

CAP Midco Limited

Report and Financial Statements

31st December 2013

Registered No. 08033124

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COMPANIES HOUSE

Directors

Iãn Leslie Rendle
Ajay Kumar Handa
Robert John Powis

Auditors

Ernst & Young LLP
1 Bridgewater Place
Water Lane
Leeds LS11 5QR

Bankers

Lloyds Bank plc
25 Gresham Street
London
EC2V 7HN

National Westminster Bank Plc
135 Bishopsgate
London
EC2M 3UR

Solicitors

Linklaters LLP
One Silk Street
London
EC2Y 8HQ

Registered Office

Capitol House
Bond Court
Leeds
LS1 5EZ

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Strategic report

The directors present their strategic report for the year ended 31 December 2013.

Principal activity and review of the business

CAP Midco Limited is a holding company. The Group is engaged in the provision of used vehicle valuations, future value forecasts, car specification data and associated services.

The majority of the group's revenue is generated from annual subscriptions. The group is able to recognise revenue to the extent that it has been generated by the group since the acquisition of the trade and trading assets of CAP on 18th May 2012 and in line with the provision of services it is provided to its customers. The group's recognised revenue for the year ended 31 December 2013 was £22,114,000 (period from 18th May 2012 to 31 December 2012 was £7,925,000).

The group has continued to invest in new products and infrastructure during the year. Part of this investment has been to increase the headcount, including the recruitment of a number of specialist roles, to assist the business in its future growth strategy including new products and services for its customers to drive future revenues for the group. The average headcount has increased from 110 to 133.

The directors note the accounts reflect a number of factors resulting in difficulty in making a comparison to 2012 which only contained part year, post-acquisition results. The directors believe that the key underlying performance indicators for the business, including revenue and adjusted EBITDA have shown good positive momentum in 2013 on a like for like basis and the business is well positioned for future growth.

Financial and non-financial KPIs

The company uses a number of financial and non-financial key performance indicators (KPIs) to measure performance and these are reported both at board level and to employees in monthly briefings. These include total sales billings, revenue, EBITDA, employee numbers and specific product data.

Principal risks and uncertainties

Economic

The company has continued to invest in existing and new products to ensure the business remains both relevant and resilient.

Technology and Infrastructure

The company is reliant on its technology and infrastructure to deliver its product offering. Since the acquisition of CAP, the company has invested in its product platforms to ensure they remain robust and maintain their integrity. The company has a business continuity plan in place which ensures that the business can continually service its customers in any event.

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Strategic report

(continued)

Principal risks and uncertainties

(continued)

Financial instruments

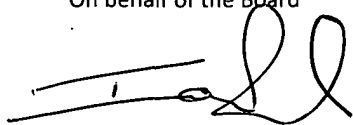
The company is exposed to financial risk through its trading activities. The company has policies in place to manage its exposure to financial risk.

To mitigate liquidity risk, the company applies cash collection targets, employs revolving credit facilities and manages long term debt.

To manage credit risks which may arise resulting from trading, the company operates a policy of full year subscription payments in advance of supplying access to information and services, for the majority of its business. Credit terms are provided to key accounts where an appropriate payment history can be demonstrated and credit worthiness procedures have been satisfied.

The company uses interest rate swaps in order to guarantee capped interest payments where payments are variable and hence exposed to interest rate movement.

On behalf of the Board



Ian Leslie Rendle
Director
25th April 2014

Registered No. 08033124

Directors' report

The directors present their report for the year ended 31 December 2013.

The company was incorporated on 17 April 2012 and commenced trading on 18 May 2012.

Directors

The directors who held office during the period were as follows:

Ian Leslie Rendle

Ajay Kumar Handa

Anthony Doherty (resigned 26th July 2013)

Robert John Powis

Results and dividends

The loss for the period after taxation amounted to £18,585,000. The directors do not recommend a final dividend.

Financial instruments

Details of financial instruments are provided in the strategic report

Events since the balance sheet date

On 18th February, the Group acquired the entire share capital of the Derwent Holding Company Ltd along with its subsidiaries.

Research, development and infrastructure

The company invests in researching and developing new products to take to market. Capitalisation of cost occurs when either the product has been technically and commercially tested. All other costs are expensed to the profit and loss account, as incurred.

Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The Directors are aware of the net liabilities position in the balance sheet and have received a letter of support from its immediate parent for the period at least to 30th April 2015. Accordingly, they have adopted the going concern basis in preparing these financial statements.

Directors' liabilities

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

Employees

The company provides information to its employees on a regular basis. This information includes the company's performance, its prospects in the market it serves and the future outlook of the business.

The company recognises the special needs of disabled people and supports a policy of equal opportunities for all employees. Help is given to all personnel, both able and disabled, in job training and career development. Promotions for all employees are made on the basis of an individual's suitability and aptitude. Wherever possible the company will continue to employ anyone who becomes disabled whilst in its employment.

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Directors' report

(continued)

Political and charitable contributions

During the period ended 31 December 2013 the company made no political contributions. During the period ended 31 December 2013 the company donated a total of £420 to UK charities.

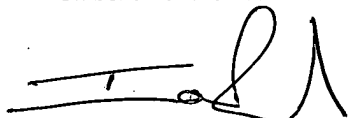
Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

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

On behalf of the Board



Ian Leslie Rendle
Director
25th April 2014

Statement of directors' responsibilities

The directors are responsible for preparing the 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 Group and the company 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAP AUTOMOTIVE LIMITED

We have audited the financial statements of CAP Midco Limited for the year ended 31 December 2013 which comprise the Group Profit and Loss Account, the Group Statement of Total Recognised Gains and Losses, the Group and Parent Company Balance Sheet, the Group and Parent Company Reconciliation of Movements in Shareholders' Funds and the related notes 1 to 23. 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 set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and parent 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 Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 December 2013 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.

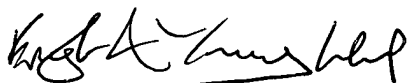
Opinion on other matter prescribed by the Companies Act 2006

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

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.



Stuart Watson (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Leeds

29 April 2014

Group profit and loss account
for the year ended 31 December 2013

		<i>Year ended</i> <i>31 December</i> <i>2013</i> £'000	<i>Period ended</i> <i>31 December</i> <i>2012</i> £'000
	Notes		
Turnover	2	22,114	7,925
Cost of sales		(6,627)	(3,842)
Gross margin		15,487	4,083
Administrative expenses		(3,161)	(2,521)
Goodwill amortisation		(11,491)	(7,105)
Operating profit/(loss)	3	835	(5,543)
Bank interest receivable		32	16
Interest payable and similar charges	6	(19,452)	(11,343)
Loss on ordinary activities before taxation		(18,585)	(16,870)
Taxation	7	-	-
Loss for the period attributable to the company	19	(18,585)	(16,870)

All amounts relate to continuing activities.

Group statement of total recognised gains and losses
for the year ended 31 December 2013

There was no comprehensive income other than the loss of £18,585,000 for the year ended 31 December 2013 (period ended 31 December 2012 : £16,870,000).

Group Balance Sheet
at 31 December 2013

		31 December 2013 £'000	31 December 2012 £'000
	Notes		
Fixed assets			
Goodwill	9	153,763	165,254
Intangible fixed assets	10	90	150
Tangible fixed assets	11	2,166	1,186
		<u>156,019</u>	<u>166,590</u>
Current assets			
Debtors	13	8,390	5,560
Cash at bank and in hand		8,190	5,660
		<u>16,580</u>	<u>11,220</u>
Creditors: amounts falling due within one year	14	<u>(154,453)</u>	<u>(139,289)</u>
Current liabilities		<u>(137,873)</u>	<u>(128,069)</u>
Total assets less current liabilities		<u>18,146</u>	<u>38,521</u>
Creditors: amounts falling due after one year	15	<u>(53,601)</u>	<u>(55,391)</u>
Net liabilities		<u>(35,455)</u>	<u>(16,870)</u>
Capital and reserves			
Share capital	18	-	-
Retained earnings	19	<u>(35,455)</u>	<u>(16,870)</u>
Shareholders' deficit		<u>(35,455)</u>	<u>(16,870)</u>

The financial statements were approved by the Board on 25th April 2014 and signed on its behalf by



Ajay Kumar Handa

25th April 2014

Parent Company Balance Sheet
at 31 December 2013

		<i>31 December</i> 2013	<i>31 December</i> 2012
	Notes	£'000	£'000
Fixed assets			
Investment	12	-	-
Current assets			
Debtors	13	196,436	181,946
Cash at bank and in hand		-	-
		<u>196,436</u>	<u>181,946</u>
Creditors: amounts falling due within one year	14	<u>(140,838)</u>	<u>(126,964)</u>
Current assets		<u>55,598</u>	<u>54,982</u>
Total assets less current liabilities		<u>55,598</u>	<u>54,982</u>
Creditors: amounts falling due after one year	15	<u>(53,601)</u>	<u>(55,333)</u>
Net assets/(liabilities)		<u><u>1,997</u></u>	<u><u>(351)</u></u>
Capital and reserves			
Share capital	18	-	-
Retained earnings	19	<u>1,997</u>	<u>(351)</u>
Shareholders' deficit		<u><u>1,997</u></u>	<u><u>(351)</u></u>

The financial statements were approved by the Board on 25th April 2014 and signed on its behalf by



Ajay Kumar Handa

25th April 2014

Group cash flow statement
for the year ended 31 December 2013

		<i>Year ended</i> <i>31 December</i> <i>2013</i> <i>£'000</i>	<i>Period ended</i> <i>31 December</i> <i>2012</i> <i>£'000</i>
	Notes		
Net cash inflow from operating activities	21	<u>11,136</u>	<u>7,198</u>
Returns on investments and servicing of finance			
Interest received		32	16
Interest paid		(4,283)	(1,190)
Facility commitment fees		(44)	(68)
Issue costs of new long-term loans		-	(4,544)
		<u>(4,295)</u>	<u>(5,786)</u>
Taxation			
Corporation tax paid		-	-
Capital expenditure and financial investment			
Payments to acquire intangible fixed assets		-	(6)
Payments to acquire tangible fixed assets		<u>(1,336)</u>	<u>(735)</u>
		<u>(1,336)</u>	<u>(741)</u>
Acquisition and disposals			
Purchase of business		-	(170,000)
Acquisition costs		-	(3,317)
Net cash acquired through business purchase		-	1,551
		-	<u>(171,766)</u>
Financing			
Repayment of long-term loans		(2,975)	-
New long-term loans		-	62,500
Short-term parent company loan		-	114,255
		<u>(2,975)</u>	<u>176,755</u>
Increase in cash		<u>2,530</u>	<u>5,660</u>
Reconciliation of net cash flow to movement in net debt			
		<i>Year ended</i> <i>31 December</i> <i>2013</i> <i>£'000</i>	<i>Period ended</i> <i>31 December</i> <i>2012</i> <i>£'000</i>
	Notes		
Increase in cash		(2,530)	(5,660)
Short-term loan		-	61,000
Cash inflow from increase in loans		-	62,500
Short-term parent company loan		-	114,255
Loan arrangement fee		-	(4,544)
Repayment of term loan		(2,975)	-
Repayment of short-term loan		-	(61,000)
Change in net debt resulting from cash flows		<u>(5,505)</u>	<u>166,551</u>
Interest accrued on parent company loan		15,092	8,949
Amortisation of loan arrangement fees		760	351
Movement in net debt		<u>10,347</u>	<u>175,851</u>
Opening net debt		175,851	-
Closing net debt	21	<u>186,198</u>	<u>175,851</u>

Reconciliation of shareholders' funds
for the year ended 31 December 2013

	<i>Year ended 31 December 2013 £'000</i>	<i>Period ended 31 December 2012 £'000</i>
<u>Group</u>		
Total recognised gains and losses	(18,585)	(16,870)
Opening shareholders' deficit	<u>(16,870)</u>	<u>-</u>
Closing shareholders' deficit	<u><u>(35,455)</u></u>	<u><u>(16,870)</u></u>

	<i>Year ended 31 December 2013 £'000</i>	<i>Period ended 31 December 2012 £'000</i>
<u>Parent company</u>		
Total recognised gains and losses	2,348	(351)
Opening shareholders' deficit	<u>(351)</u>	<u>-</u>
Closing shareholders' funds	<u><u>1,997</u></u>	<u><u>(351)</u></u>

**Notes to the financial statements
at 31 December 2013**

1. Accounting policies

Basis of preparation

The financial statements of CAP Midco Limited were approved for issue by the Board on 25th April 2014.

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

Basis of consolidation

The group financial statements consolidate the financial statements of CAP Midco Limited and all its subsidiary undertakings drawn up to 31 December each year.

No profit and loss account is presented for CAP Midco Limited as permitted by section 408 of the Companies Act 2006.

In the parent company financial statements investments in subsidiaries are accounted for at the lower of cost and net realisable value.

Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The Directors are aware of the net liabilities position in the balance sheet and have received a letter of support from its immediate parent. Accordingly, they have adopted the going concern basis in preparing these financial statements.

Goodwill

Goodwill is calculated on the basis of the difference between the cost of an acquired entity and the aggregate fair value of that entity's identifiable assets and liabilities. Goodwill is amortised at rates calculated to write off the asset on a straight line basis over its' estimated useful economic life, not to exceed twenty years.

An impairment review has been completed comparing the carrying amount of the asset with its recoverable value, this determined that the recoverable amount is higher than the carrying amount. As a consequence, no impairment charge has arisen as a result of the impairment review.

Intangible fixed assets

Intangible assets are non-financial fixed assets that do not have physical substance but are identifiable and are controlled by the entity through custody or legal rights.

Intangible assets acquired separately from a business are capitalised at cost.

Amortisation is provided, at the following annual rates in order to write off each asset over its estimated useful life.

Trademarks	: the shorter of the useful life of the asset, or ten years
Development costs	: the shorter of the useful life of the asset, or five years

Tangible fixed assets

All tangible fixed assets are held at cost less accumulated depreciation and any provision for impairment. Depreciation is calculated on fixed assets in order to write off their cost less residual value in equal instalments over their estimated useful lives.

Depreciation is provided, at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold buildings	: unexpired lease term
Fixtures & fittings	: three years
Hardware & software	: three years

Notes to the financial statements

at 31 December 2013

1. Accounting policies (continued)

Revenue recognition

Turnover represents the sales value of goods and services supplied, excluding value added tax, and is recognised on the accruals basis of accounting. Revenue is recognised for subscriptions over the period of the subscription.

Provisions for liabilities

Provisions for liabilities are recognised where there are present obligations as a result of past events, it is probable that there will be a cost required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

There are currently no obligations requiring a provision for liabilities

Deferred tax

Deferred taxation is provided in full on timing differences that 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 tax rates enacted or substantively enacted at the balance sheet date. Timing differences arise from the inclusion of items of incoming resources and resources expended in taxation computations in periods different from those in which they are included in 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.

Derivative instruments

Interest rate swaps are used to adjust interest exposures.

The criteria for interest rate swaps are :

- the instrument must be related to an asset or a liability; and
- it must change the character of the interest rate by converting a variable rate to a fixed rate or vice versa.

Interest differentials are recognised by accruing the net interest payable. Interest rate swaps are not re-valued, but are included on the group balance sheet at cost and amortised on a straight line basis. If they are terminated early, the gain/loss is spread over the remaining maturity of the original instrument.

Leasing and hire purchase commitments

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, and hire purchase contracts are capitalised in the balance sheet and are depreciated over the shorter of the lease term and the asset's useful lives. The capital elements of future obligations under leases and hire purchase contracts are included as liabilities in the balance sheet. The interest elements over the periods of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding.

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term. Lease incentives are recognised over the shorter of the lease term and the date of the next rent review.

Interest-bearing loans and borrowings

All interest-bearing loans and borrowings are initially recognised at net proceeds and reduced by repayments made in the period. Interest is charged to the Profit and loss account as incurred.

Finance costs of debt are allocated over the term of the debt at a constant rate on the carrying amount.

Notes to the financial statements

at 31 December 2013

2. Turnover

Turnover represents the amounts derived from the provision vehicle valuation data and related services.

3. Group operating loss

This is stated after charging:

	<i>Year ended 31 December 2013 £'000</i>	<i>Period ended 31 December 2012 £'000</i>
Research and development expenditure written off	-	301
Amortisation of deferred development expenditure	58	33
Total research and development	<u>58</u>	<u>334</u>
Amortisation of goodwill	11,491	7,105
Amortisation of intangible fixed assets	60	34
Depreciation of tangible fixed assets	356	84
Operating lease rentals - buildings	134	88
- other	272	122
Auditor's remuneration	<u>73</u>	<u>1,096</u>

The remuneration of the auditors is further analysed as follows:

	<i>Year ended 31 December 2013 £'000</i>	<i>Period ended 31 December 2012 £'000</i>
Audit of financial statements	26	30
Tax compliance services	47	47
Corporate Finance Services	-	1,019
	<u>73</u>	<u>1,096</u>

Notes to the financial statements

at 31 December 2013

4. Directors' remuneration

Directors' remuneration

	<i>Year ended 31 December 2013 £'000</i>	<i>Period ended 31 December 2012 £'000</i>
Aggregate remuneration in respect of qualifying services	483	345
Employer's Pension Contribution	32	9
	<u>515</u>	<u>354</u>

The aggregate remuneration of the highest paid director was £152,411 (2012: £90,377) and employer's contribution to a money purchase scheme of £9,391 (2012: £4,845).

The total number of directors accruing benefits under money purchase schemes was 4 (2012: 4).

5. Staff costs

The average monthly number of persons employed by the company (including directors) during the period, analysed by category, was as follows:

	<i>Year ended 31 December 2013</i>	<i>Period ended 31 December 2012</i>
Sales, marketing and support	65	53
Technical and operations	53	44
Administration	15	13
	<u>133</u>	<u>110</u>

The aggregate payroll costs of these persons were as follows:

	<i>Year ended 31 December 2013 £'000</i>	<i>Period ended 31 December 2012 £'000</i>
Wages and salaries	5,054	2,430
Social security costs	514	232
Other pension costs	201	83
	<u>5,769</u>	<u>2,745</u>

Notes to the financial statements

at 31 December 2013

6. Interest Payable and similar charges

	<i>Year ended 31 December 2013 £'000</i>	<i>Period ended 31 December 2012 £'000</i>
Bank loan interest	3,600	1,615
Amortisation of loan issue costs	760	351
Interest and similar charges payable to group entities	15,092	9,377
	<u>19,452</u>	<u>11,343</u>

7. Taxation

(a) Tax on loss on ordinary activities

	<i>Year ended 31 December 2013 £'000</i>	<i>Period ended 31 December 2012 £'000</i>
Current income tax:		
UK corporation tax at 23.25% (2012: 24.00%)	-	-
Total current tax	<u>-</u>	<u>-</u>
Deferred tax:		
Deferred tax expense	<u>-</u>	<u>-</u>
Tax on profit on ordinary activities	<u>-</u>	<u>-</u>

Notes to the financial statements

at 31 December 2013

7. Taxation (continued)

(b) Factors affecting the current tax charge

The tax assessed on the profit on ordinary activities for the year differs to the standard rate of corporation tax in the UK of 23.25% (2012: 24.00%). The differences are reconciled below:

	<i>Year ended 31 December 2013 £'000</i>	<i>Period ended 31 December 2012 £'000</i>
Loss on ordinary activities before tax	<u>(18,585)</u>	<u>(16,870)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (2012: 24.00%)	(4,321)	(4,049)
Effects of:		
Decelerated capital allowances	80	27
Non-deductible expenses	(2)	94
Unrelieved tax losses	1,668	2,162
Group relief surrendered for nil payments	2,574	1,763
Other timing differences	1	3
Total current tax	<u>-</u>	<u>-</u>

(c) Factors which may affect future tax charges include unrelieved tax losses and changes in the tax rate.

The standard rate of corporation tax in the United Kingdom for the year is 23.25% (2012: 24.00%).

The Finance Act 2013 received Royal Assent on 17 July 2013 and enacted a reduction in the main rate of corporation tax to 21% with effect from 1 April 2014 and a further reduction of 1% will be applied to bring the main rate of corporation tax to 20% from 1 April 2015. Deferred tax, has therefore been provided at 20%.

(d) The group has an unrecognised deferred tax asset of £3.8m (2012: £2.2m) in respect of unrelieved tax losses, unclaimed capital allowances and other timing differences. The deferred tax asset has not been recognised on the basis that it is not regarded as more likely than not that there will be future suitable taxable profits to enable the asset to reverse.

8. Loss attributable to members of the parent company

The profit dealt with in the financial statements of the parent company is £2,348,000 (2012 loss: £351,000).

Notes to the financial statements

at 31 December 2013

9. Goodwill

<u>Group</u>	<i>Total</i> £'000
Cost:	
At 1 January 2013	172,359
Additions	-
Disposals	-
At 31 December 2013	172,359
Amortisation and impairment:	
At 1 January 2013	7,105
Provided during the period	11,491
Disposals	-
At 31 December 2013	18,596
Net book value at 31 December 2012	165,254
Net book value at 31 December 2013	153,763

10. Intangible fixed assets

<u>Group</u>	<i>Trademarks</i> £'000	<i>Development costs</i> £'000	<i>Total</i> £'000
Cost:			
At 1 January 2013	15	169	184
Additions	-	-	-
Disposals	-	-	-
At 31 December 2013	15	169	184
Amortisation and impairment:			
At 1 January 2013	1	33	34
Provided during the period	2	58	60
Disposals	-	-	-
At 31 December 2013	3	91	94
Net book value at 31 December 2012	14	136	150
Net book value at 31 December 2013	12	78	90

Notes to the financial statements

at 31 December 2013

11. Tangible fixed assets

<u>Group</u>	<i>Leasehold buildings</i>	<i>Fixture & fittings</i>	<i>Hardware & software</i>	<i>Total</i>
	£'000	£'000	£'000	£'000
Cost:				
At 1 January 2013	272	9	989	1,270
Additions	52	36	1,248	1,336
At 31 December 2013	324	45	2,237	2,606
Depreciation and impairment:				
At 1 January 2013	14	2	68	84
Provided during the period	59	8	289	356
At 31 December 2013	73	10	357	440
Net book value at 31 December 2012	258	7	921	1,186
Net book value at 31 December 2013	251	35	1,880	2,166

12. Investment in subsidiaries

Details of the investments in which the group and parent company (unless indicated) holds 20% or more of the nominal value of any class of share capital are as follows:

Name of company	Holding	Proportion of	Nature of business
CAP Automotive Limited	1 Ordinary Share	100%	Data supply

The subsidiary is incorporated in the United Kingdom.

13. Debtors

	<u>Group</u>		<u>Parent Company</u>	
	<i>31 December</i>	<i>31 December</i>	<i>31 December</i>	<i>31 December</i>
	<i>2013</i>	<i>2012</i>	<i>2013</i>	<i>2012</i>
	£'000	£'000	£'000	£'000
Trade Debtors	7,443	4,784	-	-
Intercompany Loan - debtor	16	7	196,416	181,946
Prepayments and accrued income	881	734	20	-
Other debtors	50	35	-	-
	8,390	5,560	196,436	181,946

Notes to the financial statements

at 31 December 2013

14. Creditors: amounts falling due within one year

	<u>Group</u>		<u>Parent Company</u>	
	<i>31 December</i>	<i>31 December</i>	<i>31 December</i>	<i>31 December</i>
	<i>2013</i>	<i>2012</i>	<i>2013</i>	<i>2012</i>
	£'000	£'000	£'000	£'000
Bank Loans	2,491	2,975	2,491	2,975
Amounts due to group undertakings	138,296	123,204	138,296	123,204
Trade Creditors	325	546	-	-
Other taxes and social security	999	1,282	-	-
Bank loan interest payable	51	785	51	785
Other creditors	129	18	-	-
Deferred Income	11,624	9,412	-	-
Accruals	538	1,067	-	-
	<u>154,453</u>	<u>139,289</u>	<u>140,838</u>	<u>126,964</u>

15. Creditors: amounts falling due after one year

	<u>Group</u>		<u>Parent Company</u>	
	<i>31 December</i>	<i>31 December</i>	<i>31 December</i>	<i>31 December</i>
	<i>2013</i>	<i>2012</i>	<i>2013</i>	<i>2012</i>
	£'000	£'000	£'000	£'000
Banks loans	53,601	55,333	53,601	55,333
Deferred Income	-	58	-	-
	<u>53,601</u>	<u>55,391</u>	<u>53,601</u>	<u>55,333</u>

Bank Loans are repayable as follows:

Amounts repayable within five years	18,771	17,734
Amounts repayable after five years	37,321	40,574
	<u>56,092</u>	<u>58,308</u>

Details of loans repayable after five years:

	<u>Group</u>		<u>Parent Company</u>	
	<i>31 December</i>	<i>31 December</i>	<i>31 December</i>	<i>31 December</i>
	<i>2013</i>	<i>2012</i>	<i>2013</i>	<i>2012</i>
	£'000	£'000	£'000	£'000
£25,000,000 Loan facility repayable in instalments commencing 30 June 2013	-	3,750	-	3,750
£37,500,000 Loan facility repayable on 30 June 2019	37,500	37,500	37,500	37,500
	37,500	41,250	37,500	41,250
Less : issue costs	(179)	(676)	(179)	(676)
	<u>37,321</u>	<u>40,574</u>	<u>37,321</u>	<u>40,574</u>

The Bank loans are secured by a floating charge over the group's trading assets.

Notes to the financial statements

at 31 December 2013

16. Obligations under leases and hire purchase contracts

There are no amounts due under finance leases and hire purchase contracts.

Annual commitments under non-cancellable operating leases are as follows:

Group

	<i>Buildings</i>	<i>Others</i>	<i>Buildings</i>	<i>Others</i>
	<i>2013</i>	<i>2013</i>	<i>2012</i>	<i>2012</i>
	£'000	£'000	£'000	£'000
Operating leases which expire :				
Within one year	-	8	-	1
In two to five years	137	59	137	141
In over five years	-	-	-	-
	<u>137</u>	<u>67</u>	<u>137</u>	<u>142</u>

17. Derivatives

The Group purchases interest rate swaps to manage the interest rate risk volatility of its' Bank loans. The fair values of the derivatives held at the balance sheet date, determined by reference to their market values are as follows:

	<u>Group</u>	
	<i>31 December</i>	<i>31 December</i>
	<i>2013</i>	<i>2012</i>
	£'000	£'000
Interest rate swaps	<u>201</u>	<u>193</u>
	<u>201</u>	<u>193</u>

18. Allotted and issued share capital

Group and Parent Company

	<i>31 December</i>	<i>31 December</i>
	<i>2013</i>	<i>2012</i>
Allotted, called-up and fully paid		
<i>Ordinary shares of £1 each</i>	1	1
	<u>1</u>	<u>1</u>

Notes to the financial statements

at 31 December 2013

19. Reserves

	<u>Group</u>	<u>Parent</u>
	<u>31 December</u>	<u>Company</u>
	<u>2013</u>	<u>31 December</u>
	<u>£'000</u>	<u>2013</u>
	<u>£'000</u>	<u>£'000</u>
Brought forward	(16,870)	(351)
Loss for the year	(18,585)	2,348
At 31 December	<u>(35,455)</u>	<u>1,997</u>

20. Related party transactions

Group and Parent Company

During the period the company entered into transactions, in the ordinary course of business, with related parties. Transactions entered into, and trading balances outstanding at 31 December, are as follows:

	<i>Interest payable</i>	<i>Purchases from related party</i>	<i>Amounts owed from related party</i>	<i>Amounts owed to related party</i>
31 December 2013	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
<i>Related party</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Montagu Equity LLP	-	391	-	134
	<u>-</u>	<u>391</u>	<u>-</u>	<u>134</u>
31 December 2012	<i>Interest payable</i>	<i>Purchases from related party</i>	<i>Amounts owed from related party</i>	<i>Amounts owed to related party</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
<i>Related party</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Montagu Equity LLP	-	645	-	116
	<u>-</u>	<u>645</u>	<u>-</u>	<u>116</u>

Under FRS 8 the company is exempt from the requirement to disclose details of transactions with its ultimate controlling party and subsidiary companies, on the basis that is a wholly owned subsidiary undertaking of its parent, PM Guernsey Limited, and all of its subsidiary undertakings are wholly owned.

Notes to the financial statements

at 31 December 2013

21. Notes to statement of cash flows

(a) Reconciliation of operating profit to net cash inflow from operating activities

	<i>Year ended 31 December 2013 £'000</i>	<i>Period ended 31 December 2012 £'000</i>
Group operating profit/(loss)	835	(5,543)
Amortisation of goodwill	11,491	7,105
Amortisation of intangible assets	60	34
Depreciation of tangible fixed assets	354	84
Increase in debtors	(2,836)	(2,453)
Increase in creditors	1,232	7,971
Net cash inflow from operating activities	11,136	7,198

(b) Analysis of net debt

	<i>At 1st January 2013 £'000</i>	<i>Cash flow £'000</i>	<i>Other non- cash movements £'000</i>	<i>At 31 December 2013 £'000</i>
Cash	(5,660)	(2,530)	-	(8,190)
Bank loan	58,307	(2,975)	760	56,092
Parent company loan	123,204	-	15,092	138,296
	<u>175,851</u>	<u>(5,505)</u>	<u>15,852</u>	<u>186,198</u>

22. Ultimate parent undertaking and parent undertaking of larger group

As at 31 December 2013 the immediate parent undertaking was CAP Automotive (Holdings) Limited, a company incorporated in the UK. The ultimate parent undertaking is PM Group S.A R.L, a company incorporated in Luxembourg. The ultimate controlling party is Montagu IV Fund Partnerships which owns 100% of PM Group S.A.R.L.

The largest group into which the company is consolidated is CAP Automotive Holdings Limited and the smallest group into which the company is consolidated is CAP Midco Limited.

23. Post balance sheet events

On 18th February 2014, the Group acquired the entire share capital of Derwent Holding Company Ltd, a company incorporated in the UK, along with its subsidiaries for a consideration of £3.8m.