

CALLCREDIT INFORMATION GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 December 2017

(Registered Number 04968328)



CALLCREDIT INFORMATION GROUP LIMITED

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STRATEGIC REPORT

The directors, in preparing this Strategic report, have complied with s414C of the Companies Act 2006.

The directors present their report and the audited financial statements for the year ended 31 December 2017.

The Business Model

The company is a holding company for subsidiaries as per note 10 of the notes to the financial statements.

Callcredit Information Group Limited (the "Company") and its subsidiaries (the "Group") operate as an integrated provider of credit data and software analytics, fraud and identity solutions and marketing services. The business operates through three business divisions: Credit Solutions, which is a leading UK credit reference agency, provides credit referencing and other related services to help institutional customers manage their customers across the credit lifecycle; Software Analytics & Fraud, which provides multi bureau decisioning software, fraud and identity solutions, and Marketing Solutions, which supplies marketing data, database hosting, marketing fulfilment and digital marketing services.

Objectives and Strategies

Callcredit Information Group Limited and its subsidiaries operate in market segments which offer significant growth opportunities, driven by multiple trends including new demand for credit and data analytics in industry segments outside traditional lending, increased demand for fraud and identity verification products, driven by the growth in e commerce and as the prevalence of identity theft and cybercrime rises, and changing regulatory and competitive market dynamics. Against these growth opportunities, we are continuing to invest to further differentiate our data assets, and to develop software and analytics solutions which accentuate these data assets and help improve decision making. In addition to the continued development of the core UK business, the Group is extending its international business, both through organic development and acquisitions.

Crown Acquisition Topco Limited, was the Company's ultimate UK parent undertaking as at and for the period ended 31 December 2017. On 19th June 2018, Vail Holdings UK Limited (part of the TransUnion group of companies) acquired the entire share capital of Crown Acquisition Topco Limited.

Principal Risks and Uncertainties

In operating its business and strategy, the Group is exposed to a number of inherent risks. As part of a group wide risk management framework, the Board has implemented robust procedures for the assessment, management and reporting of risks. This includes periodic review of the key risks and the effectiveness of controls and processes in place to manage those risks. The principal risks faced by the Company are summarised below:

- The Group faces exposure to both UK and broader global economic cycles and events which may trigger adverse market conditions resulting in reduced demand for the Group's products and services impacting financial performance. The outlook for the UK economy faces additional uncertainty arising from the UK's ongoing planned withdrawal from the European Union.
- The Group operates in a competitive market and faces the risk of increasing competition from both new and established market participants. Competitors may erode the Group's position and share of the market through development of superior products and services to the Group, lower pricing and more effective go to market strategies.
- The Group's business model is dependent upon the integrity of data assets which are maintained on the Group's IT systems, and related analytics and software tools which deliver products and services to customers. As such the business is at risk from cyber attacks, either directly or through business partners, which may result in breaches of IT security, loss or misuse of data, or otherwise compromise solutions and services provided to customers, and reputational damage.
- The Group is dependent on its IT environment to deliver products and services to customers. The business faces the risk that this environment may not be sufficiently resilient or flexible to support changing customer requirements, changes in technology, or increasing scale and volumes driven by the expansion of the business.
- Through the strength of its products and services, the Group has successfully grown a number of key customer relationships with the result that a small number of total customers account for a large share of overall sales and profits. Loss of these customers, either to Competitors or a significant curtailment of the trading relationships, would have a material impact on the financial performance of the business.
- People at the Group are critical to its ability to meet the needs of its customers and achieve its goals as a business. Failure to attract or retain suitable employees across the business could limit the Group's ability to deliver its business plan commitments.

STRATEGIC REPORT (CONTINUED)

Principal Risks and Uncertainties (continued)

- The Group operates in an increasingly complex environment and is regulated by the Financial Conduct Authority ("FCA") and the Information Commissioners Office ("ICO") and is subject to a significant and comprehensive set of rules and regulations. Those rules and regulations (and any changes in the interpretation of them) could impact how the Group operates. As a processor of personal data, the Group is subject to UK data protection legislation, and the new General Data Protection Regulation ("GDPR") which came into effect from 25th May 2018. Compliance with GDPR is overseen by ICO. Both the FCA and ICO have significant enforcement powers, which if exercised, could impact the Group's ability to access and process data, could require the Group to modify its products and services and could result in an increase in its operational costs and/or a reduction in its revenue.

The Group manages the above risks through a wide range of actions including ongoing monitoring of the economic and competitive market environment, ongoing assessment and investment in IT security and infrastructure, maintenance of business continuity plans, investments in new products, people and technologies to ensure our products and services remain competitive and differentiated, and focus on customer service and delivery, to ensure that we are able to effectively meet or exceed the objectives of our customers. The effectiveness of these actions is monitored on an ongoing basis, and plans varied to meet changing requirements of the business.

Activities in Research and Development

The Group undertakes significant research and development activities in the area of software and database development, where new products are developed in order to provide innovative solutions and services to its customers ahead of its competitors.

Corporate and Social Responsibility

The Group has a significant investment in its corporate and social responsibility. The group takes measures to reduce the carbon footprint, including promoting recycling and energy efficiency. The group also has a strong interest in local and national charities, with £27k (2016: £28k) donated to charity during the period by the group, as well as motivating staff to take part in charitable events and enjoying a healthy lifestyle.

The Group looks to provide rewarding and progressive careers for all of its staff, with wide ranging training initiatives and promotion opportunities offered wherever possible. The levels of staff retention and satisfaction provide the most effective measure of such initiatives, and are monitored on a regular basis.

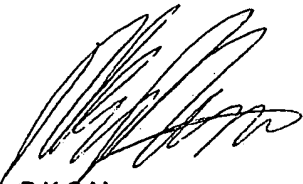
Going Concern Basis

The financial forecasts prepared by the directors continue to show the Group increasing revenues and profits, while continuing to generate cash to meet its financial obligations and continue to enable it to invest in the broader development of the business and its products and infrastructure.

The Directors have a reasonable expectation that the company has adequate resources to trade profitably for the foreseeable future and therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

Approval

This report was approved by the board of directors on 27 September 2018 and signed on its behalf by:



R K C Munro
Director

27 September 2018

DIRECTORS' REPORT

Directors

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

Mr R K C Munro
Mr M J Gordon

Private equity ownership and board composition

R K C Munro and M J Gordon are also directors of the Company's immediate parent undertaking, Crown Acquisition Bidco Limited.

Dividends

Dividends of £nil were paid during the year (2016: £16.0m). The directors recommend the payment of a final dividend of £nil (2016: £nil).

Post balance sheet event

The Company is a subsidiary of Crown Acquisition Topco Limited, which is the largest and smallest group in which the results of the Company are consolidated (the "Group"), and which for the period ended the 31 December 2017 was the ultimate parent company incorporated in England & Wales. On 19th June 2018, Vail Holdings UK Limited (part of the TransUnion group of companies) acquired the entire share capital of Crown Acquisition Topco Limited.

Employee Consultation

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Company.

Disabled Employees

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Policy and practice on payment of creditors

The Company's policy concerning the payment of suppliers is to agree terms of payment in advance and to make payment in accordance with agreed terms and any other legal obligations. At 31 December 2017, there were 20 days (2016: 16 days) purchases in trade creditors.

Disclosure of information to Auditor

The directors who held office at date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.


DIRECTORS' REPORT (CONTINUED)

Political and charitable contributions

Political contributions amounted to £nil (2016: £nil) during the year. The Group made donations to UK charities amounted to £27k (2016: £28k).

By order of the board

R K C Munro
Director
One Park Lane
Leeds
LS3 1EP


27 September 2018

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual 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 they have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU) and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CALLCREDIT INFORMATION GROUP LIMITED

We have audited the financial statements of Callcredit Information Group Limited ("the Company") for the year ended 31 December 2017 which comprise the Statement of Profit and Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Cash Flow Statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the EU; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and directors' report and, in doing so, consider whether, based on our financial statement audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CALLCREDIT INFORMATION GROUP LIMITED
(CONTINUED)**

Auditors' responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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 opinion we have formed.



Mike Barradell (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA
27 September 2018

CALLCREDIT INFORMATION GROUP LIMITED

Statement of Profit and Loss and Other Comprehensive Income

FOR THE YEAR ENDED 31 DECEMBER 2017

	<i>Note</i>	2017 £000	2016 £000
Other operating income	2	-	5,452
Administrative expenses		(13,452)	(6,396)
Operating loss	3	(13,452)	(944)
Financial income	5	4,400	3,282
Financial expense	5	(1,821)	(1,173)
Net financing income/(expense)		2,579	2,109
Profit/(loss) before tax		(10,873)	1,165
Tax credit	6	1,921	706
Profit/(loss) for the year		(8,952)	1,871
Total comprehensive income/(loss) for the year		(8,952)	1,871

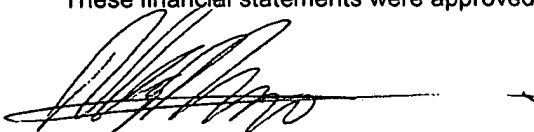
The notes on pages 12 to 24 form part of these financial statements.

Statement of Financial Position

AS AT 31 DECEMBER 2017

	Note	2017 £000	2016 £000
Non-current assets			
Investments in subsidiary undertakings	7	95,337	100,249
		<u>95,337</u>	<u>100,249</u>
Current assets			
Trade and other receivables	8	60,762	104
Cash and cash equivalents	9	41	1,125
		<u>60,803</u>	<u>1,229</u>
Total assets		<u><u>156,140</u></u>	<u><u>101,478</u></u>
Current liabilities			
Trade and other payables	10	147,346	79,067
Tax payable	6	37	-
		<u>147,383</u>	<u>79,067</u>
Non-current liabilities			
Trade and other payables	10	-	4,702
		<u>-</u>	<u>4,702</u>
Total liabilities		<u><u>147,383</u></u>	<u><u>83,769</u></u>
Equity			
Share capital	11	667	667
Share premium		900	900
Capital redemption reserve		12,433	12,433
Retained earnings		(5,243)	3,709
		<u>8,757</u>	<u>17,709</u>
Total equity		<u><u>8,757</u></u>	<u><u>17,709</u></u>
Total equity and liabilities		<u><u>156,140</u></u>	<u><u>101,478</u></u>

These financial statements were approved by the board of Directors on 27 September 2018 and signed on its behalf by:



R K C Munro
Director

Company Registration Number: 04968328

The notes on pages 12 to 24 form part of these financial statements

Statement of Changes in Equity

	Share capital £000	Share premium £000	Capital redemption reserve £000	Retained earnings £000	Total equity £000
Balance at 1 January 2016	667	900	28,433	1,838	31,838
Total comprehensive income for the year					
Profit for the year	-	-	-	1,871	1,871
Total comprehensive income for the year	-	-	-	1,871	1,871
Transactions with owners, recorded directly in equity					
Capital reduction	-	-	(16,000)	16,000	-
Dividends	-	-	-	(16,000)	(16,000)
Total comprehensive income for the year	-	-	(16,000)	-	(16,000)
Balance at 31 December 2016	667	900	12,433	3,709	17,709

	Share capital £000	Share premium £000	Capital redemption reserve £000	Retained earnings £000	Total equity £000
Balance at 1 January 2017	667	900	12,433	3,709	17,709
Total comprehensive income for the year					
Loss for the year	-	-	-	(8,952)	(8,952)
Total comprehensive income for the year	-	-	-	(8,952)	(8,952)
Balance at 31 December 2017	667	900	12,433	(5,243)	8,757

The notes on pages 12 to 24 form part of these financial statements.

Cash Flow Statement

FOR THE YEAR ENDED 31 DECEMBER 2017

	<i>Note</i>	2017 £000	2016 £000
Cash flows from operating activities			
Profit after tax for the year		(8,952)	1,871
Adjustments for:			
Depreciation, amortisation and impairment		6,397	2,697
Investment revenues		-	(5,452)
Financial income	5	(4,400)	(3,282)
Financial expense	5	1,821	1,173
Tax credit		(1,921)	(706)
		<u>7,055</u>	<u>(3,699)</u>
Decrease / (increase) in trade and other receivables		(50,682)	(31,638)
Increase / (decrease) in trade and other payables		61,520	65,268
Dividends paid		-	(16,000)
Net cash from operating activities		<u>3,783</u>	<u>13,931</u>
Cash flows from investing activities			
Dividends received		-	5,452
Deferred consideration paid		(3,655)	-
Acquisition of subsidiary and associate	7	(1,212)	(23,072)
Net cash from investing activities		<u>(4,867)</u>	<u>(17,620)</u>
Net increase / (decrease) in cash and cash equivalents		<u>(1,084)</u>	<u>(3,689)</u>
Cash and cash equivalents at 1 January 2017		<u>1,125</u>	<u>4,814</u>
Cash and cash equivalents at 31 December 2017	9	<u><u>41</u></u>	<u><u>1,125</u></u>

The notes on pages 12 to 24 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

Callcredit Information Group Limited (the "Company") is a private company incorporated and domiciled in the United Kingdom under the Companies Act and is registered in England and Wales. The registered number is 04968328 and the registered address is One Park Lane, Leeds, LS3 1EP.

The Company financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs").

The Company is exempt from preparing group accounts under CA2006 s400 as the ultimate parent company Crown Acquisition Topco Limited and Crown Acquisition Midco 2 Limited prepare consolidated group accounts.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these group financial statements.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

1.2 Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on page 1.

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future and therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Foreign currency

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to the Group's presentational currency, Sterling, at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions.

Exchange differences arising from this translation of foreign operations are reported as an item of other comprehensive income and accumulated in the foreign currency translation reserve (FCTR) or non-controlling interest, as the case may be. When a foreign operation is disposed of, such that control, joint control or significant influence (as the case may be) is lost, the entire accumulated amount in the FCTR, net of amounts previously attributed to non-controlling interests, is recycled to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while still retaining control, the relevant proportion of the accumulated amount is reattributed to non-controlling interests.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting policies (continued)

1.4 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity, trade and other receivables, cash and cash equivalents, interest-bearing borrowing, and trade and other payables.

Trade and other receivables

Trade and other receivables are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other payables

Trade and other payables are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and are measured at amortised cost.

1.5 Business combinations

Business combinations are accounted for by applying the acquisition method. Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, are expensed as incurred. Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

1.6 Impairment

Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is an indication of impairment. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting policies (continued)

1.7 Impairment (continued)

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that are not yet available for use, the recoverable amount is estimated each year at the same time unless there is a triggering event, in which case it's evaluated at the point the triggering event is identified.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units, or ("CGU"). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.8 Expenses

Financing income and expenses

Financing expenses comprise interest payable and amortised borrowing costs.

Financing income comprise interest receivable on funds invested and dividend income.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the income statement on the date the entity's right to receive payments is established.

1.9 Taxation

Tax on the profit or loss for the year comprises current tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting policies (continued)

1.10 Use of judgements and estimates

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. Management does not deem there to be any significant judgements or assumptions and estimation uncertainties requiring disclosure.

1.11 Adopted IFRS not yet applied

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective:

IFRS 15 Revenue from Contracts with Customers (effective from 1 January 2018); IFRS 9 Financial Instruments (effective from 1 January 2018); IFRS 16 Leases (effective from 1 January 2019); IFRS 17 Insurance Contracts (effective from 1 January 2021); IFRS 10 and IAS 28 (amendments) Sale or contribution of assets between an investor and its associate or joint venture (effective date to be determined).

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Group in future periods.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 Other operating income

	2017 £000	2016 £000
Dividends received	-	5,452
	<u>-</u>	<u>5,452</u>

3 Expenses and auditor's remuneration

Included in profit for the year are the following:

	2017 £000	2016 £000
Investment in subsidiary write off (Note 10)	6,397	2,697
<i>Auditor's remuneration</i>		
Audit of these financial statements	6	6

4 Directors' remuneration

	Group 2017 £000	Group 2016 £000
Remuneration		
Emoluments	<u>1,082</u>	<u>1,274</u>

The aggregate of remuneration and amounts receivable under long term incentive schemes of the highest paid director was £602k (2016: £841k).

The Directors' remuneration above is the full remuneration paid by the subsidiaries of Callcredit Information Group Limited. The work of the Directors' covers various subsidiaries within the Group.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5 Finance Income and expenses

	2017 £000	2016 £000
Finance income		
Unwind of deferred consideration	4,400	3,282
Total finance income	4,400	3,282
	2017 £000	2016 £000
Finance expenses		
Total interest expense on financial liabilities measured at amortised cost	1,821	1,173
Total finance expenses	1,821	1,173

6 Taxation

	2017 £000	2016 £000
Current tax credit		
Group relief receivable	(1,723)	(706)
Adjustments in respect of prior periods	(161)	-
Other tax adjustments	(37)	-
Total tax credit	(1,921)	(706)

Reconciliation of effective tax rate

The current tax charge for the period is lower (2016: higher) than the standard rate of corporation tax in the UK of 19.25% (2016: 20.00%). The differences are explained below:

	2017 £000	2016 £000
Profit/(loss) excluding taxation	(15,273)	1,165
Tax using the UK corporation tax rate of 19.25% (2016: 20.00%)	(2,940)	233
Non taxable income	-	(1,090)
Non-deductible expenses	1,217	-
Under/(over) provided in prior years	(161)	168
Other tax adjustments	(37)	(17)
Group relief surrendered / (claimed)	1,723	706
(Receipt)/transfer for group relief	(1,723)	(706)
Total tax credit	(1,921)	(706)

A reduction in the UK corporation tax rate to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future tax charge accordingly. The deferred tax asset/liability at 31 December 2017 has been calculated based on these rates.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 Investments in subsidiaries and associates

	2017 £000	2016 £000
Cost and Net Book Value		
At start of period	100,249	68,444
Additions	1,485	34,502
Write off	(6,397)	(2,697)
At end of period	95,337	100,249

On 20 June 2017, the Company acquired 51% of the ordinary shares in Confirma Sistemas de Informacion SL ("Confirma Sistemas") for initial consideration of £531k, satisfied in cash. The Company is incorporated in Spain and provides online fraud prevention services which are integral to the credit origination processes of consumer finance providers. The acquisition, which will form part of the Callcredit's Spanish operations, establishes a firm market presence and a platform for further expansion. The Company has agreed to pay the vendors additional consideration of £399k. As at 31 December 2017, £199k of the deferred consideration had been paid. The Company has included £181k as deferred consideration related to the additional consideration, which represents its fair value at the acquisition date.

The Company also acquired 51% of all the ordinary shares in Soluciones Confirma Asnef – Signe S.L. ("Soluciones Confirma") on 20 June 2017 for initial consideration of £351k, satisfied for cash. Soluciones Confirma, an entity incorporated in Spain, is provides online identity verification services to enable customers to comply with anti-money laundering legislation. The acquisition forms part of the Callcredit's Spanish operations, and together with Confirma Sistemas establishes Callcredit in the Spanish market and provides a platform for expansion. The Company has agreed to pay the vendors additional consideration of £263k. As at 31 December 2017, £131k of the deferred consideration had been paid. The Company has included £120k as deferred consideration related to the additional consideration, which represents its fair value at the acquisition date.

At 31 December 2017 the Company held interests in the following principal subsidiary undertakings.

Name of Subsidiary	Principal Business Activity	Type of Shares Held	Proportion of Shares Held (%)	Immediate Parent	Country of Incorporation and Operation
Callcredit Limited	Credit Referencing	Ordinary Shares	100	Callcredit Information Group Limited	England and Wales
Callcredit Marketing Limited	Database Marketing	Ordinary Shares	100	Callcredit Information Group Limited	England and Wales
DecisionMetrics Limited	Scorecard building and data analysis	Ordinary Shares	100	Callcredit Information Group Limited	England and Wales
Process benchmarking limited	Benchmarking Activities	Ordinary Shares	100	Callcredit Information Group Limited	England and Wales
Call@credit plc	Dormant Company	Ordinary Shares	100	Callcredit Information Group Limited	England and Wales
Callcredit Data Solutions Limited	Database Marketing	Ordinary Shares	100	Callcredit Information Group Limited	England and Wales
Latitude Digital Marketing Limited	Internet analytics	Ordinary Shares	100	Callcredit Information Group Limited	England and Wales

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 Investments in subsidiaries (continued)

At 31 December 2017 the Company held interests in the following principal subsidiary undertakings (continued)

Name of Subsidiary	Principal Business Activity	Type of Shares Held	Proportion of Shares Held (%)	Immediate Parent	Country of Incorporation and Operation
Tenant ID Limited	Dormant Company	Ordinary Shares	100	Callcredit Information Group Limited	England and Wales
Callcredit Lead Generation Limited	Lead Generation and Data Broking	Ordinary Shares	100	Callcredit Information Group Limited	England and Wales
GMAP Japan KK	Database Marketing	Ordinary Shares	100	Callcredit Information Group Limited	Japan
Callcredit Operations UAB	Operational Activities	Ordinary Shares	100	Callcredit Information Group Limited	Lithuania
GMAP Marketing Consulting Shanghai Co., Ltd	Marketing Activities	Ordinary Shares	100	Callcredit Information Group Limited	People's Republic of China
Coactiva Limited	Holding company	Ordinary Shares	100	Callcredit Information Group Limited	England and Wales
Callcredit Public Sector Limited	Provision of data analytics and business intelligence	Ordinary Shares	100	Coactiva Limited	England and Wales
Smart Analytics Holdings Limited	Holding company	Ordinary Shares	100	Callcredit Information Group Limited	England and Wales
Smart Analytics Limited	Software Development and Sale	Ordinary Shares	100	Smart Analytics Holdings Limited	England and Wales
Smart Analytical Solutions Limited	Dormant Company	Ordinary Shares	100	Smart Analytics Holdings Limited	England and Wales
Recipero Limited	Fraud and identity protection	Ordinary Shares	100	Callcredit Information Group Limited	England and Wales
Recipero Inc	Operational Activities	Ordinary Shares	100	Callcredit Information Group Limited	United States of America
Immobilise.com Limited	Dormant Company	Ordinary Shares	100	Recipero Limited	England and Wales
Appslock Limited	Dormant Company	Ordinary Shares	100	Recipero Limited	England and Wales
CheckMend Limited	Dormant Company	Ordinary Shares	100	Recipero Limited	England and Wales
Recipero Access B.V.	Mobile Device Fraud and Protection	Ordinary Shares	75	Recipero Limited	Netherlands

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 Investments in subsidiaries (continued)

At 31 December 2017 the Company held interests in the following principal subsidiary undertakings (continued)

Name of Subsidiary	Principal Business Activity	Type of Shares Held	Proportion of Shares Held (%)	Immediate Parent	Country of Incorporation and Operation
Callcredit Spain SLU	Fraud and ID Protection	Ordinary Shares	100	Callcredit Information Group Limited	Spain
Confirma Sistemas de Informacion SL	Fraud and ID Protection	Ordinary Shares	51	Callcredit Information Group Limited	Spain

At 31 December 2017 the Company held interests in the following associates:

Name of Associate	Principal Business Activity	Type of Shares Held	Proportion of Shares Held (%)	Immediate Parent	Country of Incorporation and Operation
Callcredit Consumer Limited	Consumer Credit	Ordinary Shares	19.9	Crown Acquisition Consumer Limited	England and Wales
Soluciones Confirma Asnef – Signe S.L.	Fraud and ID Protection	Ordinary Shares	51	Callcredit Information Group Limited	Spain

The registered office address is One Park Lane, Leeds, LS3 1EP for all entities above, with the exception of the following:

Entity	Registered office address
Callcredit Operations UAB	J. Jasinskio str. 16B, Vilnius, Lithuania
Callcredit Spain SLU	Paseo de la Castellana, 259C, Planta 16N, 28046 Madrid, Spain
Confirma Sistemas de Informacion SL	Avenida de la Industria, 18, 28760 Madrid, Spain
GMAP Japan KK	15/F Cerulean, Tower 26-1, Sakuragaoka-cho, Shibuya-ka, Tokyo, 150-8512, Japan
GMAP Marketing Consulting Shanghai Co., Ltd	Room 1236, 12/F, Chongqing Finance Centre, 288 Nanjing Road (West), Shanghai, People's Republic of China
Recipero Access B.V.	Martinus Nijhofflaan 2, 2624 ES Delft, Netherlands
Recipero Inc	2711 Centreville Road, Suite 400, City of Wilmington, County of New Castle, Delaware 19808
Soluciones Confirma Asnef – Signe S.L	Avenida de la Industria, 18, 28760 Madrid, Spain

The Company holds 25% of voting rights in Soluciones Confirma Asnef – Signe S.L.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8 Trade and other receivables

	2017 £000	2016 £000
Trade receivables due from related parties	21,611	-
Prepayments and accrued income	178	43
Other receivables	43	61
VAT	13	-
Loan amounts due from group companies	38,917	-
	<u> </u>	<u> </u>
Non-current	-	-
Current	60,762	104
	<u>60,762</u>	<u>104</u>

Intercompany balances are repayable on demand. Intercompany loan balances are charged interest at 1.5%.

9 Cash and cash equivalents

	2017 £000	2016 £000
Bank balances	41	1,125
	<u> </u>	<u> </u>
Cash and cash equivalents	41	1,125
	<u> </u>	<u> </u>

10 Trade and other payables

	2017 £000	2016 £000
Current		
Trade payables	382	158
Trade payables due to related parties	2,942	185
Loan amounts owed to group undertakings	143,038	74,855
Accruals and deferred income	486	70
Social security and other taxes	179	-
VAT	-	36
Deferred Consideration	301	8,357
Other payables	18	108
	<u> </u>	<u> </u>
Non-current	-	4,702
Current	147,346	79,067
	<u>147,346</u>	<u>83,769</u>

Intercompany balances are repayable on demand. Intercompany trading loan balances are charged interest at 1.5%. Non trading balances do not accrue interest.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11 Capital and reserves

	2017 £000	2016 £000
Allotted, called up and fully paid		
6,666,240 Ordinary shares of £0.10 each	667	667
	<u>667</u>	<u>667</u>

The Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

12 Financial Instruments**12 (a) Fair values of financial instruments**

The group's financial instruments include other receivables, other payables, cash and cash equivalents. The fair values for each class of financial assets and financial liabilities together are not materially different from their carrying amount.

Other receivables and other payables, cash and cash equivalents

The fair value of other receivables and other payables are assessed based upon discounted cash flows at prevailing interest rates. Cash and cash equivalents approximate to their book values.

Derivative financial instruments

The company has no derivative financial instruments.

12 (b) Liquidity risk*Financial risk management*

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Group finances its operations through a mixture of cash from retained profits and bank borrowings. The Group has continued with its policy of ensuring that there are sufficient funds to meet the expected funding requirements of the Group's operations and investment opportunities. The Group has continued to monitor its liquidity position through budgetary procedures and cash flow analysis.

12 (c) Market risk*Financial risk management*

Market risk is the risk that changes in market prices, such as interest rates will affect the Company's income or the value of its holdings of financial instruments

Interest expense reflects the cost of the Company's borrowings. Interest rate risk is managed by monitoring market rates to ensure that optimal returns are achieved and the Company has taken out an interest rate cap to hedge against a significant increase in interest rates.

12 (d) Capital management**Company**

The Company's objectives when managing capital, equity and borrowings, is to safeguard the Company as a going concern and provide returns for the shareholders and other stakeholders by maintaining an optimal capital structure.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13 Operating leases

No leases are held by the company.

14 Commitments*Capital commitments*

The company did not have any capital commitments in the current or prior years.

15 Related parties

	2017 £000	2016 £000
Interest receivable from parent company	-	152
Interest payable to subsidiary companies	(1,819)	(1,326)
Interest payable to parent company	(3)	-
	<u>(1,822)</u>	<u>1,174</u>

	Receivables outstanding		Payables outstanding	
	2017 £000	2016 £000	2017 £000	2016 £000
Ultimate parent of the Company	1,423	-	-	(14,011)
Other related parties	59,105	-	(145,979)	(61,029)
	<u>60,528</u>	<u>-</u>	<u>(145,979)</u>	<u>(75,040)</u>

There is an inter-company guarantee between Callcredit Information Group Limited and its subsidiaries. All balances are expected to be settled in cash.

No amounts have been written off and there are no provisions in respect of sales of goods and services to Related Parties at 31 December 2016 or 31 December 2017.

On 1st January 2016, the trade and assets of the Consumer business were transferred to Callcredit Consumer Limited from Callcredit Limited. On the same date and immediately following the transfer, the Group disposed of 80.1% of Callcredit Consumer Limited. As a result of this transaction, the Group recognised a gain on disposal of £6.1m.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16 Ultimate parent company and parent company of larger group

At the balance sheet date, the Company was a subsidiary undertaking of Crown Acquisition Topco Limited which was the ultimate parent company, incorporated in England and Wales. Please see note 17 for details of the post the balance sheet event. Following this transaction, the ultimate parent company is TransUnion, incorporated in the United States of America.

The immediate parent company is Crown Acquisition Bidco Limited.

The largest group in which the results of the Company are consolidated is that headed by Crown Acquisition Topco Limited, incorporated in England and Wales. The smallest group in which they are consolidated is that headed by Crown Acquisition Midco 2 Limited incorporated in England and Wales. The consolidated financial statements of Crown Acquisition Topco Limited are available to the public and may be obtained from; The Company Secretary, One Park Lane, Leeds, LS3 1EP.

17 Post balance sheet event

On 19th June 2018, Vail Holdings UK Limited (part of the TransUnion group of companies) acquired the entire share capital of Crown Acquisition Topco Limited.