

Mawlaw 660 Limited

Annual Report and Financial Statements For the year ended 31 December 2013

Registered number: 05396159

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Mawlaw 660 Limited

Annual report and financial statements for the year ended 31 December 2013

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Mawlaw 660 Limited

Directors and advisors

Directors

G Williams (appointed 7 January 2014)

C Birkett (appointed 7 January 2014)

J Kinsella (appointed 18 August 2005, resigned 7 January 2014)

R McNeal (appointed 18 August 2005, resigned 7 January 2014)

Company secretary

Abogado Nominees Limited

100 New Bridge Street

London

EC4V 6JA

Registered office

Mawlaw 660 Limited

c/o Interoute Communications Limited

31st Floor

25 Canada Square

Canary Wharf

London E14 5LQ

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

The Portland Building

25 High Street

Crawley

West Sussex RH10 1BG

Mawlaw 660 Limited

Strategic Report for the year ended 31 December 2013

The purpose of the strategic report is to inform members of the Company and helps them to assess how the Directors have performed their duty to promote the success of the Company.

Principal activity

The principal activity of the Company is to act as an intermediate holding company within the Interoute Communications Holdings SA Group.

Review of business and future developments


The Company is managed as part of an overall group of companies whose intermediate parent undertaking is Interoute Communications Holdings SA (together with its subsidiary undertakings 'Interoute' or 'the Group'). The principal risks and uncertainties of the Company are integrated with the principal risks and uncertainties of the Group and are not managed separately.

The Director's do not envisage any significant change in the activities of the Company in the forthcoming year.

Key performance indicators

Given the holding company nature of the business, the Company's Directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance and position of the business.

On behalf of the Board



C Birkett
Director

C Birkett 2014

Mawlaw 660 Limited

Directors' Report for the year ended 31 December 2013

The Directors present their annual report and the audited financial statements for the year ended 31 December 2013.

The financial statements have been prepared in Euros, the functional currency of the Company.

Results and dividends

The results for the year are set out in the profit and loss account on page 7. The Directors do not recommend the payment of a dividend (2012: €nil).

Directors

The Directors during the year under review and up to the date of signing the financial statements were as follows:

G Williams (appointed 7 January 2014)
C Birkett (appointed 7 January 2014)
J Kinsella (appointed 18 August 2005, resigned 7 January 2014)
R McNeal (appointed 18 August 2005, resigned 7 January 2014)

Directors' indemnities

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

Financial Risk Management

The Company's operations expose it to a variety of financial risks and the Company has in place risk management policies that seek to limit the adverse effects on the financial performance of the Company. The Company does not make use of derivative financial instruments.

(a) Liquidity risk

The Company does not have sufficient liquid assets to meet its obligations as they fall due. As the Company does not operate a bank account there is an arrangement in place with Interoute Communications Limited, a subsidiary undertaking, whereby any obligations of the Company are settled by Interoute Communications Limited and recharged to the Company by way of an intercompany loan. Interoute Communications Limited has adequate liquidity to meet the obligations of the Company, which are in any case minimal.

(b) Other risks

As the principal activity of the Company is that of an investment holding company, it is not directly exposed to financial risks resulting from variation in the price of inputs or outputs or from credit risk due to non-payment by customers for goods or services supplied. The Company has no interest bearing assets or liabilities and is not directly exposed to interest rate risk.

Independent auditors

A resolution to reappoint PricewaterhouseCoopers LLP as auditors will be put to the members at the Annual General Meeting.

On behalf of the Board

C Birkett
Director

29 September 2014

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

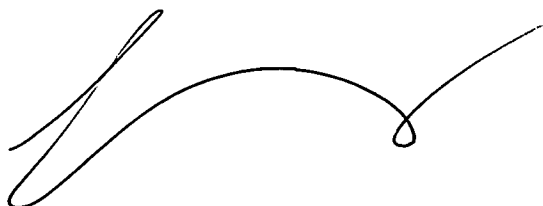
The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of disclosure of information to auditors:

Each of the persons who are directors at the date of approval of this report confirms that:

- so far as the directors 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 directors 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 s418 of the Companies Act 2006.



C Birkett
Director

29 September 2014

Mawlaw 660 Limited

Independent auditors' report to the members of Mawlaw 660 Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Mawlaw 660 Limited, comprise:

- the balance sheet as at 31 December 2013;
- the profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 and Financial Statements (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 other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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, or returns adequate for our audit have not been received from branches not visited by us; or

Mawlaw 660 Limited

Independent auditors' report to the members of Mawlaw 660 Limited (continued)

- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

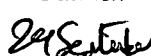
As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.



Graham Lambert (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Gatwick

 2014

Profit and loss account
For the year ended 31 December 2013

	Note	Year ended 31 December 2013 €	Year ended 31 December 2012 €
Administrative expenses		(5,289)	(17,138)
Operating loss	2	(5,289)	(17,138)
Interest receivable and similar income	3	-	782,985
Interest payable and similar charges	4	-	(562,278)
(Loss) / Profit on ordinary activities before taxation		(5,289)	203,569
Tax on (loss)/ profit on ordinary activities	6	-	-
(Loss)/ Profit for the financial year		(5,289)	203,569

All (losses)/ profits derive from continuing operations.

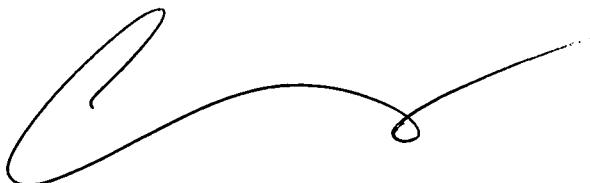
There are no differences between the (loss)/ profit on ordinary activities before taxation and the (loss)/ profit for the financial years as stated above and their historical cost equivalents.

The Company has no recognised gains and losses other than as shown above and therefore no separate statement of total recognised gains and losses has been presented.

Balance sheet
As at 31 December 2013

	Note	2013 €	2012 €
Fixed assets			
Investments	9	4,140	4,140
Current assets			
Debtors	7	206,105	218,836
Cash at bank and in hand		-	410
		<u>206,105</u>	<u>219,246</u>
Current liabilities			
Creditors - amounts falling due within one year	8	(7,825)	(15,677)
Net Current Assets		<u>198,280</u>	<u>203,569</u>
Total assets less current liabilities		<u>202,420</u>	<u>207,709</u>
Net Assets		<u>202,420</u>	<u>207,709</u>
Capital and reserves			
Called up share capital	10	1	1
Other reserves	11	645,056	645,056
Profit and loss account	11	(442,637)	(437,348)
Total equity Shareholders' funds	12	<u>202,420</u>	<u>207,709</u>

The financial statements on pages 7 to 12 were approved by the Board of Directors on 29 September 2014 and were signed on its behalf by:



C Birkett
Director

Mawlaw 660 Limited

Notes to the financial statements **For the year ended 31 December 2013**

1) Principal accounting policies

Basis of preparation

These financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom and on the basis that the Company is a going concern.

The principal accounting policies are set out below and have been applied consistently throughout the year.

The majority of the transactions of the Company are denominated in Euros, which in the opinion of the directors is the functional currency of the Company. Accordingly the financial statements of the Company have been prepared in Euros.

Cash flow statement

The Company has taken advantage of the exemption in Financial Reporting Standard No. 1 (Revised 1996) from the requirement to prepare a cash flow statement on the grounds that it qualifies as a small company.

Deferred taxation

Deferred tax is provided on timing differences that have arisen but not reversed by the balance sheet date, where the timing differences result in an obligation to pay more tax, or a right to pay less tax, in the future. Timing differences arise because of differences between the treatment of certain items for accounting and taxation purposes. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Deferred tax is measured at the tax rates that are expected to apply in the periods when the timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Investments

The Company's investments are stated at cost less provision for impairment where necessary.

Consolidated financial statements

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 parent undertaking, Interoute Communications Holdings SA, a Company registered in Luxembourg which are publicly available. Accordingly, these financial statements contain information about Mawlaw 660 Limited as an individual Company and do not contain consolidated financial information as the parent of a group.

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Notes to the financial statements (continued)

For the year ended 31 December 2013

2) Operating loss

This is stated after crediting:

	Year Ended 31 December 2013 €	Year ended 31 December 2012 €
Auditors remuneration	3,000	3,000
Foreign exchange loss	14,603	1,461

Auditors' remuneration was borne by another group company during 2013 and 2012.

3) Interest receivable and similar income

The Company did not receive any interest receivable or similar income during the year (2012: €782,985).

4) Interest payable and similar charges

The Company did not pay any interest payable or similar charges during the year (2012: €562,278).

5) Staff costs and Directors' emoluments

The Company did not employ any staff members during the year (2012: nil) and no directors received any remuneration for their services during the year (2012: €nil).

6) Tax on (loss)/ profit on ordinary activities

There is no corporation tax charge for the Company in 2013 (2012: €nil).

The tax assessed for the year is higher than (2012; lower than) the standard effective rate of corporation tax in the UK for the year ended 31 December 2013 of 23.25% (2012: 24.5%). The differences are explained below:

	Year ended 31 December 2013 €	Year ended 31 December 2012 €
(Loss) / Profit before tax	(5,289)	203,569
(Loss)/ Profit before tax multiplied by the effective rate in the UK of 23.25% (2012: 24.5%)	(1,229)	49,874
Effects of:		
Non tax deductible costs	-	166
Non taxable impairment	-	(191,831)
Non tax deductible waiver	-	137,759
Group Relief surrendered	1,229	4,032
Corporation tax charge	-	-

As at 31 December 2013 the Company did not have any potential deferred tax assets (2012: €nil).

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Notes to the financial statements (continued) For the year ended 31 December 2013

7) Debtors

	Year Ended 31 December 2013 €	Year ended 31 December 2012 €
Tax recoverable	<u>206,105</u>	<u>218,836</u>

8) Creditors - amounts falling due within one year

	Year Ended 31 December 2013 €	Year ended 31 December 2012 €
Amounts owed to group undertaking	677	677
Accruals and deferred income	<u>7,148</u>	<u>15,000</u>
	<u>7,825</u>	<u>15,677</u>

9) Investments

	2013 €	2012 €
Cost and net book value		
At 1 January and at 31 December	<u>4,140</u>	<u>4,140</u>

At 31 December 2013 the Company's subsidiary undertakings and place of incorporation were as follows.

Name of Company

Interoute Holdings (Cyprus) Limited incorporated in Cyprus – 100% holding

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

10) Called Up Share capital

	2013 €	2012 €
Authorised		
100,000 (2012: 100,000) ordinary shares of £1 each	<u>146,000</u>	<u>146,000</u>
Allotted, and fully paid		
1 (2012: 1) ordinary share of £1	<u>1</u>	<u>1</u>

Mawlaw 660 Limited

Notes to the financial statements (continued)

For the year ended 31 December 2013

11) Reserves

	Other Reserves	Profit and loss account
	€	€
As at 1 January 2013	645,056	(437,348)
(Loss) / Profit for the financial year	-	(5,289)
As at 31 December 2013	<u>645,056</u>	<u>(442,637)</u>

12) Reconciliation of movements in equity shareholders' funds

	2013 €	2012 €
(Loss)/ Retained profit for the financial year	(5,289)	203,569
Opening shareholders' funds	<u>207,709</u>	<u>4,140</u>
Closing shareholders' funds	<u>202,420</u>	<u>207,709</u>

13) Related party transactions

FRS 8 "Related party transactions" requires the disclosure of the details of material transactions between reporting entities and related parties. The Company has taken advantage of exemptions under FRS 8 not to disclose transactions between other group companies. There were no other related party transactions during the year.

14) Post balance sheet events

There have been no material post balance sheet events which would require disclosure or adjustment to these financial statements.

15) Ultimate parent undertaking and controlling party

The Directors consider the Company's immediate parent undertaking to be Interoute Holdings Sarl, a company incorporated in Luxembourg.

Consolidated financial statements of Interoute Communications Holdings SA, an intermediate parent of Interoute Holdings Sarl, are available from the company secretary, 2-8 Avenue Charles De Gaulle L-1653 Luxembourg. Interoute Communications Holdings SA is the parent of the smallest and largest group to consolidate these financial statements.

The Directors consider the Company's ultimate parent undertaking and controlling party to be Emasan AG, a company incorporated in Switzerland.