Company Registration No. SC160949

Edinburgh Network Technologies Limited

Annual report and financial statements

For the year ended 31 December 2015

Edinburgh Network Technologies Limited

Annual report and financial statements for the year ended 31 December 2015

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Edinburgh Network Technologies Limited

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Officers and professional advisers

Directors

G MacKenzie
M Howling

Registered Office

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Sugar Bond
2 Anderson Place
Edinburgh
EH6 5NP

Bankers

HSBC Bank
69 Pall Mall
London
SW1Y 5EY

Solicitors

Travers Smith LLP
10 Snow Hill
London
EC1A 2AL

Independent Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
Edinburgh
United Kingdom

Edinburgh Network Technologies Limited

Directors' report

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

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

Principal activity

The principal activity of the company is an intermediate holding company within the Pulsant Group Limited group of companies.

Results and dividends

The Statement of comprehensive income is set out on page 6 and shows a profit for the year of £242,512 (2014: loss of £143,053).

No dividend was paid or proposed during the current or prior year.

Going concern

The company has ceased trading during the year and is not expected to trade for the foreseeable future. As a result, the directors have prepared the financial statements on the basis that the company is no longer a going concern. The financial statements do not include any provision for the costs of winding up or liquidating the company that were not incurred or committed at the balance sheet date.

Directors

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

Auditor

Each of the persons who is a director at the date of approval of this 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 steps that he ought to have taken as a director in order 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.

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

Graeme MacKenzie

G MacKenzie
Director

27 April 2016

Edinburgh Network Technologies 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). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

Independent auditor's report to the members of Edinburgh Network Technologies Limited

We have audited the financial statements of Edinburgh Network Technologies Limited for the year ended 31 December 2015 which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes 1 to 15. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 December 2015 and of its profit 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.

Emphasis of matter – Financial statements prepared other than on a going concern basis

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Edinburgh Network Technologies Limited (continued)

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.
- 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.

James Boyle CA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Edinburgh, United Kingdom

27 April 2016

Edinburgh Network Technologies Limited

Statement of comprehensive income
For the year ended 31 December 2015

	Notes	2015 £	2014 £
Other operating income		380,000	-
Administrative expenses		(29,101)	(68,677)
Exceptional administrative expenses	4	(82,325)	-
Operating profit/(loss)	3	268,574	(68,677)
Interest payable and similar charges (net)	6	(32,006)	(76,663)
Profit/(loss) on ordinary activities before taxation		236,568	(145,340)
Tax on profit/(loss) on ordinary activities	7	5,944	2,287
Profit/(loss) for the financial year		242,512	(143,053)
Other comprehensive income			
Other comprehensive income		-	-
Total other comprehensive income		-	-
Total comprehensive income/(loss)		242,512	(143,053)

All results in the current and prior year are from discontinued operations

The accompanying notes on pages 9 to 16 form an integral part of these financial statements.

Edinburgh Network Technologies Limited

Balance sheet
As at 31 December 2015

	Notes	2015 £	2014 £
Fixed assets			
Tangible assets	8	-	769,290
Investments	9	6	51,041
		6	820,331
Current assets			
Debtors	10	-	4,214,994
Cash at bank and in hand		-	31,806
		-	4,246,800
Creditors: amounts falling due within one year	11	(285)	(5,309,922)
Net current liabilities		(285)	(1,063,122)
Total assets less current liabilities		(279)	(242,791)
Capital and reserves			
Called up share capital	13	1,060	1,060
Share premium account		51,151	51,151
Profit and loss account		(52,490)	(295,002)
Total shareholder's deficit		(279)	(242,791)

The accompanying notes on pages 9 to 16 form an integral part of these financial statements.

The financial statements of Edinburgh Network Technologies Limited, Company Registration No. SC160949 were approved and authorised for issue by the Board and were signed on its behalf on 27 April 2016.

Graeme Mackenzie

G MacKenzie
Director

Edinburgh Network Technologies Limited

Statement of changes in equity
For the year ended 31 December 2015

	Called up share capital £	Share premium account £	Profit and loss account £	Total £
At 1 January 2014	1,060	51,151	(151,949)	(99,738)
Loss for the financial year	-	-	(143,053)	(143,053)
Other comprehensive income	-	-	-	-
Total comprehensive loss	-	-	(143,053)	(143,053)
At 31 December 2014	1,060	51,151	(295,002)	(242,791)
Profit for the financial year	-	-	242,512	242,512
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	242,512	242,512
At 31 December 2015	1,060	51,151	(52,490)	(279)

The accompanying notes on pages 9 to 16 form an integral part of these financial statements.

Edinburgh Network Technologies Limited

Notes to the financial statements
For the year ended 31 December 2015

1. Accounting policies

The principal accounting policies adopted by the directors are described below and have been applied consistently in the current and prior year.

a. General information and basis of accounting

Edinburgh Network Technologies Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the Directors' report on page 2.

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The financial statements have been prepared on a basis other than that of a going concern (note 1b).

The functional currency of Edinburgh Network Technologies Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

Edinburgh Network Technologies Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Edinburgh Network Technologies Limited is consolidated in the financial statements of its parent, Pulsant Parent Limited, which may be obtained from the address in note 14. Exemptions have been taken in these separate company financial statements in relation to financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

b. Going concern

The company has ceased trading during the year and is not expected to trade for the foreseeable future. As a result, the directors have prepared the financial statements on the basis that the company is no longer a going concern. The financial statements do not include any provision for the costs of winding up or liquidating the company that were not incurred or committed at the balance sheet date.

c. Tangible fixed assets

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost tangible fixed assets in equal instalments over its expected useful life as follows:

Computer equipment	25% straight line
Property fit out costs	7% - 10% straight line
Buildings	2% straight line

d. Investments

Fixed asset investments are stated at cost less provision for diminution in value.

e. Financial instruments

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

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

Notes to the financial statements (continued)
For the year ended 31 December 2015

1. Accounting policies (continued)

e. Financial instruments (continued)

Financial assets and liabilities

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

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

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

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

f. Impairment of assets

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

Non-financial assets

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

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

Financial assets

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

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

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

Notes to the financial statements (continued)
For the year ended 31 December 2015

1. Accounting policies (continued)

g. Taxation

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

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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

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

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

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

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

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

Notes to the financial statements (continued)
For the year ended 31 December 2015

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

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

3. Operating profit/(loss)

	2015	2014
	£	£
Operating profit/(loss) is stated after charging:		
Depreciation of tangible assets	29,100	45,349

In the current year, auditor's remuneration of £3,000 (2014: £3,000) has also been borne by another group company. In addition, non audit fees of £5,000 (2014: £5,000) were also paid by another group company.

4. Exceptional item

	2015	2014
	£	£
Written-off related party receivable	82,325	-

The Group performed corporate simplification exercise, a number of intercompany payable and receivable positions were unwound. The company incurred a loss from this exercise.

5. Directors' emoluments

Edinburgh Network Technologies Limited is owned by Pulsant Bidco Limited.

M Howling and G MacKenzie are also directors of Pulsant Bidco Limited. The directors received total remuneration of £347,930 (2014: £351,249) from Pulsant Acquisitions Limited (formerly OH Pearl Bidco Limited) and Pulsant Bidco Limited during the year, but it is not practicable to allocate this between their services as executives of Pulsant Acquisitions Limited (formerly OH Pearl Bidco Limited) and Pulsant Bidco Limited and their services as directors of Edinburgh Network Technologies Limited.

6. Interest payable and similar charges (net)

	2015	2014
	£	£
Interest on amounts due to group undertakings (net)	32,006	76,663
	32,006	76,663

Notes to the financial statements (continued)
For the year ended 31 December 2015

7. Tax on profit/(loss) on ordinary activities

	2015 £	2014 £
Current tax		
UK corporation tax on profit/(loss) for the year	-	(24,796)
Adjustment for prior year	-	23,250
Total current tax	-	(1,546)
Deferred tax		
Origination and reversal of timing differences	(6,168)	(1,103)
Adjustment in respect of prior years	149	285
Effect of tax rate change on opening balance	75	77
Total deferred tax	(5,944)	(741)
Total tax credit on loss on ordinary activities	(5,944)	(2,287)

The standard rate of tax applied to reported profit/(loss) on ordinary activities is 20.25% (2014: 21.49%). The applicable tax rate changed to 20% from 1 April 2015.

The difference between the total tax charge shown above and the amount calculated by applying standard rate of UK corporation tax to the profit/(loss) before tax is as follows:

	2015 £	2014 £
Profit/(loss) on ordinary activities before taxation	236,568	(145,340)
Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax 20.25 % (2014: 21.49%)	47,905	(31,234)
Effects of :		
Expenses not deductible	3,314	5,335
Group relief/other reliefs	(57,387)	-
Adjustment from previous period	149	23,536
Tax rate changes	75	76
Total tax credit for the year	(5,944)	(2,287)

Notes to the financial statements (continued)
For the year ended 31 December 2015

8. Tangible fixed assets

	Land and buildings £	Property and fit out £	Total £
Cost			
At 1 January 2015	918,150	279,276	1,197,426
Transfer to another group entity	(918,150)	(279,276)	(1,197,426)
At 31 December 2015	-	-	-
Depreciation			
At 1 January 2015	152,250	275,886	428,136
Charge for the year	29,100	-	29,100
Transfer to another group entity	(181,350)	(275,886)	(457,236)
At 31 December 2015	-	-	-
Net book value			
At 31 December 2015	-	-	-
At 31 December 2014	765,900	3,390	769,290

During the year all, the Company's assets were transferred to another group entity brought about by the Group's corporate simplification.

9. Fixed asset investments

	£
Cost and net book value	
At 1 January 2015	51,041
Change during the year	(51,035)
At 31 December 2015	6

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration incorporation	Class	Shares held %	Principal activity
Subsidiary undertakings				
Pulsant (Scotland) Limited	Scotland	Ordinary	100	Internet Services
Lumison Limited	Scotland	Ordinary	100	Dormant

Notes to the financial statements (continued)
For the year ended 31 December 2015

10. Debtors

	2015 £	2014 £
Amounts owed by group undertakings	-	3,950,161
Other debtors	-	264,833
	-	4,214,994

11. Creditors: amounts falling due within one year

	2015 £	2014 £
Amounts owed to group undertakings	285	5,287,550
Accruals and deferred income	-	16,428
Deferred tax (note 12)	-	5,944
	285	5,309,922

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

12. Provision for liabilities

	Deferred taxation £
Balance at 1 January 2015	5,944
Deferred tax charge to income statement for the period	(6,093)
Adjustment in respect prior years	149
Balance at 31 December 2015	-

The deferred tax liability is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	-	6,093
Losses	-	(149)
	-	5,944

Notes to the financial statements (continued)
For the year ended 31 December 2015

13. Called up share capital and reserves

	2015	2014
	£	£
Called up, allotted and fully paid		
106,000 A ordinary shares of 1p each (2014: 106,000)	1,060	1,060

The share premium reserve conatins the premium arising on issue of equity shares, net of any issue expenses.

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

14. Immediate and ultimate parent undertakings

The immediate parent undertaking of the company is Pulsant Bidco Limited, which is a company registered in England and Wales.

The largest UK group which the results of this company are consolidated is that headed by Pulant Group Holdings Limited. The smallest group in which the results of this company are consolidated is that headed by Pulsant Parent Limited. Copies of the consolidated financial statements of Pulsant Parent Limited and Pulsant Group Holdings Limited are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

The ultimate controlling party is Oak Hill Capital Partners MGP III Limited.

15. Explanation of transition to FRS 102

This is the first year that the company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The last financial statements under previous UK GAAP were for the year ended 31 December 2014 and the date of transition to FRS 102 was therefore 1 January 2014. All current accounting policies are in compliance with FRS 102 and, therefore, no transition changes have occurred.