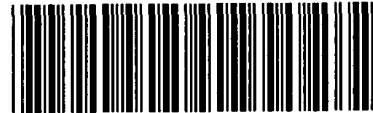


**ISDC Developments (No4) Limited**  
**Report and financial statements**  
**31 March 2017**

Company registration no. 07685812

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# ISDC Developments (No4) Limited

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## **ISDC Developments (No4) Limited**

### **Officers and professional advisers**

#### **Directors**

S Sutton

J A Thompson

#### **Registered Office**

Witan Gate House

500 – 600 Witan Gate West

Milton Keynes

Buckinghamshire

MK9 1SH

#### **Solicitors**

Taylor Wessing LLP

5 New Street Square

London

EC4A 3TW

#### **Auditor**

Deloitte LLP

Statutory Auditor

1 Station Square

Cambridge

CB1 2GA

## **ISDC Developments (No4) Limited**

### **Directors' report**

The directors present their annual report and the audited financial statements for the year ended 31 March 2017.

The directors' report has been prepared in accordance with the special provisions applicable to companies entitled to the small companies' exemption, which includes exemption from preparing a Strategic Report.

#### **Principal activities**

The principal activities of the Company are the development and future provision of data centre and ancillary services.

#### **Going concern**

The directors have considered the risks and uncertainties for the Company and formed a judgement when approving these financial statements that there is a reasonable expectation based on the Company's forecasts and projections, and taking into account the fact that the parent company has also agreed to provide continued support, that the Company will have available adequate resources to continue in operational existence for the foreseeable future. They therefore continue to adopt the going concern basis in preparing the annual financial statements.

#### **Directors**

The directors, who served during the year and to the date of this report, were as follows:

S Sutton

J A Thompson

#### **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.

#### **Dividends**

The directors do not recommend the payment of a dividend (2016: £nil).

## **ISDC Developments (No4) Limited**

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

#### **Auditor**

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

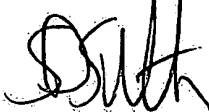
This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

#### **Financial risk management objectives and policies**

The Company is affected by a number of principal risks and uncertainties, which are consistent with those affecting the Infinity SDC Limited group. All financial risk management activities are carried out at Group level. Principal risks, management objectives and policies are described in Infinity SDC Limited's report and financial statements for the year ended 31 March 2017.

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



S Sutton, Director

## **ISDC Developments (No4) 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 101 "Reduced Disclosure Framework". 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 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.

## **ISDC Developments (No4) Limited**

### **Independent auditor's report to the members of ISDC Developments (No4) Limited**

We have audited the financial statements of ISDC Developments (No4) Limited for the year ended 31 March 2017 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, and the related notes 1 to 14. The financial reporting framework that has been applied in the preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 "Reduced Disclosure Framework".

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements 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 March 2017 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

## ISDC Developments (No4) Limited

### Independent auditor's report to the members of ISDC Developments (No4) Limited (continued)

#### Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report

#### 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 by the Company, 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 in preparing the directors' report or from the requirement to prepare a strategic report.



Paul Schofield, FCA (Senior Statutory Auditor)

for and on behalf of Deloitte LLP

Statutory Auditor

Cambridge, United Kingdom

29 September 2017



**ISDC Developments (No4) Limited**  
**Statement of comprehensive income**

	Notes	Year ended	
		31 March 2017 £'000	31 March 2016 £'000
Other operating (expenses)/income		(3)	3
<b>Operating (loss)/profit</b>		<b>(3)</b>	<b>3</b>
Income tax credit/(charge)	6	5	(62)
<b>Profit/(loss) for the year and total comprehensive income/(expense)</b>		<b>2</b>	<b>(59)</b>

All activities derive from continuing operations.

The notes on pages 12 to 21 are an integral part of these financial statements.

## ISDC Developments (No4) Limited

### Balance sheet

	Notes	31 March 2017 £'000	31 March 2016 £'000
<b>Non-current assets</b>			
Property, plant and equipment	7	8,281	7,928
		<b>8,281</b>	<b>7,928</b>
<b>Current assets</b>			
Trade and other receivables	8	69	-
Cash and short-term deposits	9	1	-
		<b>70</b>	<b>-</b>
<b>Total assets</b>		<b>8,351</b>	<b>7,928</b>
<b>Equity</b>			
Issued share capital	10	1	1
Retained earnings		(64)	(66)
<b>Shareholders' funds</b>		<b>(63)</b>	<b>(65)</b>
<b>Current liabilities</b>			
Trade and other payables	11	8,357	7,931
Deferred tax liability	6	57	62
		<b>8,414</b>	<b>7,993</b>
<b>Total liabilities</b>		<b>8,414</b>	<b>7,993</b>
<b>Total equity and liabilities</b>		<b>8,351</b>	<b>7,928</b>

The notes on pages 12 to 21 are an integral part of these financial statements.

The financial statements of ISDC Developments (No4) Limited (registered number 07685812) were approved and authorised for issue by the board of directors on 29 September 2017 and were signed on its behalf.

  
J A Thompson  
Director

## ISDC Developments (No4) Limited

### Statement of changes in equity

	Issued share capital £'000	Retained earnings £'000	Total equity £'000
At 1 April 2015	1	(7)	(6)
Loss and total comprehensive expense for the year ended 31 March 2016	-	(59)	(59)
At 31 March 2016	1	(66)	(65)
At 1 April 2016	1	(66)	(65)
Profit and total comprehensive income for the year ended 31 March 2017	-	2	2
At 31 March 2017	1	(64)	(63)

# **ISDC Developments (No4) Limited**

## **Notes to the financial statements**

### **1. Summary of significant accounting policies**

ISDC Developments (No4) Limited (the Company) is a company incorporated in the United Kingdom under the Companies Act 2006. The Company is a private company limited by shares and is registered in England and Wales. The Address of the Company's registered office is shown on page 3. The nature of the Company's operations and its principal activities are set out in the directors' report on page 4. These financial statements are separate financial statements, and are included in the group accounts of Infinity SDC Limited. The group accounts of Infinity SDC Limited are available to the public and can be obtained as disclosed in note 14. The registered office address of the parent Company preparing consolidated accounts is Witan Gate House, 500-600 Witan Gate West, Milton Keynes, Buckinghamshire, MK9 1SH.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

#### **1.1. Basis of preparation**

The Company meets the definition of a qualifying entity under Financial Reporting Standard (FRS 101) 'Reduced Disclosure Framework' issued by the Financial Reporting Council (FRC) incorporating the Amendments to FRS 101 issued by the FRC in July 2015 and the amendments to Company law made by The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 prior to their mandatory effective date of accounting periods beginning on or after 1 January 2016. Accordingly, these financial statements have been prepared in accordance with FRS 101.

As permitted by FRS 101, where relevant, equivalent disclosures have been given in the group accounts of Infinity SDC Limited, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets and related party transactions.

The financial statements have been prepared on a historical cost basis. The financial statements are presented in pounds sterling because the functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates. All values are rounded to the nearest thousand (£000), except when otherwise indicated.

The accounting policies as described below and in the respective notes have been used consistently for the financial year and for the comparative figures. The principal accounting policies are summarised below.

## **ISDC Developments (No4) Limited**

### **Notes to the financial statements (continued)**

#### **1. Summary of significant accounting policies (continued)**

##### **1.2. Going concern**

The directors have considered the risks and uncertainties for the Company and formed a judgement when approving these financial statements that there is a reasonable expectation based on the Company's forecasts and projections, and taking into account the fact that the parent company has also agreed to provide continued support, that the Company will have available adequate resources to continue in operational existence for the foreseeable future. They therefore continue to adopt the going concern basis in preparing the annual financial statements.

##### **1.3. Property, plant and equipment**

Property, plant and equipment are stated at cost, net of depreciation and any provision for impairment. No depreciation is provided on freehold properties (comprising of land) or assets in the course of construction.

##### **1.4. Impairment of property, plant and equipment and intangible assets**

At each balance sheet date, the Company reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

The recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

## **ISDC Developments (No4) Limited**

### **Notes to the financial statements (continued)**

#### **1. Summary of significant accounting policies (continued)**

##### **1.5. Financial assets**

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets at 'fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. The Company's financial assets at 31 March 2017 and 31 March 2016 were all classified as loans and receivables.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

##### **1.6. Loans and receivables**

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

## **ISDC Developments (No4) Limited**

### **Notes to the financial statements (continued)**

#### **1. Summary of significant accounting policies (continued)**

##### **1.7. Impairment of financial assets**

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For listed and unlisted equity investments classified as AFS, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, including redeemable notes classified as AFS and finance lease receivables, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 30 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the differences 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.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

## **ISDC Developments (No4) Limited**

### **Notes to the financial statements (continued)**

#### **1. Summary of significant accounting policies (continued)**

##### **1.8. Financial liabilities and equity**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

##### ***Equity instruments***

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

##### ***Financial liabilities***

Financial liabilities are classified as either financial liabilities at 'FVTPL' or 'other financial liabilities'. The Company's financial liabilities at 31 March 2017 and 31 March 2016 were all classified as other financial liabilities.

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.



## **ISDC Developments (No4) Limited**

### **Notes to the financial statements (continued)**

#### **1. Summary of significant accounting policies (continued)**

##### **1.9. Taxation**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

## **ISDC Developments (No4) Limited**

### **Notes to the financial statements (continued)**

#### **2. Critical accounting judgements and key source of estimation uncertainty**

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

##### **Judgments**

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the financial statements:

##### *Going concern*

The directors have a reasonable expectation based on the Company's forecasts and projections, and taking into account the fact that the parent company has also agreed to provide continued support, that the Company will have available adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

##### **Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

##### *Impairment of non-financial assets*

Assets that are subject to depreciation and amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget, covering the remaining life of the asset and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

#### **3. Employee information**

The Company had no employees during the year ended 31 March 2017 (2016: nil).

#### **4. Directors' remuneration**

The directors received no remuneration for their services to the Company and were remunerated by another company (2016: nil).

**ISDC Developments (No4) Limited**  
**Notes to the financial statements (continued)**

**5. Auditor's remuneration**

Fees payable to Deloitte LLP and their associates for the audit of the Company's annual accounts were £3,000 (2016: £3,000).

**6. Income tax expense**

A taxation income of £5,000 arose during the year (2016: charge £62,000). At 31 March 2017, there were approximately £133,000 (2016: £127,000) of tax losses available for set off against future profits, which may be carried forward indefinitely.

The tax (credit)/charge for the year can be reconciled to the loss per the statement of comprehensive income as follows:

	Year ended	
	31 March 2017 £'000	31 March 2016 £'000
(Loss)/profit before tax on continuing operations	(3)	3
Tax at the UK corporation tax rate of 20% (2016: 20%)	(1)	1
Movement in deferred tax	(1)	(1)
Gains transferred from a Group company	-	1,298
Group relief	-	(1,298)
Re-measurement of deferred tax - change in rate	(3)	-
Adjustments to tax charge in respect of prior periods	-	62
<b>Tax (credit)/charge for the year</b>	<b>(5)</b>	<b>62</b>

A deferred tax liability of £57,000 (2016: £62,000) has been recognised at 31 March 2017 in respect of property, plant and equipment and intangible temporary differences, net of losses.

	31 March 2017 £'000	31 March 2016 £'000
Temporary differences in tangible and intangible assets	(80)	(85)
Tax losses	23	23
<b>Total deferred tax liability</b>	<b>(57)</b>	<b>(62)</b>

Reductions in the UK corporation tax rate were substantively enacted in the year. The main rate of corporation tax was reduced from 20 per cent to 19 per cent effective from 1 April 2017 and to 17 per cent effective from 1 April 2020. Deferred tax on temporary differences and tax losses as at the balance sheet date is calculated at the substantively enacted rates at which the temporary differences and tax losses are expected to reverse.

**ISDC Developments (No4) Limited**  
**Notes to the financial statements (continued)**

**7. Property, plant and equipment**

	Assets under construction	Freehold properties	Total
	£'000	£'000	£'000
<b>Cost</b>			
At 1 April 2015	2,316	4,202	6,518
Additions	1,410	-	1,410
At 31 March 2016	3,726	4,202	7,928
Additions	353	-	353
At 31 March 2017	4,079	4,202	8,281
<b>Net book value</b>			
At 31 March 2017	4,079	4,202	8,281
At 31 March 2016	3,726	4,202	7,928

**8. Trade and other receivables**

	31 March 2017 £'000	31 March 2016 £'000
<b>Current</b>		
Other debtors	69	-
	69	-

The carrying amount of the Company's trade and other receivables is denominated in sterling.

**9. Cash and cash equivalents**

Cash and cash equivalents include cash in hand and deposits held on call with banks, all denominated in sterling.

**ISDC Developments (No4) Limited**  
**Notes to the financial statements (continued)**

**10. Share capital**

	31 March 2017 £'000	31 March 2016 £'000
<b>Called up, allotted and fully paid</b>		
100,000 ordinary shares of £0.01 each	1	1
	<b>1</b>	<b>1</b>

Ordinary shares carry rights to vote at general meetings and rights to dividends.

The directors do not recommend the payment of a dividend (2016: £nil).

Retained earnings represents cumulative profits or losses, net of dividends paid and other adjustments.

**11. Trade and other payables**

	31 March 2017 £'000	31 March 2016 £'000
Trade payables	420	-
Accruals and sundry creditors	3	3
Amounts owed to group companies	7,934	7,928
	<b>8,357</b>	<b>7,931</b>

Trade and other payables are measured at historical cost, which approximates to their fair values due to their short maturity period. The carrying amount of the Company's trade and other payables is denominated in sterling.

**12. Capital commitments**

Capital expenditure in respect of property, plant and equipment that had been contracted but not provided for in the financial statements at 31 March 2017 amounted to £573,000 (2016: £1,014,000).

**13. Related parties**

The Company has taken advantage of the exemption available under FRS 101, whereby it has not disclosed transactions with group companies.

**14. Parent undertaking and ultimate controlling party**

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