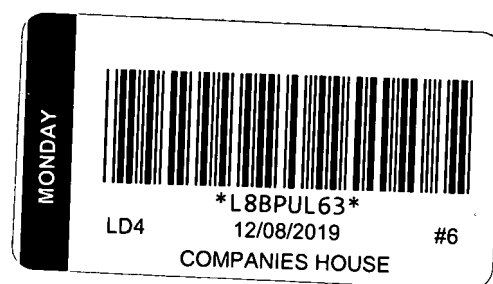


Colt Technology Services Europe Limited

Annual Report for the year ended 31 December 2018

Registered number: 03218510



Colt Technology Services Europe Limited

Directors' report For the year ended 31 December 2018

The Directors present their report and the audited financial statements of Colt Technology Services Europe Limited ("the Company") for the year ended 31 December 2018.

Directors

The Directors of the Company who held office during the year and up to the signing date of the financial statements were:

C Griffin Pain
G Carr
R Tilbrook
A Galtieri
N Ramasamy (appointed 1 August 2019)

The Company Secretary who held office during the year was:

E Chengapen (resigned 1 August 2019)
N Ramasamy (appointed 1 August 2019)

Principal activity

The Company's principal activity is to act as an intermediary holding company within the Group comprising Colt Group Holdings Limited (refer to note 14) and its subsidiaries ("the Colt Group").

Results and dividends

The loss before taxation was €25.9 million (2017: loss of €41.6 million). The Directors do not recommend the payment of a dividend in respect of the year ended 31 December 2018 (2017: €nil).

Colt Technology Services Europe Limited

Directors' report (continued) For the year ended 31 December 2018

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are 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.

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.

Disclosure of information to auditors

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

- so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the next Annual General Meeting.

Colt Technology Services Europe Limited

Directors' report (continued) For the year ended 31 December 2018

Qualifying third party indemnity provisions for the benefit of Directors

The Company has provided an indemnity for its directors and the secretary during the year, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006 and remains in force at the date of this report.

This report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

Going concern

The Directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of Colt Group Holdings Limited. The Directors have received confirmation that Colt Group Holdings Limited intends to support the Company for at least 13 months from the date that these financial statements are approved.

Disclosure exemptions

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. Accordingly, no disclosures in respect of likely future developments and financial risk management have been included in the Directors' report.

Strategic report

The Company has taken advantage of the small companies' exemption provided by section 414b of the Companies Act 2006. Accordingly, no Strategic report has been presented

On behalf of the Board



G Carr
Director
5 August 2019

Independent auditors' report to the members of Colt Technology Services Europe Limited

Report on the audit of the financial statements

Opinion

In our opinion, Colt Technology Services Europe Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Balance Sheet as at 31 December 2018; the Statement of Comprehensive Income, and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Paul Barkus (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
5 August 2019

Colt Technology Services Europe Limited

Statement of Comprehensive Income For the year ended 31 December 2018

	Note	2018 €m	2017 €m
Impairment charge	4	(3.8)	(3.5)
Operating loss		(3.8)	(3.5)
Interest receivable and similar income	6	4.5	5.4
Interest payable and similar expenses	7	(47.3)	(0.5)
Other income/(expense)	6,7	20.7	(43.0)
Loss before taxation		(25.9)	(41.6)
Tax on loss	8	-	-
Loss for the financial year		(25.9)	(41.6)

The accompanying notes on page 9 to 21 are an integral part of the financial statements.

Colt Technology Services Europe Limited

Balance Sheet As at 31 December 2018

	Note	2018 €m	2017 €m
Fixed assets			
Investments	9	520.9	420.9
Current assets			
Debtors	10	384.7	231.2
Cash at bank and in hand		44.9	41.3
Total current assets		429.6	272.5
Creditors: Amounts falling due after more than one year			
Borrowings	11	(40.0)	-
Creditors: Amounts falling due within one year	11	(2,288.2)	(2,045.2)
Net current liabilities		(1,858.6)	(1,772.7)
Total assets less current liabilities		(1,377.7)	(1,351.8)
Net liabilities		(1,377.7)	(1,351.8)
Capital and reserves			
Called up share capital	13	448.6	448.6
Share premium account		482.4	482.4
Accumulated losses		(2,308.7)	(2,282.8)
Total equity		(1,377.7)	(1,351.8)

The accompanying notes on page 9 to 21 are an integral part of the financial statements.

The financial statements on pages 6 to 21 were approved by the Board on 5 August 2019 and signed on its behalf by



G Carr
Director

Colt Technology Services Europe Limited

Registered number: 03218510

Colt Technology Services Europe Limited

Statement of Changes in Equity For the year ended 31 December 2018

	Called up share capital €m	Share premium account €m	Accumulated losses €m	Total equity €m
At 1 January 2017	448.6	482.4	(2,241.2)	(1,310.2)
Loss for the financial year	-	-	(41.6)	(41.6)
At 31 December 2017	448.6	482.4	(2,282.8)	(1,351.8)
Loss for the financial year	-	-	(25.9)	(25.9)
At 31 December 2018	448.6	482.4	(2,308.7)	(1,377.7)

The accompanying notes on page 9 to 21 are an integral part of the financial statements.

Colt Technology Services Europe Limited

Notes to the financial statements For the year ended 31 December 2018

1. General Information

Colt Technology Services Europe Limited's ("the Company") principal activity is to act as an intermediary holding company within the Group comprising Colt Group Holdings Limited and its subsidiaries ("the Colt Group").

The Company is a private company limited by shares, and is incorporated and registered in England and Wales, United Kingdom. The address of its registered office is Colt House, 20 Great Eastern Street, London, EC2A 3EH.

These financial statements are for the financial year beginning 1 January 2018 and ended on 31 December 2018.

2. Statement of Compliance

The financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Summary of significant accounting policies

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

Basis of preparation

The financial statements are prepared under the historical cost convention.

Going concern

The Directors believe that it is appropriate for the financial statements to be prepared on a going concern basis, given the financial support being provided by the parent of the Group, Colt Group Holdings Limited, to enable the Company to meet its financial liabilities as they fall due and continue its operational existence for the next 13 months from the date of approval of the Company's financial statements. Therefore, these financial statements have been prepared on a going concern basis.

Disclosure exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions. The Company has taken advantage of the following exemptions:

- (i) from preparing a Statement of Cash Flow, under paragraph 1.12(b), on the basis that it is a qualifying entity and the parent company of the Colt Group, Colt Group Holdings Limited, includes the Company's cash flows in its consolidated financial statements.
- (ii) from disclosing related party transactions within the Colt Group, under paragraph 1.12(e), on the grounds that it is a wholly owned subsidiary of a group headed by Colt Group Holdings Limited.

Colt Technology Services Europe Limited

Notes to the financial statements (continued) For the year ended 31 December 2018

3. Summary of significant accounting policies (continued)

Consolidated financial statements

The financial statements contain information about Colt Technology Services Europe Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its intermediate parent Colt Group Holdings Limited, a company incorporated in the United Kingdom. Refer to note 14 for further details on the ultimate parent company and controlling party of the Company.

Foreign currency transactions

The Company's functional and presentation currency is the euro.

Transactions denominated in foreign currencies are recorded in euro at the rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is recorded as an exchange gain or loss in the Statement of Comprehensive Income. The exchange rates as at 31 December 2018 were €1.1179/£1 (2017: €1.1271/£1), €0.8734/\$1 (2017: €0.8338/\$1) and €0.0079/¥1 (2017: €0.0074/¥1).

Fixed asset investments

The investments in the Company's subsidiary undertakings are stated at cost less any provision for impairment.

Debtors

Debtors are shown at their book value less any provision for bad or doubtful debts.

Impairment

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that carrying amounts may not be recoverable.

Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future discounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognised is the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value, less costs to sell.

Interest receivable and similar income

Interest receivable and similar income is accounted for on an accruals basis.

Interest payable and similar expenses

Interest payable and similar expenses are accounted for on an accruals basis.

Colt Technology Services Europe Limited

Notes to the financial statements (continued) For the year ended 31 December 2018

3. Summary of significant accounting policies (continued)

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. 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.

(ii) Deferred tax

Deferred tax is provided in full on all timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and laws. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Cash at bank and in hand are initially recognised at fair value and subsequently at amortised cost.

Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including debtors and cash at bank and in hand balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest when the effect of the discounting is material.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period the amortised cost is re-assessed taking into account the future expected cash flows of the asset. Any difference between the carrying amount of the financial asset and the previous carrying amount is recognised in the Statement of Comprehensive Income.

Colt Technology Services Europe Limited

Notes to the financial statements (continued) For the year ended 31 December 2018

3. Summary of significant accounting policies (continued)

Financial instruments (continued)

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Comprehensive Income.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Comprehensive Income.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including creditors, borrowings and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest when the effect of the discounting is material. Financial liabilities are subsequently carried at amortised cost, using the effective interest rate method.

At the end of each reporting period the amortised cost is re-assessed taking into account the future expected cash flows of the asset. Any difference between the carrying amount of the financial liability and the previous carrying amount is recognised in the Statement of Comprehensive Income.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical judgements in applying the entity's accounting policies

No significant accounting judgements have been applied in these financial statements.

Colt Technology Services Europe Limited

Notes to the financial statements (continued) For the year ended 31 December 2018

3. Summary of significant accounting policies (continued)

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Impairment

The carrying values of investments and intercompany debtors are reviewed for impairment only when events indicate the carrying value may be impaired. Impairment indicators include both internal and external factors. Examples of internal factors include analysing performance against budgets and assessing absolute financial measures for indicators of impairment. Examples of external considerations assessed for indications of impairment include wider economic factors such as economic growth rates.

Where impairment indicators are present, the recoverable amounts of assets are measured. Asset recoverability requires assessment as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of uncertain matters. In particular, management has regard to assumptions in respect of revenue mix and growth rates, EBITDA margins, timing and amount of capital expenditure, long-term growth rates and the discount rate appropriate for each CGU.

4. Operating loss

The Company had no employees during the year ended 31 December 2018 and 31 December 2017.

The Company's audit fees of €11,300 (2017: €12,995) have been paid by another Group company and are not recharged to the Company.

During 2018, the Directors assessed that investments in subsidiary undertakings were fully supported by a value in use calculation; hence there was no impairment expense recognised (2017: €nil) against these investments in the Statement of Comprehensive Income.

During 2018, the Directors assessed that debtor amounts due from a company within the Group were not fully supported by a value in use calculation; hence an impairment expense of €3.8 million was recognised (2017: €3.5 million).

5. Directors' emoluments

The emoluments of the Directors are not paid to them in their capacity as Directors of the Company (2017: €nil) and are payable for services wholly attributable to other Colt Group Holdings Limited subsidiary undertakings. Accordingly, no details in respect of their emoluments have been included in these financial statements.

Colt Technology Services Europe Limited

Notes to the financial statements (continued) For the year ended 31 December 2018

6. Interest receivable and similar income

	2018 €m	2017 €m
Interest receivable from fellow subsidiary companies	4.5	4.0
Other income		1.4
Total interest receivable and similar income	4.5	5.4
Exchange gains	20.7	-
Total other income	20.7	-

Interest receivable from fellow subsidiary companies relates to financial assets that are measured at amortised cost and calculated using the effective interest method.

Other income reflects an adjustment to the carrying value of intra-group loans resulting from a change in their future estimated cash flows.

7. Interest payable and similar expenses

	2018 €m	2017 €m
Interest payable to parent company	46.5	-
Bank interest payable	0.8	0.5
Total interest payable and similar expenses	47.3	0.5
Exchange losses		43.0
Total other expense		43.0

Colt Technology Services Europe Limited

Notes to the financial statements (continued) For the year ended 31 December 2018

8. Tax on loss before taxation

a) Analysis of tax charge in the year

There is no current tax charge arising in the years ended 31 December 2018 and 2017, as the Company has claimed group relief in 2018 (surrendered group relief in 2017).

b) Reconciliation of tax charge for the year

The tax assessed on the loss before taxation for the year is different from the standard effective rate of corporation tax in the UK of 19.00% (2017: 19.25%) as a result of the following factors, this is consistent with the treatment of 2017:

	2018 €m	2017 €m
Loss before taxation	(25.9)	(41.6)
Loss before taxation multiplied by the standard rate of corporation tax in the UK of 19.00% (2017: 19.25%)	(4.9)	(8.0)
Effects of:		
Expenses not deductible for tax purposes	9.5	0.4
Group relief (claimed)/surrendered for nil payment	(4.6)	7.6
Tax charge for the year	-	-

c) Tax rate changes

With effect from 1 April 2020, the main rate of corporation tax will be reduced from 19% to 17%.

Colt Technology Services Europe Limited

Notes to the financial statements (continued) For the year ended 31 December 2018

9. Investments

	Investments in subsidiary undertakings €m
Cost	
At 1 January 2018	2,289.3
Additions	100.0
At 31 December 2018	2,389.3
Impairment provision	
At 1 January 2018	(1,868.4)
At 31 December 2018	(1,868.4)
Net book value	
At 31 December 2017	420.9
At 31 December 2018	520.9

The Directors believe that the net book value of investments is supported by their underlying net assets.

The Company increased its investment in Colt Technology Services GmbH during 2018 via capital contributions of €100.0 million.

Colt Technology Services Europe Limited

Notes to the financial statements (continued) For the year ended 31 December 2018

9. Investments (continued)

Details of the Company's interests in fixed asset investments, including direct and indirect subsidiaries, are set out below:

Name of undertaking	Country of incorporation	Principal activity	Registered office	Shareholding
Colt Technology Services GmbH	Germany	Telecommunications and internet services provider	Gervinusstraße 18-22, 60322 Frankfurt am Main	100%
Colt Technology Services GmbH	Austria	Telecommunications and internet services provider	Kärntner Ring 10-12, A-1010, Vienna	100%
Colt Technology Services NV	Belgium	Telecommunications and internet services provider	Culliganlaan 2H, 1831 Diegem	100%
Colt Technology Services SpA	Italy	Telecommunications and internet services provider	56, Viale Jenner Edoardo, Milan, MI 20159	100%
Colt Technology Holding Limited	United Kingdom	Holding Company	20 Great Eastern Street, London, England EC2A 3EH	100%
Colt Technology Services SAU	Spain	Telecommunications and internet services provider	calle Telemaco 5, 28027 Madrid	100%
Colt Technology Services AB	Sweden	Telecommunications services provider	PO Box 3458, Luntmakargatan 18, SE-10369 Stockholm	100%
Colt Telecom U.S. Corp.	USA	Intragroup telecommunications services provider	Corporation Service Company, 84 State Street, Boston MA 02109	100%
Colt Internet U.S. Corp	USA	Intragroup internet services provider	Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808	100%
Colt Technology Services GmbH	Switzerland	Telecommunications and internet services provider	Albulastrasse 47, 8048 Zürich	100%
Colt Technology Services	France	Telecommunications and internet services provider	23-27 rue Pierre Valette, 92240 Malakoff	100%
Colt Technology Services Limited	Ireland	Telecommunications and internet services provider	Unit 15/16 Docklands Innovation Park, East Wall Road, Dublin 3	100%
Colt Technology Services A/S	Denmark	Telecommunications and internet services provider	Borgmester Christiansens Gade 55, 2450 Copenhagen SV	100%
Colt Technology Services A.S.	Norway	Telecommunications and internet services provider	ASR Accounting AS Rakkestadveien 1, 1814 Askim	100%

Colt Technology Services Europe Limited

Notes to the financial statements (continued) For the year ended 31 December 2018

9. Investments (continued)

Name of undertaking	Country of incorporation	Principal activity	Registered office	Shareholding
Colt Technology Services Oy	Finland	Telecommunications and internet services provider	Malminkatu 16 A 00100 Helsingfors	100%
Colt Technology Services India Private Limited	India	Intra-group support services provider	Unitech Business Park, Tower B, 4th & 5th Floor, South City- I, Gurgaon, 122001	4,226,500 Shares are in issue
V.IP Systems AG	Switzerland	Holding and service company	Martin Frey, Baker & McKenzie Zürich, Holbeinstrasse 30, 8008 Zürich	100%
Colt Technology Services RO S.L.*	Romania	Telecommunications and internet services provider	50, Calea Dumbrăvii, Sibiu, Sibiu County	100%
Colt Technology Shared Service Centre Barcelona S.L.*	Spain	Telecommunications and internet services provider	calle Acero 5-9, Barcelona	100%
Colt Technology Services B.V.*	Netherlands	Telecommunications and internet services provider	Van der Madeweg 12, 1114 AM Amsterdam-Duivendrecht	100%

The Directors believe that the carrying value of investments is supported by their underlying net assets.

** Indirect undertakings of Colt Technology Services Europe Limited*

Colt Technology Services Europe Limited

Notes to the financial statements (continued) For the year ended 31 December 2018

10. Debtors

	At 31 December 2018 €m	At 31 December 2017 €m
Amounts owed by immediate parent company	262.8	129.8
Amounts owed by fellow subsidiary companies	139.8	115.5
Impairment provision	(17.9)	(14.1)
	384.7	231.2

Amounts owed by parent company are unsecured, bear no interest and are repayable in less than one year. Amounts owed by fellow subsidiary companies are unsecured, bear interest at the effective interest rate range of 0%-8.7% and are repayable in less than one year.

11. Creditors

	At 31 December 2018 €m	At 31 December 2017 €m
Creditors: Amounts falling due after more than one year		
Borrowings	40.0	-
	40.0	-

	At 31 December 2018 €m	At 31 December 2017 €m
Amounts falling due within one year		
Amounts owed to immediate parent company	1,932.8	1,669.0
Amounts owed to fellow subsidiary companies	355.2	356.0
Other creditors	0.2	0.2
Borrowings	20.0	20.0
	2,288.2	2,045.2

Amounts owed to the parent company and to fellow subsidiary companies are unsecured and bear no interest.

In February 2018 the Group fully repaid and closed its bank Revolving Credit Facility ('RCF') that existed at 31 December 2017. Additionally, in February 2018 the Group obtained a €265 million 30-month term RCF from a related-party company, repayable in full in August 2020. This facility is used to fund the Group's capital expenditure and working capital requirements. The loan facility is denominated in euros and is issued at a variable rate. Interest is accrued monthly, and paid quarterly on the outstanding drawn balance. As at 31 December 2018 the Group has a drawn balance of €40 million of the facility. The facility also includes an extension option for a further 24-month period from 8th of August 2020 which must be agreed by both parties.

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Notes to the financial statements (continued) For the year ended 31 December 2018

12. Financial instruments

Financial assets that are debt instruments measured at amortised cost:

	At 31 December 2018 €m	At 31 December 2017 €m
Amounts owed by parent company	262.8	129.8
Amounts owed by fellow subsidiary companies	139.8	115.5
Impairment provision	(17.9)	(14.1)
Cash and cash equivalents	44.9	41.3
	429.6	272.5

Financial liabilities measured at amortised cost:

	At 31 December 2018 €m	At 31 December 2017 €m
Amounts owed to parent company	1,932.8	1,669.0
Amounts owed to fellow subsidiary companies	355.2	356.0
Other creditors	0.2	0.2
Borrowings	40.0	20.0
	2,328.2	2,045.2

13. Called up share capital

	At 31 December 2018 €m	At 31 December 2017 €m
Allotted and fully paid		
362,360,189 (2017: 362,360,189) ordinary shares of £1 (€1.24) each	448.6	448.6

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

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Notes to the financial statements (continued) For the year ended 31 December 2018

14. Ultimate parent company and controlling party

The immediate parent company is Colt Telecom Finance Euro, a company incorporated in the United Kingdom and registered in England and Wales.

The ultimate parent company and controlling party changed from FMR LLC to SHM Lightning Investors LLC ("SLI") on 27 March 2018. SLI is registered in the United States of America. SLI's financial statements are not publicly available.

On 8 October 2018, the intermediary holding company changed from Colt Group S.A., a company registered in Luxembourg, to Colt Group Holdings Limited. Colt Group Holdings Limited is a private company limited by shares and is incorporated in the United Kingdom and registered in England and Wales. The address of its registered office is Colt House, 20 Great Eastern Street, London, England, EC2A 3EH.

15. Post Balance Sheet event

As at 31 December 2018 the Company had €40.0 million drawn on a €265.0 million revolving credit facility provided by a related party company. On 1 April 2019, the Company drew down an amount of €25.0 million on the credit facility. On 2 May 2019, the Company drew down an amount of €20.0 million. On 11 July 2019, the Company drew down a further amount of €20.0 million. As at the date of signing these financial statements, the total drawn down amount on the credit facility was €105.0 million.