Data Centre Alliance

Annual Financial Report for the Year Ended 31 March 2014

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DCA Annual Report 2014

Foreword from Steve Norris, Chairman of Virtus Data Centres Ltd and President, DCA.

The formation of the DCA has provided the data centre infrastructure sector the platform to begin to be seen as a joined-up "industry" which governments can engage with to mutual benefit. This alone is a vitally important first step for all our members. This was certainly true when meeting and talking to UK ministers and policy makers in Europe where we discovered early on - not exactly to our surprise - that we have much more work to do in dispelling the many myths about data centres such as our being huge energy consumers as if we were responsible for the generation of data rather than its managers.

In the industry we know that we are at our most efficient when our data centres are full. We know that talk of the cloud and of "smart cities" and the like is great but does absolutely rely on energy efficient, secure and well run data centres.

As a former minister myself I also know that governments don't want problems, they want solutions. So our job as the industry's collective voice is to help government understand how relevant industry protocols and standards can help potential customers to get best value and make the greatest energy savings.

The work is just beginning and a great deal more lies ahead of us so I am delighted to present this first DCA annual report which will demonstrate to you how critical every member's support is to our collective aspirations.   I thank you all for making the DCA possible and for your continued support.

Introduction from Adriaan Oosthoek, Chairman of DCA

As a founding member of the DCA, I'm delighted to report both on the achievements and milestones reached within three short years. The independent and non-commercial principles of the DCA do not make it easy to achieve financial sustainability, especially during the hard choices of recent economic downturn. In spite of those circumstances we have found great support in the wider industry which clearly demonstrates the need the DCA is meeting. I want to thank all our members for their support, it has been invaluable and instrumental in the getting the results we have. And as we now look to brighter future, we can confidently urge others to support and grow the membership to leverage even more benefits from a strengthened industry voice and influence.

Securing the EU Commission funding for the DCA was an important milestone in the strategy, it is clear recognition of the rising status of the DCA in the industry and more importantly, it will enable us to redress the lack of research funding an industry of this size deserves. We will continue to report on progress of this program and are confident the entire industry will reap the benefits in the medium term. I congratulate those members and academic partners who led this initiative with a great result.

Lastly, I want to thank Simon Campbell-Whyte and Steve Hone for their tireless work in getting the DCA to where we are today, the success of the DCA is no small part built on their work.

I hope you find this report informative, it is another step in our process of growth to maturity, not just of the DCA but also of the entire Data Centre industry. However, you can be assured there are many more steps to come that we as an industry will make, we are just at the start of a long and fruitful journey.

DCA Highlights during 2012/3

Having launched the DCA in May 2011, the year represented a period building the membership and building the foundation an effective and efficient industry association.

Highlights of the year's activities included:

Action on building DCA Participation

- DCA was present at ten industry conferences and events in UK and Europe, including seven London events, two in Frankfurt and one in Ireland.
- To augment conferences the DCA co-ordinated monthly articles and member features for the trade press

Action on standards

- The DCA also joined the formative ISO/IEC SC39 committee for development of Resource Efficiency data centre standards. DCA became a member of BSI mirror group for CENELEC EN50600, standard for data centre design, construction and operation.
- The DCA held workshops to determine the landscape and direction of industry standards and scope for self-regulation

Action on R&D

- The DCA entered into detailed negotiations with the EU Commission for FP7 Project PEDCA Funding with Brussels presentation led by DCA Vice Chair Prof Dennis Kehoe in March 2013.
- The DCA continued to build relationships with academic research partners involving many members

Action on Awareness

- DCA President Steve Norris wrote to ministers on behalf of DCA with a view to engagement

Action on the "Skills Gap"

- DCA held workshops with members on the issues of skilling and resourcing and laid down plans for the DCA "Bootcamp" project

Building DCA Member Services

- DCA hold member and community building networking events
- Launch of www.data-central.org member's portal and collaboration platform, which is a long term essential investment for DCA members.

Membership Growth

- DCA membership grows from 64 in 2011/12 to 93 organisations by end of March 2013

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DCA Highlights 2013/4

Entering the DCA's third year, the DCA was able to deliver several significant achievements. These included securing the sector's first publically funded strategic research project, the delivery of the DCA "Bootcamp" and the first Parliamentary meeting with ministers of the UK Coalition Government. Highlights (as at February 2014) include:

Action on building DCA Participation

- DCA was present at twelve industry conferences and events in UK and Europe, including DCD Converged London, Powering the Cloud Frankfurt and Data Centres Ireland.
- The DCA co-ordinated mainstream data centre specials in the "New Statesman" and The "Sunday Telegraph".

Action on standards

- DCA releases Data Centre Anti-Contamination "best practice" guideline
- Completion and launch of the DCA Certifications scheme for industry self regulation
- Continued representation at ISO/IEC and EN standards bodies

Action on R&D

- The DCA secured EU Commission €1.7M funding for Project PEDCA to establish an Action Plan for the Industry.

Action on Awareness

- A DCA delegation led by President Steve Norris, meets with DECC ministers to discuss "misaligned financial incentives" for data centre energy efficiency.
- As a result of the awareness created by "New Statesman" reports, DCA engagement specified as a strategic action for BIS, DECC and DEFRA UK Government departments

Action on the "Skills Gap"

- DCA "Boot camp" training for university graduates held at University of East London, featured on ITV News.

Building DCA Member Services

- DCA secure London Docklands offices and meeting rooms for use by DCA Member Committees, focus & steering groups.
- DCA hire Membership Executive to provide day-to-day support for members
- Further enhancements to member benefits including more opportunities for articles and thought leadership

Membership Growth

- Having set a Membership growth target of 200 organisations by the end of DCA financial year 2013-14. We are pleased to confirm that this target has been reached and passed with 2 months still to go. Growth up 116% on previous year.

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The Data Centre Industry Association

Membership Review of the DCA for 2011 to 31st March 2014

DCA Financial Year April - March

	Forecast 2015-16	Forecast 2014-15	Filed Figures 2013-14	Filed Figures 2012-13	Filed Figures 2011-12
Number of DCA Int Partner	3	1	1	0	0
Number of DCA Partner	161	115	82	60	47
Number of DCA Member	29	24	13	9	6
Number of DCA Associate	45	38	18	8	3
Total Number of Registered Users	210	100	40	0	0
Total Number of Organisations, Indiv Members & Reg users	448	278	154	77	56
Number of Total Users with access to Members Portal	1000	722	430	234	122
Number of Followers	3400	2557	1557	556	366
Total Numbers of paying Organisations or Individuals	173	143	105	70	56
Total Number of Non paying Organisations or Individuals	275	135	49	7	0
DCA Int Partner Total Subscription fees received or due	22,500	15,000	7,500		
DCA Corporate Partner Total Subscription dues Invoiced	197,995	155,254	124,337	95,785	54,800
DCA Corporate Member Total Subscription dues Invoiced	24,095	19,095	11,892	8,500	4,500
DCA Individual Member Total Subscription dues Invoiced	5,545	4,880	1,953	895	310
	250,135	194,229	145,682	105,180	59,610
Total New Member Dues	55,906	57,288	48,590	43,680	51,610
Total Renewal Dues	194,229	136,941	97,092	59,610	8,000
Total Sponsorship Revenue	-	-	20,000	6,727	12,122
Total Revenue from Consultancy	-	-	-	8,400	-
Total revenue from Auditor Applications	7,000	7,000			
Total Revenue from Certification	24,000	6,000			
Total Funding Received	281,135	207,229	165,682	118,417	71,732
Actual + Est % Membership Growth based on dues Invoiced	40%	40%	40%	61%	
	2015-16	2014-15	2013-14	2012-13	2011-12
	Forecast	Forecast	Filed Figures	Filed Figures	Filed Figures

Figure 1: table shows income since launch of DCA in May 2011 - please note first membership dues were received from July 2011, therefore year 2011-12 accounts represent 9 months of operation.

Financial Report of the DCA

Building an industry association for an emerging sector is no easy task; no part time or extracurricular "club" can deliver the sector's effective and independent representation. The key cornerstones of the DCA remain as:

- Not-for-profit
- Independent
- Representing the data centre industry sector
- Affordable membership
- Equal representation of members

It is these values that can ensure the sector achieves its own "voice" as the data centre continues to rise on both business and government agendas everywhere. We strive to deliver value for money with activities and services which benefit both the industry as a whole, as well as providing a platform to help improve each and every member's business opportunities. Below you can see how your membership dues are utilised. To find out more or to get involved in the activities please contact us.

Income and Expenditure of DCA 2011/12/13/14

Account Summary
for the Year Ended 31 March 2013

	Period 1/4/13 - 31/1/14 £	£	Period 1/4/12 - 1/3/13 £	£	Period 10/3/11 to 31/3/12 £	£
Membership Dues		165,682		118,417		71,732
PEDCA funding		76,374				
GROSS PROFIT		242,056		118,417		71,732
Expenditure						
DCA Operating Labour costs	140,776		124,272		50,381	
3rd party Sales commission to DCA Membership Agents	6,362		4,170		100	
3rd party Marketing PR costs	13,193		13,198		4,596	
Rent and Meeting Room Hire	10,474		7,200		4,800	
Insurance	776		-		-	
Telephone	1,803		1,538		387	
Post and stationery	831		523		230	
Event conf, Networking, Travel, Accomodation and Subs	33,493		6,587		6,401	
Accountancy	317		973		1,800	
Software website dev and IT Services + Comp expenses	6,203		5,352		2,724	
Legal and Professional Services	1,609		210		435	
Donations	-		30		-	
Entertainment	-		1,078		357	
		215,837		165,131		72,211
		26,219		(46,714)		(479)
Finance costs						
Bank charges	268		533		4	
		268		533		4
		25,951		(47,247)		(483)
Depreciation						
Goodwill	2,040		2,040		2,040	
Website	1,202		1,202		1,202	
IT hardware	473		264		258	
		3,715		3,506		3,500
NET SURPLUS/LOSS		**22,236**		**(50,753)**		**(3,983)**

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Looking forward to 2014/15

We can look forward to another exciting year for DCA members ahead, the objectives of the DCA are;

- Implementation of EU Commission funded "Joint Action Plan" due in December 2014
- More engagement with "end user" communities on behalf of members
- Joint work plans with stakeholder associations
- Industry led harmonisation and driving up of best practice standards via DCA Certifications
- Improved interfaces with national governments and EU Commission
- Action on endorsing the EU Code of Conduct
- Widening of the DCA membership and participation globally
- Improved dissemination activities via DCA Symposium

Getting Involved

If you would like to get more involved in the activities of the DCA, please book a 1-2-1 Webex session with DCA Membership Executive Kelly Edmond who will gladly provide an overview. Click below:

http://www.data-central.org/?page=TrainingSession