
EMPEROR 1 LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2014

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EMPEROR 1 LIMITED

COMPANY INFORMATION

DIRECTORS

J Masters
D Barr
M Trepte
R Williams
V Kumar
R Keane

REGISTERED NUMBER

9044731

REGISTERED OFFICE

Priors Way
Maidenhead
Berkshire
SL6 2HP

INDEPENDENT AUDITOR

Nexla Smith & Williamson
Statutory Auditor & Chartered Accountants
25 Moorgate
London
EC2R 6AY

**ACCOUNTANTS AND BUSINESS
ADVISORS**

Smith & Williamson LLP
25 Moorgate
London
EC2R 6AY

EMPEROR 1 LIMITED

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EMPEROR 1 LIMITED

GROUP STRATEGIC REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2014

INTRODUCTION

The directors present their report and the accounts for the period ended 30 November 2014.

Emperor 1 is a newly incorporated company, set up by Bowmark Capital LLP and Five Arrows Principal Investments on 16th May 2015 to acquire Autodata Publishing Group Ltd and its subsidiaries. These companies were acquired on 22 May 2014.

The principal activity of the company is that of a holding company.

The group is engaged in producing and distributing automotive technical data.

BUSINESS REVIEW

The Group has traded satisfactorily with sales of £12.6m (for the circa six month period ended 30 November 2014). The performance of the underlying trading group was also satisfactory, with the Autodata Publishing Group Limited sales ahead of last year by 2.5% for the 12 month period and recurring operating profit ahead by 24%. On a constant currency basis, Autodata Publishing Group Limited sales are ahead of last year by 5% and recurring operating profit ahead by 30%.

The group continues to invest in its staff and systems to ensure that its products remain relevant and valuable to the modern automotive industry.

The directors expect the Group to improve upon its strong market position in the UK and Europe, whilst continuing to develop its Australian business.

During the period the group continued to invest in the redevelopment of its core online subscription product. The investment in the new product and improved technology infrastructure supports the Group's future growth in delivering information to customers in digital formats.

The Group's most significant asset is the goodwill arising on the acquisition of Autodata Publishing Group Limited. The Group is funded by a combination of bank debt and loans / loan notes, primarily from its shareholders. The Group incurred a loss due to the combination of goodwill amortisation and interest charges.

PRINCIPAL RISKS AND UNCERTAINTIES

The group's operations expose it to a variety of financial risks:

Market risk

The value of the Group's goodwill is dependent on the ability of the Group to generate future cash, which is primarily dependent on market conditions.

Currency risk

More than 50% of the Group's turnover is invoiced in currencies other than Sterling and it holds funds in US Dollars, Australian Dollars and Euros in addition to its Sterling accounts, and has Euro denominated bank borrowings. It is the policy of the Group that the associated currency risk should be assessed on a continual basis and that appropriate measures be taken to safeguard its position in the event of Sterling entering a period of uncertainty. The Euro denominated bank borrowings provide a hedge against fluctuations in the Sterling / Euro exchange rates.

Price risk

The Group is exposed to price risk due to normal inflationary increases in the purchase price of goods and services.

Credit risk

EMPEROR 1 LIMITED

GROUP STRATEGIC REPORT (continued)
FOR THE PERIOD ENDED 30 NOVEMBER 2014

The Group has implemented policies that require appropriate credit checks on potential customers before sales in excess of certain limits are made. The amount of exposure to any individual customer is subject to limits reassessed annually by the board.

Interest rate risk

The Group's bank debt bears interest at floating rates of interest, whilst the Group's other debt bears interest at a fixed rate.


Liquidity risk

Virtually all of the Group's bank and other borrowings are repayable in full in 2021. It is expected that the borrowings will either be refinanced or will be repaid as a result of a sale of the group.

GOING CONCERN

The directors have adopted the going concern basis for preparing the financial statements (see note 1.2).

This report was approved by the board on 28th July 2013 and signed on its behalf.


Director - D Bart

EMPEROR 1 LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2014

The directors present their report and the financial statements for the period ended 30 November 2014.

RESULTS

The consolidated loss for the period, after taxation, amounted to £8,356,000.

DIRECTORS

The directors who served during the period were:

M Salter (appointed 16 May 2014, resigned 22 May 2014)
J Masters (appointed 16 May 2014)
D Barr (appointed 22 May 2014)
M Trepte (appointed 22 May 2014)
R Williams (appointed 22 May 2014)
V Kumar (appointed 22 May 2014)
R Keane (appointed 1 September 2014)

FINANCIAL INSTRUMENTS

The exposure to risks arising from financial instruments is set out in the strategic report.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditor is aware of that information.

AUDITOR

The auditor, Nexia Smith & Williamson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 23rd July 2015 and signed on its behalf.



Director - D Barr

EMPEROR 1 LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 30 NOVEMBER 2014

The directors are responsible for preparing the Group strategic report, the 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 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 the group and the profit or loss of the group 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;
- 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 group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

EMPEROR 1 LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF EMPEROR 1 LIMITED

We have audited the financial statements of Emperor 1 Limited for the period ended 30 November 2014, which comprise the group Profit and loss account, the group and company Balance sheets, the group Cash flow statement, the group Statement of total recognised gains and losses and the related notes numbered 1 to 30. 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).

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 Financial Reporting Council's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 November 2014 and of the group's loss for the period 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.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

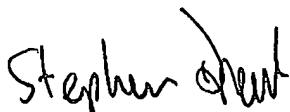
EMPEROR 1 LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF EMPEROR 1 LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.



Stephen Drew (Senior statutory auditor)

for and on behalf of
Nexia Smith & Williamson

Statutory Auditor
Chartered Accountants

25 Moorgate
London

EC2R 6AY

Date: 7 August 2015

EMPEROR 1 LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 30 NOVEMBER 2014**

	Note	2014 £000
TURNOVER	1,2	
Acquisitions		12,571
		<u>12,571</u>
Cost of sales	3	<u>(2,701)</u>
GROSS PROFIT		9,870
Administrative expenses	3	<u>(9,851)</u>
OPERATING PROFIT	4	
Continuing operations		265
Acquisitions		(246)
		19
Interest receivable and similar income		12
Interest payable and similar charges	7	<u>(8,263)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(8,232)
Tax on loss on ordinary activities	8	<u>(124)</u>
LOSS FOR THE FINANCIAL PERIOD	19	<u><u>(8,356)</u></u>

The notes on pages 12 to 30 form part of these financial statements.

EMPEROR 1 LIMITED

**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE PERIOD ENDED 30 NOVEMBER 2014**

	Note	2014 £000
LOSS FOR THE FINANCIAL PERIOD		(8,356)
Foreign exchange differences on consolidation		<u>(51)</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE PERIOD		<u><u>(8,407)</u></u>

The notes on pages 12 to 30 form part of these financial statements.

EMPEROR 1 LIMITED
REGISTERED NUMBER: 9044731

CONSOLIDATED BALANCE SHEET
AS AT 30 NOVEMBER 2014

	Note	£000	2014 £000
FIXED ASSETS			
Intangible assets	9		144,118
Tangible assets	10		1,478
			<u>145,596</u>
CURRENT ASSETS			
Stocks	12	55	
Debtors	13	7,076	
Cash at bank and in hand		3,331	
		<u>10,462</u>	
CREDITORS: amounts falling due within one year	14	<u>(17,058)</u>	
NET CURRENT LIABILITIES			<u>(6,596)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			139,000
CREDITORS: amounts falling due after more than one year	15		(146,927)
PROVISIONS FOR LIABILITIES			
Other provisions	17		(377)
NET LIABILITIES			<u>(8,304)</u>
CAPITAL AND RESERVES			
Called up share capital	18		3
Share premium account	19		100
Profit and loss account	19		(8,407)
SHAREHOLDERS' DEFICIT	20		<u>(8,304)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

23 July 2015



Director - D Barr

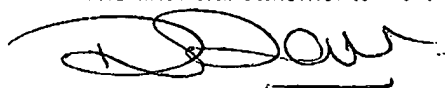
The notes on pages 12 to 30 form part of these financial statements.

EMPEROR 1 LIMITED
REGISTERED NUMBER: 9044731

COMPANY BALANCE SHEET
AS AT 30 NOVEMBER 2014

	Note	£000	2014 £000
FIXED ASSETS			
Investments	11		1,162
CURRENT ASSETS			
Debtors		157	
CREDITORS: amounts falling due within one year	14	(72)	
NET CURRENT ASSETS			85
TOTAL ASSETS LESS CURRENT LIABILITIES			1,247
CREDITORS: amounts falling due after more than one year	15		(1,143)
NET ASSETS			104
CAPITAL AND RESERVES			
Called up share capital	18		3
Share premium account	19		100
Profit and loss account	19		1
SHAREHOLDERS' FUNDS	20		104

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



Director – D Barr

The notes on pages 12 to 30 form part of these financial statements.

EMPEROR 1 LIMITED

CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 NOVEMBER 2014

	Note	2014 £000
Net cash flow from operating activities	22	2,077
Returns on investments and servicing of finance	23	(1,743)
Taxation		(867)
Capital expenditure and financial investment	23	(92)
Acquisitions and disposals	23	(141,905)
CASH OUTFLOW BEFORE FINANCING		(142,530)
Financing	23	145,861
INCREASE IN CASH IN THE PERIOD		3,331

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE PERIOD ENDED 30 NOVEMBER 2014

	2014 £000
Increase in cash in the period	3,331
Cash inflow from increase in debt and lease financing	(145,780)
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	(142,449)
New finance lease	(14)
Other non-cash changes	(1,118)
MOVEMENT IN NET DEBT IN THE PERIOD	(143,581)
NET DEBT AT 30 NOVEMBER 2014	(143,581)

The notes on pages 12 to 30 form part of these financial statements.

EMPEROR 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 NOVEMBER 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 Going concern

The Group is incurring recurring interest charges on private equity loans which the Group is currently unable to settle from cash generated from operating activities. The holders of the private equity loans have the right to elect to receive interest due to them as cash and if they so elect, it is possible that the Group would be unable to meet its obligations as they fell due.

However, the holders of the private equity loans have notified the directors they expect to elect to have the interest settled by the issue of further loans for the foreseeable future. The directors are therefore of the opinion that the Group will be able to continue its activities for the foreseeable future and for this reason have prepared the financial statements on the going concern basis.

The Group's borrowings are virtually all repayable in 2021 and the directors expected that they will be repaid from either a refinancing or from the proceeds of a sale of the business.

1.3 Basis of consolidation

The financial statements consolidate the accounts of Emperor 1 Limited and all of its subsidiary undertakings ('subsidiaries').

The results of subsidiaries acquired during the period are included from the effective date of acquisition.

1.4 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the period, exclusive of Value Added Tax and trade discounts.

Revenue is allocated over the period of subscriptions and licence fees.

1.5 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life.

Amortisation is provided at the following rates:

Goodwill	- 20 years
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EMPEROR 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 NOVEMBER 2014

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Short-term leasehold property	-	Over the period of the lease
Plant and machinery	-	20% straight line
Motor vehicles	-	25% straight line
Office equipment	-	25% straight line
Computer equipment	-	25% straight line

1.7 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.8 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.9 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

EMPEROR 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 NOVEMBER 2014

1. ACCOUNTING POLICIES (continued)

1.11 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if 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.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.12 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

1.13 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the period.

2. TURNOVER

A geographical analysis of turnover is as follows:

	2014 £000
United Kingdom	3,642
Rest of European Union	8,008
Rest of world	921
	<hr/>
	12,571

The whole of the turnover and profit before tax from continuing activities is attributable to the provision of data.

The revenue for the period relates to the post acquisition turnover of Autodata Publishing Group Limited and its subsidiaries ("APGL"). The APGL revenue for the year ended 30 November 2014 was £24,420,979 and, for the preceding year, £23,850,419. Had this 2014 revenue been translated to sterling using 2013 average rates, it would have been £24,828,000, an increase of 4.1% on the prior year.

EMPEROR 1 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2014**

3. ANALYSIS OF OPERATING PROFIT

The operating loss from acquired operations is stated after amortisation of goodwill attributable to the acquired business of £3,914,000.

4. OPERATING PROFIT

The operating profit is stated after charging:

	2014 £000
Amortisation - Intangible fixed assets	3,914
Depreciation of tangible fixed assets:	
- owned by the group	354
Auditor's remuneration	59
Auditor's remuneration - non-audit	90
Operating lease rentals:	
- plant and machinery	3
- other operating leases	170
Difference on foreign exchange	(165)
Software development	362
Recurring costs incurred due to ownership structure	165
	<u> </u>

5. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2014 £000
Wages and salaries	5,084
Social security costs	599
Other pension costs	327
	<u> </u>
	<u>6,010</u>

The average monthly number of employees, including the directors, during the period was as follows:

	2014 No.
Production	101
Selling	64
Administration	32
	<u> </u>
	<u>197</u>

EMPEROR 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2014

6. DIRECTORS' REMUNERATION

	2014 £000
Remuneration	492
Company pension contributions to defined contribution pension schemes	30

During the period retirement benefits were accruing to 3 directors in respect of defined contribution pension schemes.

The highest paid director received remuneration of £195,000.

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £12,000.

7. INTEREST PAYABLE

	2014 £000
On bank loans and overdrafts	1,230
On other short term loans	634
On loan notes and other loans	6,399
	8,263

8. TAXATION

	2014 £000
Analysis of tax charge in the period	
Current tax (see note below)	
UK corporation tax charge on loss for the period	45
	45
Foreign tax on income for the period	152
Total current tax	197
Deferred tax (see note 16)	
Origination and reversal of timing differences	(73)
Tax on loss on ordinary activities	124

EMPEROR 1 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2014**

8. TAXATION (continued)

Factors affecting tax charge for the period

The tax assessed for the period is higher than the standard rate of corporation tax in the UK of 21%. The differences are explained below:

	2014 £000
Loss on ordinary activities before tax	(8,232)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21%	(1,729)
Effects of:	
Non-tax deductible amortisation of goodwill and impairment	838
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	851
Depreciation for period in excess of capital allowances	57
Short term timing difference leading to an increase (decrease) in taxation	11
Overseas withholding tax	10
Unrelieved tax losses carried forward	24
Unrelieved loss on foreign subsidiaries	41
Enhanced relief of research and development	(15)
Difference between UK rate of tax and overseas tax rates	33
Offset of pre-acquisition profits against post acquisition losses	76
Current tax charge for the period (see note above)	197

Expenses not deductible for tax purposes mainly comprise loan interest.

Factors that may affect future tax charges

The percentage of interest which is not all allowable as a deduction for tax purposes has yet to be agreed with H M Customs & Excise. Future tax charges will depend in part on the percentage finally agreed to be allowable.

EMPEROR 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2014

9. INTANGIBLE FIXED ASSETS

Group	Software £000	Goodwill £000	Total £000
Cost			
At 16 May 2014	-	-	-
On acquisition of subsidiaries	1	148,031	148,032
At 30 November 2014	1	148,031	148,032
Amortisation			
At 16 May 2014	-	-	-
Charge for the period	-	3,914	3,914
At 30 November 2014	-	3,914	3,914
Net book value			
At 30 November 2014	1	144,117	144,118

10. TANGIBLE FIXED ASSETS

Group	Short-term leasehold property £000	Motor vehicles £000	Office equipment £000	Computer equipment £000	Total £000
Cost					
Additions	44	1	5	69	119
Disposals	(64)	(27)	(57)	-	(148)
On acquisition of subsidiaries	1,141	95	130	374	1,740
Foreign exchange movement	3	(1)	1	-	3
At 30 November 2014	1,124	68	79	443	1,714
Depreciation					
Charge for the period	189	28	43	94	354
On disposals	(40)	(27)	(53)	-	(120)
Foreign exchange movement	2	-	-	-	2
At 30 November 2014	151	1	(10)	94	236
Net book value					
At 30 November 2014	973	67	89	349	1,478

EMPEROR 1 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2014**

11. FIXED ASSET INVESTMENTS

Company	Loans to subsidiaries £000
Cost or valuation	
At 16 May 2014	-
Additions	1,162
	<hr/>
At 30 November 2014	1,162
	<hr/>
Net book value	
At 30 November 2014	1,162
	<hr/> <hr/>

Details of the company's subsidiaries are as follows:

Company	Principal activity	Country of registration or incorporation	Shares held Class	%
Emperor 2 Limited	Holding company	Great Britain	A Ordinary	100**
Emperor 2 (Midco) Limited*	Holding company	Great Britain	Ordinary	100
Emperor 3 Limited*	Holding company	Great Britain	A Ordinary	100**
Autodata Publishing Group Limited*	Holding company	Great Britain	Ordinary	100
Autodata Limited*	Provision of data	Great Britain	Ordinary	100
Autodata Information Services Limited*	Holding company	Great Britain	Ordinary	100
Autodata Australia PTY Ltd*	Distribution	Australia	Ordinary	100
Autodata Publishing Inc*	Distribution	US	Ordinary	100
SAS Autodata*	Service company	France	Ordinary	100
Autodata Austria GmbH*	Distribution	Austria	Ordinary	100

*Indirect subsidiaries

** As well as the A Ordinary shares, these companies also have 1 B Ordinary share in issue, representing 0.01% of the total equity issued by these companies. The Group has options to acquire the B Ordinary shares in the event of a listing, sale or disposal (as defined in the articles of the company).

12. STOCKS

	<u>Group</u>	<u>Company</u>
	2014	2014
	£000	£000
Finished goods and goods for resale	55	-
	<hr/> <hr/>	<hr/> <hr/>

EMPEROR 1 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2014**

13. DEBTORS

	<u>Group</u>	<u>Company</u>
	2014	2014
	£000	£000
Trade debtors	5,782	-
Amounts owed by group undertakings	-	155
Corporation tax repayable	411	-
Other debtors	14	-
Called up share capital not paid	2	2
Prepayments and accrued income	350	-
Deferred tax asset (see note 16)	517	-
	<u>7,076</u>	<u>157</u>

**14. CREDITORS:
Amounts falling due within one year**

	<u>Group</u>	<u>Company</u>
	2014	2014
	£000	£000
Net obligations under finance leases and hire purchase contracts	12	-
Trade creditors	669	-
Corporation tax	76	-
Other taxation and social security	262	-
Other creditors	89	-
Accruals and deferred income	15,950	72
	<u>17,058</u>	<u>72</u>

**15. CREDITORS:
Amounts falling due after more than one year**

	<u>Group</u>	<u>Company</u>
	2014	2014
	£000	£000
Loan notes	51,636	1,143
Bank loans	49,568	-
Other loans	45,697	-
Other creditors	26	-
	<u>146,927</u>	<u>1,143</u>

EMPEROR 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2014

15. CREDITORS:

Amounts falling due after more than one year (continued)

Creditors include amounts not wholly repayable within 5 years as follows:

	<u>Group</u>	<u>Company</u>
	2014	2014
	£000	£000
Repayable other than by instalments	146,900	1,143

Bank loan

The Group's bank facilities comprise a loan of €64,313,000, which has been fully drawn, and an undrawn revolving facility of £3,000,000. All borrowings are secured on the assets of the Group and certain subsidiaries.

The loan is repayable in full on 25 June 2021 and bears interest at a rate of 4.5% over EURIBOR. The revolving facilities, if used, will bear interest at a rate of 4.0% over LIBOR. Future interest margin rates are subject to amendment depending on the gearing of the group headed by the immediate parent company.

Loan notes

The loan notes are unsecured and bear interest at a rate of 12% per annum, calculated daily. Interest accrues to 30 November each year and is to be settled in cash or by the issue of new loan notes at the option of the loan note holders.

The loan notes are repayable in the event of a listing, sale or business sale (as defined in the company's articles of association) or otherwise on 22 May 2021.

Other loans

The other loan is unsecured and bears interest at a rate of 12% per annum, calculated daily. Interest accrues to 30 November each year and is to be either settled in cash or is to be rolled up, or a combination thereof, at the option of the lender.

The loan, any rolled up interest and any unpaid interest is repayable in the event of a listing, sale or business sale (as defined in the company's articles of association) or otherwise on 22 May 2021.

EMPEROR 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2014

16. DEFERRED TAXATION

	<u>Group</u>	<u>Company</u>
	2014	2014
	£000	£000
At beginning of period	-	-
(Charge for)/released during the period (P&L)	(66)	-
Arising on acquisition	590	-
Foreign currency translation	(7)	-
	<u>517</u>	<u>-</u>

The deferred taxation balance is made up as follows:

	<u>Group</u>	<u>Company</u>
	2014	2014
	£000	£000
Accelerated capital allowances	102	-
Tax losses	295	-
Short term timing differences	415	-
	<u>812</u>	<u>-</u>
Deferred tax asset not recognised	(295)	-
	<u>517</u>	<u>-</u>

Certain deferred tax assets as at 30 November 2014 are not recognised because their eventual recovery is uncertain.

The deferred tax is calculated at rates applicable to the relevant territory in which the deferred tax assets arise. The rates used are UK – 20%, Australia – 30% and US - 34%. The tax rates are those which are expected to be applicable when the timing differences are forecast to reverse.

A deferred tax asset of £272,000 arises on tax losses relating to one of the Group's overseas operations and can only be used to offset future profits of that company; this amount is not recognised.

EMPEROR 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2014

17. PROVISIONS

Group	Dilapidation provision £000
On acquisition and at 30 November 2014	377

Dilapidation provision

Autodata Limited has agreed with its landlord to reinstate its premises to their original condition at the end of the lease term. The exact liability will be dependent on the cost of undertaking the work at the time the lease expires and whether any of the works can be reduced through negotiation with the landlord. The lease expires in September 2017.

The Company has no other provisions.

18. SHARE CAPITAL

	2014 £
Allotted, called up and fully paid	
79,044 A ordinary shares of £0.01 each	790
956 B ordinary shares of £0.10 each	96
14,430 C ordinary shares of £0.10 each	1,443
3,720 D ordinary shares of £0.10 each	372
	<hr/>
	2,701

On incorporation, 102 £1 ordinary shares were issued for cash. These were subsequently sub-divided and re-designated into A ordinary shares of £0.01 each.

On 22 May 2014, 68,844 A ordinary shares and 2,220 D ordinary shares were issued for cash at a total premium of £80,806. On that date, 956 B ordinary shares and 14,430 C ordinary shares were issued at a total premium of £17,455 in part consideration for the acquisition of loan notes issued by Emperor 2 Limited. On 1 September 2014, a further 1,500 D ordinary shares were issued at a premium of £1,614; the consideration for these shares remains outstanding as at the year end.

Rights attached to the shares

The holders of the A ordinary shares have the right to appoint directors to the board of the company without limit and have 80% of the votes at any general meeting of the company. Any written resolution of the A ordinary shareholders must be passed by a 75% majority. Any holder of the B ordinary shares have the right to appoint themselves as a director of the company. At any general meeting of the company, the holders of the B and C ordinary shares together have 20% of the votes. The holders of the D ordinary shares do not have the right to receive notice of general meetings of the company, nor to attend or vote at such meetings.

The shares rank *pari passu* as regards the rights to dividends.

EMPEROR 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2014

18. SHARE CAPITAL (continued)

In the event of a listing, sale or liquidation of the company, an initial sum (as defined in the articles) will be distributed to the shareholders pari pasu, with any excess being distributed 75% to the holders of the A and B ordinary shares and 25% to the holders of the C and D ordinary shares.

19. RESERVES

Group	Share premium account £000	Profit and loss account £000
Loss for the financial period	-	(8,356)
Premium on shares issued during the period	100	-
Foreign currency translation	-	(51)
	<hr/>	<hr/>
At 30 November 2014	100	(8,407)
	<hr/>	<hr/>
Company	Share premium account £000	Profit and loss account £000
Profit for the financial period	-	1
Premium on shares issued during the period	100	-
	<hr/>	<hr/>
At 30 November 2014	100	1
	<hr/>	<hr/>

EMPEROR 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2014

20. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT

	2014 £000
Group	
Opening shareholders' funds	-
Loss for the financial period	(8,356)
Shares issued during the period	3
Share premium on shares issued (net of expenses)	100
Other recognised gains and losses during the period	(51)
	<hr/>
Closing shareholders' deficit	(8,304)
	<hr/>

	2014 £000
Company	
Opening shareholders' funds	-
Profit for the financial period	1
Shares issued during the period	3
Share premium on shares issued (net of expenses)	100
	<hr/>
Closing shareholders' funds	104
	<hr/>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and loss account.

The profit for the period dealt with in the accounts of the company was £1,000.

EMPEROR 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2014

21. ACQUISITIONS AND DISPOSALS

On 22 May 2014, the Group acquired Autodata Publishing Group Limited. The business combination is treated as an acquisition.

	Vendor's book value £000	Fair value to the group £000
Assets and liabilities acquired		
Tangible fixed assets	1,740	1,740
Intangible fixed assets	1	1
Stocks	86	86
Debtors	7,158	7,158
Cash at bank	9,841	9,841
Loans and finance leases	(13,572)	(13,572)
Other creditors and provisions	(377)	(377)
Net assets acquired	<u>4,877</u>	<u>4,877</u>

Satisfied by

Consideration:

Cash	148,985
Loan notes	1,143
Issue of shares	19
Acquisition costs	2,761

152,908

Goodwill arising on consolidation (see note 9)

148,031

Goodwill being amortised

The summarised profit and loss account for Autodata Publishing Group Limited for the period from 1 December 2013 to the date of acquisition was as follows:

Turnover	<u>11,850</u>
Operating profit	<u>637</u>
Profit before tax	648
Taxation	(718)
Loss after tax	<u>(70)</u>

The profit after tax for the year ended 30 November 2013 was £4,517,000.

EMPEROR 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2014

22. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £000
Operating profit	19
Amortisation of intangible fixed assets	3,914
Depreciation of tangible fixed assets	354
Decrease in stocks	30
Decrease in debtors	679
Decrease in creditors	(2,636)
Forex on bank loan	(283)
Net cash inflow from operating activities	2,077

23. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2014 £000
Returns on investments and servicing of finance	
Interest received	12
Interest paid	(1,755)
Net cash outflow from returns on investments and servicing of finance	(1,743)

	2014 £000
Capital expenditure and financial investment	
Purchase of tangible fixed assets	(119)
Sale of tangible fixed assets	27
Net cash outflow from capital expenditure	(92)

	2014 £000
Acquisitions and disposals	
Purchase of subsidiary undertaking	(148,985)
Acquisition costs	(2,761)
Cash at bank acquired with subsidiary undertaking	9,841
Net cash outflow from acquisitions and disposals	(141,905)

EMPEROR 1 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2014**

23. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2014 £000
Financing	
Issue of ordinary shares	82
New bank loans	49,741
Issue of loan notes	48,020
Other loans and bridging loans	102,720
Repayment of bridging loans	(54,700)
Repayment of finance leases	(2)
Net cash inflow from financing	145,861

24. ANALYSIS OF CHANGES IN NET FUNDS

	16 May 2014 £000	Cash flow £000	Acquisition £000	Other non-cash changes £000	Exchange Movement £000	30 November 2014 £000
Cash at bank and in hand	-	3,331	-	-	-	3,331
Debt:						
Debts due within one year	-	2	(14)	-	-	(12)
Debts falling due after more than one year	-	(145,782)	(1,143)	(258)	283	(146,900)
Net funds	-	(142,449)	(1,157)	(258)	283	(143,581)

25. MAJOR NON-CASH TRANSACTIONS

During the period, interest of £6,250,000 was accrued, but not paid.

The non-cash changes in the analysis of changes in net debt are the amortisation of loan issue costs.

26. CONTINGENT LIABILITIES

The Group is in dispute with a former distributor of its products concerning the distributor's legal claim for damages following termination of the distribution agreement. The Group also has a claim for payment of an outstanding debt owed by the distributor. The Group has been advised that it was fully entitled to terminate the distribution agreement and gave sufficient notice of its intention to do so. The directors consider that the distributor's claim is entirely without merit and will vigorously defend any action that may be taken and similarly will pursue the Group's claim for payment. Provision has been made for the Group's cost of these actions but no provision has been made for the distributor's claim for damages.

EMPEROR 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 NOVEMBER 2014

27. PENSION COMMITMENTS

The group makes payments to defined contribution pension schemes. The assets of the scheme are held separately from those of the company in an independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £327,000.. Pension costs of £nil remained outstanding at the year end.

28. OPERATING LEASE COMMITMENTS

At 30 November 2014 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2014 £000	Other 2014 £000
Group		
Expiry date:		
Within 1 year	31	-
Between 2 and 5 years	195	-

29. RELATED PARTY TRANSACTIONS

Transactions with Group companies

At 30 November 2014, the company was owed £1,317,000 by Emperor 2 Limited, a subsidiary company.

Transactions with directors

On 22 May 2014, the company acquired Emperor 2 Limited loan notes from the following directors:

	Nominal value of the Emperor 2 loan notes acquired £000	Nominal value and premium on shares issued £000	Nominal value of the company loan notes issued £000
R Williams	500,000	7,349	492,651
M Trepte	450,000	5,920	444,080
D Barr	212,000	5,725	206,275

EMPEROR 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 NOVEMBER 2014

29. RELATED PARTY TRANSACTIONS (continued)

As at the year end, the loan notes remain outstanding (see note 15).

Interest accrued for the period, but not paid at the year end is as follows:

Director	Loan note interest for the period £
R Williams	31,260
M Trepte	28,178
D Barr	13,089

On 1 September 2014, the company issued 1,500 ordinary D shares for a consideration of £1,764 to Mr R Keane, a director of the company. The consideration was unpaid as at 30 November 2014.

Transactions with controlling parties

On 22 May 2014, the group borrowed £55,000,000 from private equity funds controlled by Five Arrows Manager S.á.r.l and Bowmark Capital LLP, which also control the company. This sum was repaid on 27 June 2014 together with interest and charges of £634,521.

On 22 May 2014, the group also borrowed £94,501,994 from entities controlled by Five Arrows Manager S.á.r.l and Bowmark Capital LLP, which also control the company. A further £3,500,000 was borrowed on 27 June 2014. Fees of £1,961,620 were paid to the lenders. Interest of £6,177,004 has been accrued in respect of the loans.

As at the year end, £98,002,000 was owed to these entities.

30. CONTROLLING PARTY

The majority of the company's shares are owned by private equity funds managed by Five Arrows Manager S.á.r.l. (a company registered in Luxemburg) and private equity funds managed by Bowmark Capital LLP. The two management companies have joint control of the company through their management of the A shares and through a shareholder agreement.