Registered number: 09044731

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EMPEROR 1 LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2016

EMPEROR 1 LIMITED

COMPANY INFORMATION

Directors	M Trepte R Williams N Bleach
Registered number	09044731
Registered office	Priors Way Maidenhead Berkshire SL6 2HP
Independent auditor	Nexia Smith & Williamson Statutory Auditor & Chartered Accountants 25 Moorgate London EC2R 6AY
Accountants and Business Advisors	Smith & Williamson LLP 25 Moorgate London EC2R 6AY

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2016

Introduction

The directors present their report and the accounts for the year ended 30 November 2016. 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 well with sales of £33.7m for the year (£25.5m for the year ended 30 November 2015). Excluding acquisitions, Group sales are ahead of last year by 10.0% and recurring earnings before interest, tax depreciation and amortisation (EBITDA) ahead by 50.8%. The operating loss for the year includes the impact of exchange losses on the Euro loan and the forward currency contract caused by the significant devaluation of Sterling during the year, as well as amortisation.

The directors expect the group to continue to improve upon its strong market position in the UK and Europe, whilst continuing to develop opportunities in Australia and other markets. The group continues to invest in its staff and systems to ensure that its products remain relevant and valuable to the automotive industry.

During the year the group continued to develop and expand its new core online subscription product, adding motorcycles to the product range and commencing launches of e-commerce portals. All of the group's core product is now only available online. The investment in the new product and improved technology infrastructure supports the Group's future growth in delivering information to customers in digital formats.

During the year the group acquired its distributors in France and Finland to strengthen its position in those markets. These acquisitions cost a total £15.2m including deal costs, funded through a combination of cash and debt. These acquisitions added £1.8m to the group's EBITDA before non-recurring items in the year to 30th November 2016.

After the year end the Group was acquired by Solera, a US based business focused on providing digital solutions to the automotive aftermarket industry. As a result of the acquisition all financial debt of the Group was repaid.

Subsequent to the acquisition by Solera the UK's Competition and Markets Authority opened an investigation into the acquisition to determine whether the merger will result in a substantial lessening of competition in the UK market. While the Directors of the business remain confident of a solution to this situation being found and not having an adverse effect on the business, the Group has continued to trade normally as a stand-alone business.

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 for the year due to the combination of goodwill amortisation, foreign exchange losses on Euro denominated loans and interest and similar charges.

(Note: recurring EBITDA excludes foreign exchange gains and losses from financing transactions, the loss on the revaluation of the derivative foreign exchange contract and costs which are not derived from operational activities of the Group).

Principal risks and uncertainties

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

Markets, products and services
The last few years has seen a rapid transformation of the Group's products as they have moved online, which has allowed the group to increase the number of features it offers and the speed it can bring those features to market. However the majority of the underlying technical data used by the Group is also accessible to both current competitors and possible new entrants to the market. The Group therefore continues to focus on further developing its core products to ensure that it continues to offer value to its customers.

IT Infrastructure and "Cyber-crime"
The Group's products are primarily delivered through online services. The Group therefore faces risks resulting in significant downtime of the online services to clients, along with breaches in security and loss of intellectual property. The Group follows an agile management methodology across its IT infrastructure whereby risks are continually being identified and mitigated. The Board regularly reviews levels of downtime and attempted security breaches.

Currency exposure
More than 50% of the Group's revenue is invoiced in currencies other than Sterling and it holds funds in US Dollars, Australian Dollars and Euros in addition to its Sterling accounts. It is the policy of the Group that the associated currency risks are assessed on an on-going basis so that appropriate measures be taken to safeguard its position if the Group determines it is necessary.

In the normal course of events, the Group does not hedge its exposure to foreign currency, as the Euro denominated loan provides a natural hedge for Euro denominated sales. However, in the expectation of the early repayment of the loan following the post year end acquisition by Solera of the Group, a forward currency contract was taken out.

Credit exposure
The Group has implemented policies that require appropriate credit checks on potential customers before sales are made and where credit is to be given. The amount of exposure to any individual customer is assessed regularly so that appropriate measures can be taken to ensure the risk of loss is minimised.

The Group has substantial cash balances as at the year end; the majority of these are with the bank that provides the Euro loan and therefore there is no net credit exposure.

Liquidity risk
The Group has net current liabilities which primarily arises from accrued interest on borrowings from its shareholders. These borrowings have been repaid from the proceeds of a capital contribution by the new owners and the Group therefore currently has no material liquidity risk.

The UK's decision to leave the EU
The Group sells to customers in the EU from its subsidiaries based in the UK and within the EU. The Group also employs EU citizens based within the EU and the UK. The decision by the UK to leave the EU has given rise to uncertainty over the Group's continued ease of access to EU markets and its ability to hire and retain talented staff who are EU citizens. As the negotiations for the UK to leave the EU continue the outcome of those negotiations will be reviewed to determine whether they give rise to any increased risks for the Group.

GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2016

Going concern

The directors have adopted the going concern basis for preparing the financial statements (see note 2.3).

This report was approved by the board on 25 July 2017 and signed on its behalf.

R Williams
Director

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2016

The directors present their report and the financial statements for the year ended 30 November 2016.

Directors

The directors who served during the year were:

J Masters (resigned 26 January 2017)
R Keane (resigned 26 January 2017)
M Trepte
R Williams
V Kumar (resigned 26 January 2017)
D Barr (resigned 2 February 2017)
N Bleach

Future developments

As disclosed in the strategic report, after the year end the Group was acquired by Solera. On the date of acquisition, a capital contribution of £191 million was made by the new parent group to the company, which enabled the Group to repay its external borrowings.

The directors expect that the Group's sales and EBITDA will continue to grow in the coming years, although the rate of growth may be affected by foreign exchange variances. The repayment of the borrowings will eliminate interest payments and also the foreign currency exposure arising from the loan.

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 the director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the 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 25 July 2017 and signed on its behalf.

R Williams
Director

DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2016

The directors are responsible for preparing the group strategic report, the directors' report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements 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 to 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.

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

We have audited the financial statements of Emperor 1 Limited for the year ended 30 November 2016, which comprise the Group statement of comprehensive income, the Group and Company balance sheets, the Group statement of cash flows, the Group and Company statement of changes in equity and the related notes. The relevant financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 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 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/apb/scope/UKNP.

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 2016 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 year for which the financial statements are prepared is consistent with those financial statements.

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

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.

Nexia Smith & Williamson

Stephen Drew (senior statutory auditor)

for and on behalf of
Nexia Smith & Williamson

Statutory Auditor
Chartered Accountants

25 Moorgate
London
EC2R 6AY

~~25~~ July 2017
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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 NOVEMBER 2016

	Note	2016 £000	*2015 £000*
Revenue	4	**33,726**	*25,513*
Cost of sales		**(5,025)**	*(5,377)*
Gross profit		**28,701**	*20,136*
Distribution costs		**(4)**	-
Administrative expenses		**(31,920)**	*(11,494)*
Fair value movements		**(2,644)**	-
Operating (loss)/profit	5	**(5,867)**	*8,642*
Interest receivable and similar income	8	**8**	*7*
Interest payable and expenses	9	**(17,528)**	*(15,315)*
Loss before taxation		**(23,387)**	*(6,666)*
Tax on loss	10	**(667)**	*(1,760)*
Loss for the year		**(24,054)**	*(8,426)*
Other comprehensive income for the year			
Foreign exchange translation differences		**2,737**	*(66)*
Total comprehensive income for the year		**(21,317)**	*(8,492)*

All income is attributable to the owners of the parent.

CONSOLIDATED BALANCE SHEET
AS AT 30 NOVEMBER 2016

	Note		2016 £000		2015 £000
Fixed assets					
Intangible assets	11		**148,402**		*137,186*
Tangible assets	12		**744**		*993*
			149,146		*138,179*
Current assets					
Stocks		**-**		*1*	
Debtors: amounts falling due within one year	14	**13,419**		*8,398*	
Cash at bank and in hand		**19,319**		*8,367*	
		32,738		*16,766*	
Creditors: amounts falling due within one year	15	**(52,621)**		*(28,102)*	
Net current liabilities			**(19,883)**		*(11,336)*
Total assets less current liabilities			**129,263**		*126,843*
Creditors: amounts falling due after more than one year	16		**(166,093)**		*(143,260)*
Provisions for liabilities					
Deferred taxation	18	**(1,281)**		-	
Other provisions	19	**-**		*(377)*	
			(1,281)		*(377)*
Net liabilities			**(38,111)**		*(16,794)*

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 30 NOVEMBER 2016

	Note	2016 £000	2015 £000
Capital and reserves			
Called up share capital	20	**3**	*3*
Share premium account	21	**101**	*101*
Profit and loss account	21	**(38,215)**	*(16,898)*
Equity attributable to owners of the parent Company		**(38,111)**	*(16,794)*
		(38,111)	*(16,794)*

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 July 2017.

R Williams
Director

COMPANY BALANCE SHEET
AS AT 30 NOVEMBER 2016

	Note		2016 £000		2015 £000
Fixed assets					
Investments	13		**1,162**		*1,162*
			1,162		*1,162*
Current assets					
Debtors: amounts falling due within one year	14	**457**		*318*	
		457		*318*	
Creditors: amounts falling due within one year	15	**(1,291)**		*(211)*	
Net current (liabilities)/assets			**(834)**		*107*
Total assets less current liabilities			**328**		*1,269*
Creditors: amounts falling due after more than one year	16		**(1,163)**		*(1,163)*
Net (liabilities)/assets			**(835)**		*106*
Capital and reserves					
Called up share capital	20		**3**		*3*
Share premium account	21		**101**		*101*
Profit and loss account	21		**(939)**		*2*
			(835)		*106*

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 July 2017.

R Williams
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2016

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 December 2014	**3**	**100**	**(8,406)**	**(8,303)**
Comprehensive income for the year				
Loss for the year	-	-	(8,426)	(8,426)
Foreign exchange on consolidation	-	-	(66)	(66)
Total comprehensive income for the year	-	-	(8,492)	(8,492)
Shares issued during the year	-	1	-	1
At 1 December 2015	**3**	**101**	**(16,898)**	**(16,794)**
Comprehensive income for the year				
Loss for the year	-	-	(24,054)	(24,054)
Foreign exchange on consolidation	-	-	2,737	2,737
Total comprehensive income for the year	-	-	(21,317)	(21,317)
At 30 November 2016	**3**	**101**	**(38,215)**	**(38,111)**

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2016

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 December 2014	3	100	1	104
Comprehensive income for the year				
Profit for the year	-	-	1	1
Total comprehensive income for the year	-	-	1	1
Contributions by and distributions to owners				
Shares issued during the year	-	1	-	1
At 1 December 2015	3	101	2	106
Comprehensive income for the year				
Loss for the year	-	-	(941)	(941)
Total comprehensive income for the year	-	-	(941)	(941)
At 30 November 2016	3	101	(939)	(835)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 NOVEMBER 2016

	Note	2016 £000	2015 £000
Cash flows from operating activities			
Loss for the financial year		**(24,054)**	*(8,426)*
Adjustments for:			
Amortisation of intangible assets		**9,561**	*7,483*
Depreciation of tangible assets		**565**	*608*
Interest charge		**17,527**	*15,315*
Taxation charge		**693**	*1,760*
Decrease in stocks		**-**	*55*
(Increase) in debtors		**(1,397)**	*(1,807)*
Increase/(decrease) in creditors		**5,818**	*(965)*
Corporation tax (paid)		**(1,964)**	*(599)*
Foreign exchange variance on bank loan		**10,587**	*(5,573)*
Net cash generated from operating activities		**17,336**	*7,851*
Cash flows from investing activities			
Purchase of intangible fixed assets		**(1,767)**	*(551)*
Purchase of tangible fixed assets		**(193)**	*(187)*
Sale of tangible fixed assets		**35**	*56*
Purchase of subsidiaries (net of cash acquired)	22	**(11,578)**	*-*
Net cash from investing activities		**(13,503)**	*(682)*

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2016

	Note	2016 £000	2015 £000
Cash flows from financing activities			
Issue of ordinary shares		-	3
New secured loans		10,054	20
Repayment of finance leases		-	(12)
Interest paid		(3,106)	(2,144)
Net cash used in financing activities		6,948	(2,133)
Net increase in cash and cash equivalents	24	10,781	5,036
Cash and cash equivalents at beginning of year		8,367	3,331
Foreign exchange gains and losses		171	-
Cash and cash equivalents at the end of year		19,319	8,367
Cash and cash equivalents at the end of year comprise:			
Cash at bank and in hand		19,319	8,367
		19,319	8,367

1. General information

The company is a private company (registered number 09044731) limited by shares and is incorporated in England.

The address of its registered office is Priors Way, Maidenhead, Berkshire SL6 2HP.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

These financial statements are the first annual financial statements of the company and the group prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The last financial statements prepared under previous UK GAAP were for the year ended 30 November 2015. The last financial statements prepared under previous UK GAAP were for the year ended 30 November 2015. The first date at which FRS 102 was applied was 1 December 2014. In accordance with FRS 102 the company has:

- provided comparative information;
- applied the same accounting policies throughout all periods presented;
- retrospectively applied FRS 102 as required; and
- applied certain optional exemptions and mandatory exceptions as applicable for first time adopters of FRS 102.

The transition to FRS 102 has not resulted in any adjustments to comparative information or changes in equity.

The parent company has taken advantage of the exemptions available under FRS 102 not to present a company statement of cash flows and not to disclose key management personnel compensation.

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 December 2015.

2. Accounting policies (continued)

2.3 Going concern

Subsequent to the year end, the company was acquired by a subsidiary of Solera Global Holding Corp, a company registered in Delaware, USA and the Group's borrowings were repaid from the proceeds of a capital contribution.

The directors are 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.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

For subscription sales, revenue is spread over the contract period on a straight line basis. Where a contract has only been partially completed at the balance sheet date, revenue represents the fair value of the service provided to date based on the stage of completion of the contract as at year end. Where customers are invoiced in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

For non-subscription sales of data, revenue is recognised in full at the point at which data is provided to the customer.

2.5 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the administrative expenses within the consolidated statement of comprehensive income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

2. Accounting policies (continued)

2.5 Intangible assets (continued)

Customer relationships	-	10 years, straight line
Software	-	3 - 5 years, straight line
Goodwill	-	10 to 20 years, straight line
Business names	-	5 years, straight line

The useful lives of goodwill and customer relationships reflect the average period over which existing customers are expected to remain as customers and the life of the software reflects the periods over which the software is expected to be used. The business name is amortised over the life of the associated software.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Short-term leasehold property	- Over the period of the lease
Motor vehicles	- 4 years, straight line
Office equipment	- 4 years, straight line
Computer equipment	- 4 years, straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of comprehensive income.

2.7 Investments in subsidaries

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 Financial instruments

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

Financial instruments are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the contractual rights to the cash flows from the asset expire or are settled and financial liabilities when the liability is extinguished.

2. Accounting policies (continued)

2.8 Financial instruments (continued)

Financial assets

Basic financial assets, including trade and other receivables, and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Basic financial assets are subsequently carried at amortised cost using the effective interest method.

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

Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow Group companies, debenture loans and other loans are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Basic financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Any fees paid on the establishment of loan facilities recognised as transaction costs of the loan.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are initially recognised at fair value and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit and loss.

2.9 Foreign currency translation

Functional and presentation currency

The Company's and Group's functional and presentational currency is Sterling.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2. Accounting policies (continued)

2.10 Finance costs

Finance costs are charged to the consolidated statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the consolidated statement of comprehensive income on a straight line basis over the lease term.

2.12 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

2.13 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

2.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the consolidated statement of comprehensive income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

2. Accounting policies (continued)

2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the consolidated statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.16 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in conformity with generally accepted accounting practice required management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the period.

Critical judgements in applying the Group's accounting policies

Identification of acquired subsidiaries' intangible assets
Acquisition accounting requires that assets and liabilities acquired on business combinations, including intangible assets, be identified and, if required by accounting standards, recognised at their fair value in the accounting records.

In the judgement of the directors, the only items that are required to be recognised on business combinations arising in the year are customer relationships, computer software sold to customers and trade names relating to that software. Trade names already associated with the Group are assumed to have no value on the combinations.

Impairment indicators
The carrying value of fixed assets are required to be subject to an impairment review if there are indicators of impairment. In the judgment of the directors, there were no impairment indicators in the period and thus no requirement to undertake an impairment review. In particular, there were no indicators that the economic performance (operating results and cash flows) of the cash generating units are, or are forecast to be, worse than expected on acquisition.

Key accounting estimates and assumptions

Useful life of goodwill
Goodwill is to be amortised over its useful life, which management have assessed as being 10 years for goodwill associated with the purchase of distributors and 20 years for goodwill relating to the core business. These estimates are primarily based on the expected life of the customer bases.

Useful life of other fixed assets
The group has both intangible and tangible fixed assets, depreciated over their useful lives, as described above. The estimate of useful lives are based upon management's experience of the assets' lives through previous trading activity and, in the case of customer relationships, historic customer retention rates.

Fair values on the acquisition of subsidiaries
The fair value of intangible assets acquired on the business combinations in the year involved the use of valuation techniques and estimates. The most significant estimates were future revenues, customer attrition rates, EBITDA (for customer relationships), royalty rates (for software and business names), and useful lives. The valuation techniques also require the adoption of appropriate discount rates.

Fair value of forward currency contract
The forward currency contract was valued by the issuing bank using a valuation technique and the directors have no details as to the underlying inputs to the valuation model used. However, the inputs to such a valuation model will typically include forward exchange rates, expected interest rates and the life of the contract.

4. Revenue

Analysis of turnover by country of destination:

	2016 £000	2015 £000
United Kingdom	**7,674**	*7,167*
Rest of the European Union	**21,857**	*15,717*
Rest of the world	**4,195**	*2,630*
	33,726	*25,514*

All revenue related to the provision of data and services.

5. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2016 £000	2015 £000
Depreciation of tangible fixed assets	**565**	*608*
Amortisation of intangible assets, including goodwill	**9,561**	*7,483*
Exchange differences	**8,231**	*(4,928)*
Defined contribution pension cost	**600**	*576*
Auditor's remuneration - audit fees	**74**	*57*
Auditor's remuneration - non-audit fees	**135**	*113*
Operating lease payments		
- minimum lease payments	**344**	*173*

NOTES TO THE FINANCIAL STATEMENTS
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6. Employees

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

	2016 £000	*2015* *£000*
Wages and salaries	**10,189**	*8,665*
Social security costs	**1,590**	*994*
Cost of defined contribution scheme	**600**	*576*
	12,379	*10,235*

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

	2016 No.	*2015* *No.*
Production	**90**	*96*
Selling	**70**	*53*
Administration	**41**	*38*
	201	*187*

The total key management remuneration for the year was £1,139,000 (2015 - £938,000). This total figure includes £95,000 employers' national insurance contributions (2015 - £74,000).

7. Directors' remuneration

	2016 £000	*2015* *£000*
Directors' emoluments	**850**	*776*
Directors pension costs	**83**	*72*
	933	*848*

During the year retirement benefits were accruing to 4 directors *(2015 - 4)* in respect of defined contribution pension schemes.

The highest paid director received remuneration of £239,000 *(2015 - £196,000)*.

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £25,000 *(2015 - £24,000)*.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2016

8. Interest receivable

	2016 £000	2015 £000
Other interest receivable	8	7
	8	7

9. Interest payable and similar charges

	2016 £000	2015 £000
Bank interest payable	3,106	2,395
Other loan interest payable	14,422	12,920
	17,528	15,315

10. Taxation

	2016 £000	2015 £000
Corporation tax		
Current tax on profits for the year	(26)	1,646
Adjustments in respect of previous periods	(288)	(189)
	(314)	1,457
Foreign tax		
Foreign tax on income for the year	1,054	288
Total current tax	740	1,745
Deferred tax		
Origination and reversal of timing differences	(73)	15
Taxation on profit on ordinary activities	667	1,760

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than *(2015 - higher than)* the standard rate of corporation tax in the UK of 20% *(2015 - 20.33%)*. The differences are explained below:

	2016 £000	*2015* *£000*
Loss on ordinary activities before tax	**(23,388)**	*(6,666)*
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.33%)	**(4,678)**	*(1,355)*
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	**1,714**	*1,504*
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**2,086**	*1,718*
Higher rate taxes on overseas earnings	**271**	*62*
Adjustments to tax charge in respect of prior periods	**(277)**	*(189)*
Unrelieved tax losses carried forward	**1,805**	*20*
Research and development tax credits	**(254)**	*-*
Total tax charge for the year	**667**	*1,760*

Under the thin capitalisation rules, a percentage of certain of the Group's interest payments is not allowable as a tax deduction and expenses not deductible for tax purposes mainly comprises of such loan interest.

Factors that may affect future tax charges

Future tax charges will continue to be increased by the disallowance of a percentage of certain of the Group's interest payments for tax purposes.

11. Intangible assets

Group and Company

	Customer relation - ships £000	Software £000	Business names £000	Goodwill £000	Total £000
Cost					
At 1 December 2015	-	552	-	148,031	148,583
Additions	783	984	-	-	1,767
On acquisition of subsidiaries	5,055	424	70	10,388	15,937
Foreign exchange movement	972	99	15	2,090	3,176
At 30 November 2016	6,810	2,059	85	160,509	169,463
Amortisation					
At 1 December 2015	-	83	-	11,314	11,397
Charge for the year	603	371	16	8,571	9,561
Foreign exchange movement	27	16	1	59	103
At 30 November 2016	630	470	17	19,944	21,061
Net book value					
At 30 November 2016	6,180	1,589	68	140,565	148,402
At 30 November 2015	*-*	*469*	*-*	*136,717*	*137,186*

The customer relationships relate to the estimated value of customer relationships existing as at the date of acquisition of subsidiaries or to the cost of such relationships acquired. The most significant component relates to customers of Autodata Fr SAS, which has a net book value of £4,431,000 and a remaining life of 9 years. (See also note 22).

12. Tangible fixed assets

Group

	Short-term leasehold property £000	Motor vehicles £000	Office equipment £000	Computer equipment £000	Total £000
Cost					
At 1 December 2015	3,227	98	593	760	4,678
Additions	25	-	89	79	193
Acquisition of subsidiaries	-	-	122	-	122
Disposals	-	-	(44)	-	(44)
Exchange adjustments	3	(6)	61	-	58
At 30 November 2016	3,255	92	821	839	5,007
Depreciation					
At 1 December 2015	2,584	74	551	476	3,685
Charge for the year on owned assets	378	11	40	136	565
Disposals	-	-	(9)	-	(9)
Exchange adjustments	(1)	(9)	32	-	22
At 30 November 2016	2,961	76	614	612	4,263
Net book value					
At 30 November 2016	294	16	207	227	744
At 30 November 2015	*643*	*24*	*42*	*284*	*993*

13. Fixed asset investments

The following were subsidiary undertakings of the Company:

Subsidiary undertakings

Name	Country of incorporation	Principal activity
Emperor 2 Limited	Great Britain	Holding company
Emperor 2 (Midco) Limited	Great Britain	Holding company
Emperor 3 Limited	Great Britain	Holding company
Autodata Publishing Group Limited	Great Britain	Holding company
Autodata Limited	Great Britain	Provision of data
Autodata Information Services Limited	Great Britain	Holding Company
Autodata Oy Nordic	Finland	Distribution
Autodata Fr SAS (formerly Société Française de Techniques Automobiles SAS)	France	Distribution and services
Autodata Australia PTY Limited	Australia	Distribution
Autodata Publishing Inc	United States	Distribution
SAS Autodata	France	Service company

All subsidiaries are wholly owned.

Emperor 2 Limited is a direct subsidiary; the others are indirect subsidiaries.

Company

	Loans to subsidiaries £000
Cost or valuation	
At 1 December 2015	**1,162**
At 30 November 2016	**1,162**
Net book value	
At 30 November 2016	**1,162**
At 30 November 2015	*1,162*

14. Debtors

	Group 2016 £000	*Group 2015 £000*	Company 2016 £000	*Company 2015 £000*
Trade debtors	11,584	*7,175*	-	-
Amounts owed by group undertakings	-	-	457	*318*
Other debtors	66	*28*	-	-
Prepayments and accrued income	648	*734*	-	-
Corporation tax	1,121	-	-	-
Deferred taxation	-	*461*	-	-
	13,419	*8,398*	457	*318*

15. Creditors: Amounts falling due within one year

	Group 2016 £000	*Group 2015 £000*	Company 2016 £000	*Company 2015 £000*
Trade creditors	983	*298*	-	-
Amounts owed to group undertakings	-	-	421	-
Corporation tax	762	*812*	-	-
Other taxation and social security	910	*199*	-	-
Other creditors	2,292	*106*	-	-
Accruals and deferred income	44,653	*26,687*	870	*211*
Current Provision	377	-	-	-
Financial instruments	2,644	-	-	-
	52,621	*28,102*	1,291	*211*

Provision

A subsidiary has agreed with its landlord to reinstate its premises to the original condition at the end of the lease term. The exact liability will be dependent upon 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.

This was transferrred from long term liabilities in the current financial year.

16. Creditors: Amounts falling due after more than one year

	Group 2016 £000	*Group 2015 £000*	**Company 2016 £000**	*Company 2015 £000*
Debentures loans	**55,229**	*53,177*	**1,163**	*1,163*
Bank loans	**64,887**	*44,246*	**-**	*-*
Other loans	**45,977**	*45,837*	**-**	*-*
	166,093	*143,260*	**1,163**	*1,163*

Bank loan
The Group's bank facilities comprise a loan of €77,313,000 (2015 - €64,313,000), which has been fully drawn, and an undrawn revolving facility of £3,000,000 (2015 - undrawn 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 between 4% and 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.

The Group has entered into an interest rate cap arrangement covering the period to 30 September 2017; under the arrangement, the effective maximum interest rate is 1% plus the margin.

Loan notes
The loan notes are unsecured and bear interest at a rate of 12% per annum, calculated daily. Interest accrues to 22 May 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 22 May 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.

Post year end repayment
All long term borrowings were repaid after the year end.

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17. Financial instruments

	Group 2016 £000	*Group 2015 £000*	Company 2016 £000	*Company 2015 £000*
Financial assets				
Financial assets that are debt instruments measured at amortised cost	**11,650**	*7,204*	**1,619**	*1,480*
	11,650	*7,204*	**1,619**	*1,480*
Financial liabilities				
Derivative financial instruments measured at fair value through profit or loss held as part of a trading portfolio	**(2,644)**	-	-	-
Financial liabilities measured at amortised cost	**(203,735)**	*(164,953)*	**(2,454)**	*(1,374)*
	(206,379)	*(164,953)*	**(2,454)**	*(1,374)*

Financial assets that are debt instruments measured at amortised cost comprise of trade debtors, other debtors and amounts owed by group companies.

Derivative financial liabilities measured at fair value through profit or loss held as part of a trading portfolio relates to a forward currency contract. The contract was valued by the issuing bank using a valuation technique and the directors have no details as to the underlying inputs to the valuation model used. The loss arising on the contract is shown on the face of the consolidated statement of comprehensive income.

Financial liabilities measured at amortised cost comprise of accruals, trade creditors, other creditors, bank loans, loan notes, other loans and, for the company, amounts owed to group companies. Interest charges on the loans and other loans are as shown in note 9.

18. Deferred taxation

Group

	2016 £000	*2015* *£000*
At beginning of year	461	*517*
Charged to profit or loss	73	*(15)*
Arising on business combinations	(1,576)	*-*
Utilised in year	(239)	*(41)*
At end of year	**(1,281)**	*461*

The deferred taxation balance is made up as follows:

	Group 2016 £000	*Group* *2015* *£000*
Accelerated capital allowances	(78)	*65*
Acquired intangible assets	(1,821)	*-*
Other short term differences	617	*396*
	(1,282)	*461*

The net deferred tax reversal for the coming year will result in a charge of £397,000 (2016 – charge - £461,000). The reversal primarily relates to the release of deferred income and amortisation of acquired intangible assets (2015 - release of deferred income); it is expected that more deferred income will be generated in the coming year, leading to the creation of a new deferred tax asset which will reduce the deferred tax charge.

Deferred tax assets are calculated based on tax rates of between 17% and 33% (2015 – 20% and 30%) which reflect the future tax rates in the territories where the deferred tax arises.

19. Provisions

Group

	Dilapidation provision £000
At 1 December 2015	377
Provision transfer to current liabilities	(377)
At 30 November 2016	**-**

20. Share capital

	2016 £	*2015 £*
Shares classified as equity		
Allotted, called up and fully paid		
79,044 *(2015 - 79,000)* A ordinary shares of £0.01 each	790	*790*
956 (2015 - 956) B ordinary shares of £0.10 each	96	*96*
14,430 (2015 - 14,430) C ordinary shares of £0.10 each	1,443	*1,443*
4,720 (2015 - 4,720) D ordinary shares of £0.10 each	472	*472*
	2,801	*2,801*

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 pasu as regards the rights to dividends.

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.

Capital contribution

Post year end, capital contributions of £191 million in total were received by the company and two of its subsidiaries from the Group's new owner. The capital contributions are repayable at the option of recipient Companies and bear no interest. As such, they are classed as equity rather than debt.

21. Reserves

Share premium account

The share premium reserve contains the premium arising on issue of equity shares, net of of issue expenses. There has been no movement in the current year as no new shares have been issued.

Profit and loss account

The profit and loss account relates to the cumulative retained earnings, including amounts recognised through other comprehensive income, less amounts distributed to shareholders.

22. Business combinations

Acquisition of Autodata Fr SAS (formerly Société Française de Techniques Automobiles SAS)

Autodata Fr SAS acts as a distributor of Autodata products in France and also develops and sells a garage management system. The Group took control of the company on 4 December 2015 when it acquired 100% of the equity.

The business combination has been accounted for using the acquisition method.

22. Business combinations (continued)

	Book value £000	Fair value adjustment £000	Fair value £000
Tangible	122	-	122
Intangible	3	4,560	4,563
	125	4,560	4,685
Current assets			
Debtors	2,122	-	2,122
Cash at bank and in hand	204	-	204
Total assets	(2,451)	(4,560)	(7,011)
Creditors			
Due within one year	(2,719)	-	(2,719)
Deferred tax on differences between fair value and tax bases	-	(1,520)	(1,520)
Fair value of net assets	268	(3,040)	(2,772)
Goodwill	9,382	-	9,382
Total purchase consideration	9,114	3,040	12,154
Total purchase consideration comprises			
Cash consideration, including acquisition costs	7,744	3,040	10,784
Deferred consideration	1,370	-	1,370
	9,114	3,040	12,154
Purchase consideration settled in cash	10,784	-	10,784
Cash and cash equivalents in subsidiary acquired	(204)	-	(204)
Cash outflow on acquisition	10,580	-	10,580

The fair value adjustments relate to the valuation of intangible assets recognised on acquisition but not in the entity's own financial statements.

The goodwill is being amortised over 10 years, which reflects the average period over which existing customers are expected to remain as customers. The deferred consideration was paid in December 2016.

22. Business combinations (continued)

The results of Autodata Fr SAS (formerly Société Française de Techniques Automobiles SAS) since its acquisition are as follows:

	Current period since acquisition £000
Turnover	4,252
Profit for the year	961

Business combinations (continued)

Acquisition of Autodata Oy Nordic

Autodata Oy Nordic acts as a distributor of Autodata products in Finland. The Group took control of the company on 29 January 2016 when it acquired 100% of the equity.

The business combination has been accounted for using the acquisition method.

	Book value £000	Fair value adjustment £000	Fair value £000
Intangible	-	*986*	*986*
	-	*986*	*986*
Current assets			
Debtors	**110**	*530*	*640*
Cash at bank and in hand	**490**	-	*490*
Total assets	**(600)**	*(1,516)*	*(2,116)*
Creditors			
Due within one year	**(173)**	*(1,033)*	*(1,206)*
Deferred tax on differences between fair value and tax bases	-	*(197)*	*(197)*
Fair value of net assets	**(427)**	*(286)*	*(713)*
Goodwill	**1,006**	-	*1,006*
Total purchase consideration	**1,433**	*286*	*1,719*
Total purchase consideration comprises			
Cash consideration, including intangible costs	**1,203**	*286*	*1,489*
Deferred consideration	**230**	-	*230*
	1,433	*286*	*1,719*
Purchase consideration settled in cash	**1,489**	-	*1,489*
Cash and cash equivalents in subsidiary acquired	**(490)**	-	*(490)*
Cash outflow on acquisition	**999**	-	*999*

Business combinations (continued)

The goodwill is being amortised over 10 years which reflects the average period over which existing customers are expected to remain as customers. The deferred consideration was paid in May 2017.

The fair value adjustments relate to the valuation of intangible assets recognised on acquisition but not in the entity's own financial statements, and the deferral of income and associated costs, in accordance with the Group's accounting policy.

Details of the post acquisition trading are not presented as the results of Autodata Oy Nordic are not material to the group.

23. 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.

24. Significant non-cash items

Significant non-cash items comprise interest charges of £14,422,000 (2015 - £12,920,000) which are accrued or settled by way of the issue of additional loans.

25. Commitments under operating leases

At 30 November 2016 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2016 £000	*Group 2015 £000*
Not later than 1 year	**253**	*251*
Later than 1 year and not later than 5 years	**535**	*139*
	788	*390*

26. Related party transactions

Transactions with directors

The loan notes issued by the company are held by certain directors. Interest payable by the company to the loan note holders was £140,000 (2015 - £139,000); such interest is accrued, but not paid.

As at 30 November 2016, the following balances were due to the directors:

		2016		*2015*
	Loan notes	**Accrued interest**	**Loan notes**	*Accrued interest*
	£000	**£000**	**£000**	*£000*
R Williams	**493**	**149**	**493**	*90*
M Trepte	**444**	**134**	**444**	*81*
D Barr	**206**	**63**	**206**	*38*
R Keane	**20**	**4**	**20**	*1*

Transactions with controlling parties

As at 1 December 2016 the group owed capital of £100,637,000 (2015 - £99,107,000) and accrued interest of £29,321,000 (2015 - £16,901,00) to entities controlled by Five Arrows Manager S.á.r.l and Bowmark Capital LLP, which also control the company. Interest of £13,950,000 (2015 - £12,501,000) has been accrued in respect of the loans. Interest of £1,530,000 (2015 - £1,105,000) was settled by way of the issue of new loans in the year.

27. Controlling party

As at the year end, the majority of the shares of the company were owned by private equity funds managed by Five Arrows Manager S.á.r.l. (a company registered in Luxembourg) and private equity funds managed by Bowmark Capital LLP. The two management companies had joint control of the company through their management of the A shares of the company and through a shareholder agreement.

Subsequent to the year end, the company was acquired by HPI Holding Limited, a company incorporated in England. That company is a wholly owned subsidiary of Solera Global Holding Corp, a company registered in Delaware, USA.

Solera Global Holding Corp is majority owned by Vista Equity Partners Fund V LP, a limited partnership established in Delaware USA. The partnership is ultimately controlled by Robert F. Smith, a US resident and the sole Managing Member of VEP Group, LLC, which is the Senior Managing Member of Vista Equity Partners Fund V GP, LLC, which in turn is the sole general partner of Vista Equity Partners Fund V LP.