-	33% on cost
Assets in the course of construction	-	no depreciation as assets not in use

1.7 Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation, unless the impact of discounting is immaterial. The increase in the provision due to passage of time is recognised as interest expense.

1.8 Share based payments

Facebook, Inc. (the "ultimate holding company") operates a share-based compensation plan. Employees of the company receive remuneration in the form of equity instruments being restricted ordinary shares ('RSUs') of its ultimate holding company as consideration for services rendered.

The fair value of the employee services received in exchange for the grant of the RSUs is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the RSUs granted.

Non-market performance and service conditions are included in assumptions about the number of RSUs that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

At the end of each reporting period, the ultimate holding company revises its estimates of the number of RSUs that are expected to vest based on the non-market vesting conditions. The company recognises the impact of the revision to original estimates, if any, in the profit and loss account.

When the RSUs are exercised, the ultimate holding company issues new shares.

The grant of equity instruments ('RSUs') by the ultimate holding company to the employees of the company is treated as equity-settled, with a corresponding increase in equity as a contribution from the ultimate holding company.

2. Turnover

The total turnover of the company is derived from its principal activity, being the provision of marketing and engineering support to the Facebook Group, and is attributable to Facebook Ireland Limited.

Facebook UK Limited

Notes to the financial statements for the year ended 31 December 2013

3. Operating loss

The operating loss is stated after charging:

	2013 £	2012 £
Depreciation of tangible fixed assets: - owned by the company	1,204,213	954,474
Auditor's remuneration	15,910	15,600
Operating lease rentals: - other operating leases	2,862,961	1,746,532
Difference on foreign exchange	55,952	13,223
	<u>5,939,037</u>	<u>3,729,829</u>

The directors of the company, during the current and previous year, were also senior executives of, and were remunerated by, Facebook, Inc. and Facebook Ireland Limited and received no remuneration for services to this company.

4. Staff costs

Staff costs were as follows:

	2013 £	2012 £
Wages and salaries	21,994,739	14,127,102
Social security costs	3,341,769	2,983,669
Share based payment charge (see note 16)	15,479,740	4,742,398
	<u>40,816,248</u>	<u>21,853,169</u>

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

	2013 No.	2012 No.
Management team	10	11
Administration team	20	10
Technical team	60	17
Sales team	82	81
	<u>172</u>	<u>119</u>

5. Interest payable and similar charges

	2013 £	2012 £
On loans from group undertakings	18,858	15,829
	<u>18,858</u>	<u>15,829</u>

Facebook UK Limited

Notes to the financial statements for the year ended 31 December 2013

6. Taxation

	2013 £	2012 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on loss for the year	3,169	-
Adjustments in respect of prior periods	(185,196)	-
Total current tax	(182,027)	-
Deferred tax		
Origination and reversal of timing differences	-	3,905,250
Effect of changes in tax rates	-	9,660
Total deferred tax (see note 11)	-	3,914,910
Tax on loss on ordinary activities	(182,027)	3,914,910

Factors affecting tax charge for the year

The tax assessed for the year is different than the standard rate of corporation tax 23.25% (2012: 24.5%). The differences are explained below:

	2013 £	2012 £
Loss on ordinary activities before tax	(11,648,466)	(2,420,679)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (2012: 24.5%)	(2,708,268)	(593,000)
Effects of:		
Expenses not deductible for tax purposes	4,413,484	161,584
Depreciation for year in excess of capital allowances	147,167	77,224
Unrecognised tax losses carried forward	-	11,826,993
Utilisation of tax losses	(1,963,145)	-
Effects of other tax rates/credits	(75)	-
Adjustments to tax charge in respect of prior periods	(185,196)	-
Timing differences on share based payments	114,006	(11,472,801)
Current tax credit for the year (see note above)	(182,027)	-

Factors that may affect future tax charges

On 2 July 2013 the UK main corporation tax rate changed to 21% from 1 April 2014 and to 20% from 1 April 2015.

The company has unrecognised deferred tax assets of £18,591,117 (2012: £15,870,973) which can be offset against suitable future profits (see note 11).

Facebook UK Limited

Notes to the financial statements for the year ended 31 December 2013

7. Tangible assets

	Leasehold improvements £	Plant & machinery £	Fixtures & fittings £	Computer equipment £	Assets in the course of construction £	Total £
Cost						
At 1 January 2013	3,940,137	201,328	149,790	697,801	-	4,989,056
Additions	482,000	117,653	114,022	1,999	1,308,088	2,023,762
Disposals	-	-	-	(211,882)	-	(211,882)
At 31 December 2013	<u>4,422,137</u>	<u>318,981</u>	<u>263,812</u>	<u>487,918</u>	<u>1,308,088</u>	<u>6,800,936</u>
Depreciation						
At 1 January 2013	483,345	159,664	134,711	689,509	-	1,467,229
Charge for the year	1,105,962	50,641	39,101	8,509	-	1,204,213
On disposals	-	-	-	(211,882)	-	(211,882)
At 31 December 2013	<u>1,589,307</u>	<u>210,305</u>	<u>173,812</u>	<u>486,136</u>	<u>-</u>	<u>2,459,560</u>
Net book value						
At 31 December 2013	<u>2,832,830</u>	<u>108,676</u>	<u>90,000</u>	<u>1,782</u>	<u>1,308,088</u>	<u>4,341,376</u>
At 31 December 2012	<u>3,456,792</u>	<u>41,664</u>	<u>15,079</u>	<u>8,292</u>	<u>-</u>	<u>3,521,827</u>

8. Debtors

	2013 £	2012 £
Amounts owed by group undertakings	7,805,494	4,920,105
Corporation tax	682,027	905,683
Other debtors	926,586	390,433
Prepayments and accrued income	1,374,085	193,470
	<u>10,788,192</u>	<u>6,409,691</u>

9. Creditors: amounts falling due within one year

	2013 £	2012 £
Trade creditors	577,677	265,428
Amounts owed to group undertakings	1,450,256	1,378,435
Other taxation and social security	1,400,004	895,904
Accruals and deferred income	6,639,576	2,661,270
	<u>10,067,513</u>	<u>5,201,037</u>

Facebook UK Limited

Notes to the financial statements for the year ended 31 December 2013

9. Creditors: amounts falling due within one year (continued)

Amounts owed to group undertakings are unsecured and repayable on demand, £1,200,000 (2012: £1,200,000) of which bears interest at 1% (2012: 1%) above LIBOR and the remaining £250,256 (2012: £178,435) is interest free.

Accruals and deferred income include £936,100 (2012: £nil) relating to dilapidations (see note 12).

10. Creditors: amounts falling due after more than one year

	2013 £	2012 £
Amounts owed to group undertaking	1,261,737	1,261,737
Accruals and deferred income	3,922,181	1,515,607
	<u>5,183,918</u>	<u>2,777,344</u>

Amounts owed to group undertaking are unsecured and interest free. Whilst there is no fixed repayment date, repayment of this balance will not be sought within twelve months of the balance sheet date.

11. Deferred taxation

	2013 £	2012 £
At beginning of year	-	(3,914,910)
Credited during year (see note 6)	-	3,914,910
	<u>-</u>	<u>-</u>
At end of year	<u>-</u>	<u>-</u>

The deferred taxation balance is made up as follows:

	2013 £	2012 £
Accelerated capital allowances	239,048	129,320
Timing differences on share based payments	3,503,658	4,635,653
Losses carried forward	14,848,411	11,106,000
Deferred tax not provided for	(18,591,117)	(15,870,973)
	<u>-</u>	<u>-</u>
Total	<u>-</u>	<u>-</u>

The deferred tax asset has not been recognised as there is uncertainty that in the foreseeable future there will be suitable profits from which the underlying timing differences can be deducted.

Facebook UK Limited

Notes to the financial statements for the year ended 31 December 2013

12. Other provisions

	Dilapidations £
At 1 January 2013	936,100
Amounts transferred to accruals and deferred income (see note 9)	<u>(936,100)</u>
At 31 December 2013	<u><u>-</u></u>

Dilapidations

The dilapidations provision relates to the estimated costs to be incurred to return the currently occupied leased premises to a condition equivalent to that prior to occupation. The reconstruction work will occur in 2014, the next financial year, when the premises are vacated and therefore this amount has been transferred to accruals and deferred income (see note 9).

13. Share capital

	2013 £	2012 £
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

14. Reserves

	Profit and loss account £
At 1 January 2013	5,094,206
Loss for the financial year	(11,466,439)
Reserve credit for share based payment plan	15,479,740
At 31 December 2013	<u><u>9,107,507</u></u>

15. Reconciliation of movement in shareholders' funds

	2013 £	2012 £
Opening shareholders' funds	5,095,206	6,688,397
Loss for the financial year	(11,466,439)	(6,335,589)
Reserve credit for share based payment plan	15,479,740	4,742,398
Closing shareholders' funds	<u><u>9,108,507</u></u>	<u><u>5,095,206</u></u>

Facebook UK Limited

Notes to the financial statements for the year ended 31 December 2013

16. Share based payments

At 31 December 2013 Facebook, Inc. had one active stock based employee compensation plan (the 2012 Equity Incentive Plan ("the Plan"), which replaced the 2005 Stock Plan on 31 January 2012), under which new awards may be granted. Awards may include incentive share options, non statutory share options, share purchase rights or restricted ordinary shares. The company has granted only restricted ordinary shares ('RSUs') to employees of Facebook UK Limited. RSUs may be settled in cash or equity however the company intends to equity settle all RSUs. The vesting condition of the RSUs is that the employees must remain in employment until the initial vesting event. The initial vesting event is generally a fixed date, or the date of a change in control in the company, and RSUs generally vest over a period of 4 or 5 years.

The Plan permits the grant of RSUs over ordinary shares (class B common stock) in Facebook, Inc. The per share exercise price of RSUs granted is generally nil.

The fair value of each RSU is estimated on the date of grant as the share price at the date of grant.

RSUs are granted to employees under the Plan upon hire or based on performance criteria established by management. RSUs are independent of ordinary share options and are subject to forfeiture if employment terminates prior to the release of the restrictions.

During the vesting period, ownership of the shares cannot be transferred. Once shares are issued pursuant to the terms of an RSU agreement, these shares have the same dividend and voting rights as other ordinary shares.

A reconciliation of movements in the number of RSUs outstanding are as follows:

	2013 RSUs Number	2012 RSUs Number
Outstanding at 1 January	1,311,263	7,299,154
Granted	1,338,060	395,113
Movements*	1,246,064	(2,006,534)
Settled	(1,525,018)	(4,057,347)
Forfeited	(140,985)	(319,123)
Outstanding at 31 December	2,229,384	1,311,263
Vested, but not settled at 31 December	-	197,867

*This accounts for the net change in outstanding awards due to employee transfers across territories.

Facebook UK Limited

Notes to the financial statements for the year ended 31 December 2013

16. Share based payments (continued)

The fair value of RSUs granted in the year was £21.51 (US\$33.65) (2012: £21.33 (US\$34.43)).

The weighted average share price during the year for RSUs settled was £10.40 (US\$16.27) (2012: £2.02 (US\$3.26)).

The total charge for the year relating to employee share based payment plans was £15,479,740 (US\$24,214,957) (2012: £4,742,398 (US\$7,655,653)).

The weighted average fair value of RSUs granted (determined as the share price at granted date) and the assumptions used in the calculation are as follows for each RSU available:

	RSUs 2013	RSUs 2012
Grant date	17/06/2013	29/05/2012
Share price at grant date	£21.51 (US\$33.65)	£21.33 (US\$34.43)
Exercise price	-	-
Number of employees - granted	223	134
Shares under award	1,338,060	395,113
Vesting periods (years)	4.00	4.00
Expected dividends expressed as a dividend yield	-	-
Weighted average fair value per RSU granted	<u>£21.51 (US\$33.65)</u>	<u>£21.33 (US\$34.43)</u>

RSUs outstanding at the end of the year have the following grant dates and have an exercise price of £nil:

	Year of grant	2013 RSUs Number	2012 RSUs Number
Vesting period			
4 years	2009	-	151,887
4 years	2010	122,633	282,551
4 years	2011	178,426	186,943
5 years	2011	313,030	320,312
4 years	2012	316,544	369,570
4 years	2013	1,298,751	-
Total RSUs outstanding at 31 December		<u><u>2,229,384</u></u>	<u><u>1,311,263</u></u>

Facebook UK Limited

Notes to the financial statements for the year ended 31 December 2013

17. Operating lease commitments

At 31 December the company had annual commitments under non-cancellable operating leases as follows:

Land and buildings

	2013 £	2012 £
Expiry date:		
Between 2 and 5 years	1,913,588	-
After more than 5 years	2,847,822	1,492,073
Total	4,761,410	1,492,073

18. Related party transactions

The company has taken advantage of the exemption contained in Financial Reporting Standard 8 "Related party disclosures" from disclosing transactions with other members of the group headed by Facebook, Inc.

19. Immediate parent undertaking and ultimate controlling party

The company's immediate parent undertaking is Facebook Global Holdings II, LLC, a company registered in the United States of America. Facebook Global Holdings II, LLC does not prepare publicly available consolidated financial statements.

The company's ultimate parent undertaking is Facebook, Inc., a company registered in the United States of America. Facebook, Inc. prepares consolidated financial statements which are publicly available at investor.fb.com.

