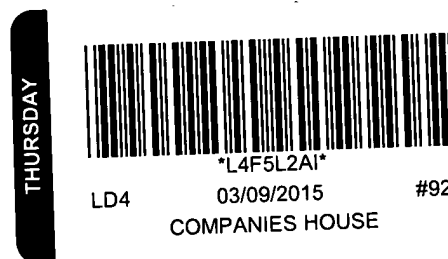


Financial Statements Invesco Software Holdings Limited

For the year ended 31 December 2014



Registered number: 08583925

Company Information

| | |
|----------------------------|--|
| Directors | P J Brown P D Nagle M Howell |
| Company secretary | H Evans |
| Registered number | 08583925 |
| Registered office | Comino House Furlong Road BOURNE END SL8 5AQ |
| Independent auditor | Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 3140 Rowan Place John Smith Drive Oxford Business Park South OXFORD Oxfordshire OX4 2WB |
| Bankers | Barclays Bank Plc BIRMINGHAM B3 2BH |

Contents

| | Page |
|---|---------|
| Group strategic report | 1 - 2 |
| Directors' report | 3 - 4 |
| Independent auditor's report | 5 - 6 |
| Consolidated profit and loss account | 7 |
| Consolidated balance sheet | 8 |
| Company balance sheet | 9 |
| Consolidated cash flow statement | 10 |
| Notes to the financial statements | 11 - 26 |

Group strategic report

For the year ended 31 December 2014

Principal activities

Invesco Software Holdings Limited provides investment funding and financing for high growth technology businesses.

Business review

The Company was incorporated on 25 June 2013 as Comino Software Limited and changed its name to Invesco Software Holdings Limited on 24 January 2014. On 1 December 2013 the Company acquired the entire share capital of Invesco Technologies Holdings Limited. The consolidated values for the period ended 31 December 2013 therefore represent one month of trading for the Group.

The Company through its investment in Invesco Technologies Holdings Limited, has 100% ownership of a group headed by Causeway Software Solutions Limited, a leading software provider for the Built Environment that serves 1,934 customers in 38 countries.

The Directors are pleased to report the continued growth of the Causeway Software Solutions Limited business in the year to 31st December 2014, with its consolidated turnover growing by 8% to £23.23m and gross profit increasing by 11.3% to £22.20m (2013: £19.95m). Recurring contracted maintenance and cloud services full term income remained strong, growing by 17.9% in the year to £33.1m. EBITDA in the year to 31st December 2014 was £3.10m (2013: £2.90m), this is an increase of 9.5% over the prior year. This would have been enhanced by £1.30m (2013: £1.06m) as the Group incurred costs that the directors consider to be non-core to operations and do not expect to reoccur in future periods including a charitable donation in the year of £0.5m (2013: £0.1m). If these costs weren't included, EBITDA would have increased by 42% (2013: 36%). The percentage of EBITDA to turnover would increase by 5.8% to 18.9%.

Causeway Software Solutions Limited's significant investment in Research & Development continued, with a total investment of £4.27m. This will yield significant growth opportunities over the coming years as the global economy in general recovers and the Built Environment sector in particular begins to invest in technologies such as BIM.

Results and dividends

The consolidated loss for the period, after taxation, amounted to £1.35m (2013: loss of £0.19m). The loss in the period for the company was £1.15m (2013: loss of £0.02m).

Consolidated total assets are £53.43m as at 31 December 2014 with total cash reserves of £3.86m. Consolidated Shareholder's funds stand at a deficit of £1.45m (2013: deficit of £0.10m) at the year end.

The Directors are not recommending a dividend.

Principal risks and uncertainties

The key risks of the business are a possible decline in licence sales volume and attrition of the customer base that might arise due to adverse market conditions. A customer focussed administration team that manages contract renewals and a robust CRM sales process that continues to deliver growth in both sales volumes and customer numbers ensures that these risks are managed carefully. Contracted recurring maintenance full term revenues which rose by 17.9% over the previous year, provides a large element of the turnover, and this allows management sufficient time to align costs and revenue and make strategic choices as required.

Credit risk

The Group's credit risk is primarily attributable to its trade receivables. The Group continuously monitors customer credit levels and obtains, where necessary, external credit reports on customers. The amounts presented in the balance sheet are net of any allowance for doubtful debtors, based on prior year experience and an

Group strategic report (continued)

For the year ended 31 December 2014

assessment of specific circumstances by the directors. The Group has no significant concentration of credit risk, with exposure spread over a number of clients.

Liquidity risk

The Group manages its liquidity by monitoring the day to day cash flow needs of the business. The Group uses bank loans to finance expansion opportunities and monitors cashflow forecasts to ensure that sufficient liquidity exists within the Group to settle liabilities as they fall due and to ensure that covenant requirements are complied with.

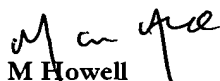
Environmental matters

The group will seek to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The group has complied with all applicable legislation and regulations.

This report was approved by the board on

20/08/2015

and signed on its behalf.



M Howell
Director

Directors' report

For the year ended 31 December 2014

The directors present their report and the financial statements for the year ended 31 December 2014.

Results

The loss for the year, after taxation, amounted to £1,357,238 (2013: £186,877).

Directors

The directors who served during the year were:

P J Brown
P D Nagle
M Howell

Political and charitable contributions

In January 2011, The Causeway Foundation (registration number 1142924) was established with the core objective of supporting disadvantaged and exceptionally talented young people to realise their full potential. This charity has no direct relationship with Invesco Software Holdings Limited although the Group made charitable donations of £15,500 (2013 £97,468) to the Causeway Foundation.

In June 2014, Invesco Software Holdings Limited made a charitable donation of £500,000 to the Royal Institution as an endowment to support the launch of a five year computer science expansion of its national programme of RI Masterclasses for young people.

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and 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 and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

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

Directors' report

For the year ended 31 December 2014

Disclosure of information to auditor

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

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


Auditor

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board on

22/05/2015

and signed on its behalf.



M Howell
Director

Independent auditor's report to the members of Invesco Software Holdings Limited

We have audited the financial statements of Invesco Software Holdings Limited for the year ended 31 December 2014, which comprise the consolidated Profit and loss account, the consolidated and company Balance sheets, the consolidated Cash flow statement and reconciliation of net cash flow to movement in net funds/debt and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2014 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 the financial statements.



Independent auditor's report to the members of Invesco Software Holdings Limited

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

A handwritten signature in black ink, appearing to read "Amrish Shah".

Amrish Shah FCA (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
OXFORD
Date: 25 August 2015

Consolidated profit and loss account

For the year ended 31 December 2014

| | Note | Year ended 31 December 2014 £ | Period ended 31 December 2013 £ |
|--|------|--|--|
| Turnover | 1,2 | | |
| Continuing operations | | 23,292,211 | - |
| Acquisitions | | - | 1,788,957 |
| | | <u>23,292,211</u> | <u>1,788,957</u> |
| Cost of sales | | (1,121,925) | (126,691) |
| | | <u>22,170,286</u> | <u>1,662,266</u> |
| Gross profit | | | |
| Administrative expenses | | (22,880,354) | (1,829,335) |
| | | <u>(22,880,354)</u> | <u>(1,829,335)</u> |
| Operating loss | 3 | (710,068) | (167,069) |
| Interest receivable and similar income | | 5,210 | 24 |
| Interest payable and similar charges | 7 | (539,409) | (16,463) |
| | | <u>(539,409)</u> | <u>(16,463)</u> |
| Loss on ordinary activities before taxation | | (1,244,267) | (183,508) |
| Tax on loss on ordinary activities | 8 | (112,971) | (3,369) |
| | | <u>(112,971)</u> | <u>(3,369)</u> |
| Loss for the financial year | 18 | <u>(1,357,238)</u> | <u>(186,877)</u> |

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and loss account.

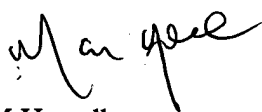
The notes on pages 11 to 26 form part of these financial statements.

Consolidated balance sheet

As at 31 December 2014

| | Note | £ | 2014 £ | £ | 2013 £ |
|--|------|------------------|--------------------|------------------|-------------------|
| Fixed assets | | | | | |
| Intangible assets | 9 | | 44,870,036 | | 47,831,202 |
| Tangible assets | 10 | | 642,603 | | 805,555 |
| | | | <u>45,512,639</u> | | <u>48,636,757</u> |
| Current assets | | | | | |
| Debtors | 12 | 3,603,644 | | 4,665,046 | |
| Cash at bank | | 3,861,969 | | 3,421,554 | |
| | | <u>7,465,613</u> | | <u>8,086,600</u> | |
| Creditors: amounts falling due within one year | 13 | (5,576,861) | | (4,808,233) | |
| Net current assets | | | <u>1,888,752</u> | | <u>3,278,367</u> |
| Total assets less current liabilities | | | <u>47,401,391</u> | | <u>51,915,124</u> |
| Creditors: amounts falling due after more than one year | 14 | (38,493,804) | | (40,813,190) | |
| Accruals and deferred income | 16 | (10,358,632) | | (11,195,741) | |
| Net liabilities | | | <u>(1,451,045)</u> | | <u>(93,807)</u> |
| Capital and reserves | | | | | |
| Called up share capital | 17 | | 93,070 | | 93,070 |
| Profit and loss account | 18 | | (1,544,115) | | (186,877) |
| Shareholders' deficit | 19 | | <u>(1,451,045)</u> | | <u>(93,807)</u> |

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20/08/15


M Howell
Director

The notes on pages 11 to 26 form part of these financial statements.

Company balance sheet

As at 31 December 2014

| | Note | £ | 2014 £ | £ | 2013 £ |
|--|------|--------------------|---------------------------|--------------------|----------------------|
| Fixed assets | | | | | |
| Investments | 11 | | 40,975,663 | | 40,975,663 |
| Current assets | | | | | |
| Debtors | 12 | 277,056 | | 2,627,056 | |
| Cash at bank | | 33,440 | | 19,316 | |
| | | <u>310,496</u> | | <u>2,646,372</u> | |
| Creditors: amounts falling due within one year | 13 | <u>(3,868,376)</u> | | <u>(2,735,000)</u> | |
| Net current liabilities | | | <u>(3,557,880)</u> | | <u>(88,628)</u> |
| Total assets less current liabilities | | | <u>37,417,783</u> | | <u>40,887,035</u> |
| Creditors: amounts falling due after more than one year | 14 | | <u>(38,493,804)</u> | | <u>(40,813,190)</u> |
| Net (liabilities)/assets | | | <u><u>(1,076,021)</u></u> | | <u><u>73,845</u></u> |
| Capital and reserves | | | | | |
| Called up share capital | 17 | | 93,070 | | 93,070 |
| Profit and loss account | 18 | | <u>(1,169,091)</u> | | <u>(19,225)</u> |
| Shareholders' (deficit)/funds | 19 | | <u><u>(1,076,021)</u></u> | | <u><u>73,845</u></u> |

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20/8/15


M Howell
Director

The notes on pages 11 to 26 form part of these financial statements.

Consolidated cash flow statement

For the year ended 31 December 2014

| | | Year ended 31 December 2014 £ | Period ended 31 December 2013 £ |
|---|------|--|--|
| | Note | | |
| Net cash flow from operating activities | 20 | 2,539,826 | 1,840,554 |
| Returns on investments and servicing of finance | 21 | (343,959) | (16,439) |
| Taxation | | (198,951) | - |
| Capital expenditure and financial investment | 21 | (180,251) | - |
| Acquisitions and disposals | 21 | - | (5,043,575) |
| Cash inflow/(outflow) before financing | | 1,816,665 | (3,219,460) |
| Financing | 21 | (1,376,250) | 6,641,014 |
| Increase in cash in the year | | 440,415 | 3,421,554 |

Reconciliation of net cash flow to movement in net funds/debt

For the year ended 31 December 2014

| | Year ended 31 December 2014 £ | Period ended 31 December 2013 £ |
|---|--|--|
| Increase in cash in the year | 440,415 | 3,421,554 |
| Cash inflow from increase in debt | 1,376,250 | (6,547,944) |
| Change in net debt resulting from cash flows | 1,816,665 | (3,126,390) |
| Other non-cash changes | - | (32,027,056) |
| Movement in net debt in the year | 1,816,665 | (35,153,446) |
| Net debt at 1 January 2014 | (35,153,446) | - |
| Net debt at 31 December 2014 | (33,336,781) | (35,153,446) |

The notes on pages 11 to 26 form part of these financial statements.

Notes to the financial statements

For the year ended 31 December 2014

1. Accounting policies

1.1 Basis of preparation of financial statements

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

1.2 Going concern

The directors have prepared the financial statements on the going concern basis as they believe that the group headed by Invesco Software Holdings Limited can continue to meet its liabilities as and when they fall due. The directors have prepared forecasts for a period of at least 12 months from the date of approval of these financial statements which indicate that the group is able to operate within its current funding facilities.

1.3 Basis of consolidation

The financial statements consolidate the accounts of Invesco Software Holdings Limited and all of its subsidiary undertakings ('subsidiaries'). These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over its estimated useful economic life.

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

1.4 Turnover

Where the directors consider it possible to unbundle components of revenue which make up a contractual arrangement with a customer, and these components can be fair valued, each component of revenue is recognised separately.

Initial licence fees are recognised on delivery of software licences to customers where it can be demonstrated that the risks and rewards of ownership have passed.

Annual licence and maintenance fees are recognised on a straight line basis over the life of the contract.

Turnover on maintenance and other professional service contracts is invoiced in advance and released to the profit and loss account on a straight line basis over the course of the contract in line with the contract terms.

1.5 Intangible fixed assets and amortisation

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

Goodwill arising on the acquisition of Invesco Technologies Holdings Limited is amortised over 20 years commencing at the point of acquisition.

Notes to the financial statements

For the year ended 31 December 2014

1. Accounting policies (continued)

1.6 Tangible fixed assets and depreciation

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

| | | |
|-----------------------|---|----------|
| Plant and machinery | - | 10 years |
| Fixtures and fittings | - | 5 years |
| Computer equipment | - | 3 years |

1.7 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1.8 Operating leases

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

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

1.9 Deferred taxation

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

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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

Deferred tax assets and liabilities are not discounted.

Notes to the financial statements

For the year ended 31 December 2014

1. Accounting policies (continued)

1.10 Foreign currencies

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

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

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

The financial statements of overseas subsidiaries and associate undertakings are translated at the rate of exchange ruling at the balance sheet date. The exchange difference arising on the retranslation of opening net assets is taken directly to reserves. The profit and loss account is translated at the average rate for the year and the difference between the profit and loss account translated at an average rate and at the closing rate is recorded as a movement in reserves.

1.11 Research and development

Research and development expenditure is written off in the year in which it is incurred.

1.12 Pensions

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

1.13 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Notes to the financial statements

For the year ended 31 December 2014

2. Turnover

A geographical analysis of turnover is as follows:

| | Year ended 31 December 2014 £ | Period ended 31 December 2013 £ |
|----------------|--|--|
| United Kingdom | 21,178,943 | 1,732,512 |
| Rest of world | 2,113,268 | 56,445 |
| | <u>23,292,211</u> | <u>1,788,957</u> |

All turnover is attributable to continuing operations.

3. Operating loss

The operating loss is stated after charging:

| | Year ended 31 December 2014 £ | Period ended 31 December 2013 £ |
|--|--|--|
| Amortisation - intangible fixed assets | 2,961,166 | 224,287 |
| Depreciation of tangible fixed assets: | | |
| - owned by the group | 350,728 | 31,697 |
| Operating lease rentals: | | |
| - land and buildings | 344,207 | 31,574 |
| Difference on foreign exchange | 5,645 | 2,575 |
| | <u>3,661,746</u> | <u>289,133</u> |

4. Auditors' remuneration

| | Year ended 31 December 2014 £ | Period ended 31 December 2013 £ |
|---|--|--|
| Fees payable to the Group's auditor and its associates in respect of: | | |
| Audit services | 50,050 | 58,000 |
| Other non-audit services | 55,759 | 39,500 |
| | <u>105,809</u> | <u>97,500</u> |

Audit fees for the company were borne by subsidiary undertakings.

Notes to the financial statements

For the year ended 31 December 2014

5. Staff costs

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

| | Year ended 31 December 2014 £ | Period ended 31 December 2013 £ |
|-----------------------|--|--|
| Wages and salaries | 13,548,873 | 995,975 |
| Social security costs | 1,173,056 | 82,607 |
| Other pension costs | 394,453 | 27,185 |
| | <u>15,116,382</u> | <u>1,105,767</u> |

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

| Year ended 31 December 2014 No. | Period ended 31 December 2013 No. |
|--|--|
| <u>221</u> | <u>232</u> |

6. Directors' remuneration

| | Year ended 31 December 2014 £ | Period ended 31 December 2013 £ |
|---|--|--|
| Remuneration | <u>2,216,339</u> | <u>152,645</u> |
| Company pension contributions to defined contribution pension schemes | <u>75,664</u> | <u>4,393</u> |

During the year retirement benefits were accruing to 2 directors (2013 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £1,130,000 (2013: £79,210) and pension contributions of £31,500 (2013: £2,625).

Notes to the financial statements

For the year ended 31 December 2014

7. Interest payable

| | Year ended 31 December 2014 £ | Period ended 31 December 2013 £ |
|---|--|--|
| On bank loans and overdrafts | 349,169 | 16,463 |
| Unwinding of discount on contingent consideration | 190,240 | - |
| | <u>539,409</u> | <u>16,463</u> |

8. Taxation

| | Year ended 31 December 2014 £ | Period ended 31 December 2013 £ |
|---|--|--|
| Analysis of tax charge in the year/period | | |
| Current tax (see note below) | | |
| UK corporation tax charge on loss for the year/period | 189,298 | - |
| Adjustments in respect of prior periods | (72,205) | 3,369 |
| Total current tax | <u>117,093</u> | <u>3,369</u> |
| Deferred tax (see note 15) | | |
| Origination and reversal of timing differences | (4,122) | - |
| Tax on loss on ordinary activities | <u>112,971</u> | <u>3,369</u> |

Notes to the financial statements

For the year ended 31 December 2014

8. Taxation (continued)

Factors affecting tax charge for the year/period

The tax assessed for the year/period is higher than (2013 - higher than) the standard rate of corporation tax in the UK of 21.49%. (2013 - 23.25%)

| | Year ended 31 December 2014 £ | Period ended 31 December 2013 £ |
|--|--|--|
| Loss on ordinary activities before tax | (1,244,267) | (183,508) |
| Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.49% (2013 - 23.25%) | (267,393) | (42,666) |
| Effects of: | | |
| Non-tax deductible amortisation of goodwill | 544,468 | 46,035 |
| Expenses not deductible for tax purposes, other than goodwill amortisation and impairment | 136,212 | - |
| Capital allowances for year/period in excess of depreciation | (1,176) | - |
| Income not taxable | 8,751 | - |
| Adjustments to tax charge in respect of prior periods | (72,205) | - |
| Short term timing difference leading to an increase (decrease) in taxation | (10,016) | - |
| Overseas profits at foreign tax rates | (220,040) | - |
| Marginal relief | (1,508) | - |
| Current tax charge for the year/period (see note above) | 117,093 | 3,369 |

9. Intangible fixed assets

| Group | Software Licences £ | Goodwill £ | Total £ |
|--|---------------------------|---------------|------------|
| Cost | | | |
| At 1 January 2014 and 31 December 2014 | 545,539 | 47,509,950 | 48,055,489 |
| Amortisation | | | |
| At 1 January 2014 | 26,287 | 198,000 | 224,287 |
| Charge for the year | 295,599 | 2,665,567 | 2,961,166 |
| At 31 December 2014 | 321,886 | 2,863,567 | 3,185,453 |
| Net book value | | | |
| At 31 December 2014 | 223,653 | 44,646,383 | 44,870,036 |
| At 31 December 2013 | 519,252 | 47,311,950 | 47,831,202 |

Notes to the financial statements

For the year ended 31 December 2014

10. Tangible fixed assets

| Group | Plant and machinery £ | Fixtures and fittings £ | Computer equipment £ | Total £ |
|---------------------------|-----------------------------|-------------------------------|----------------------------|------------|
| Cost | | | | |
| At 1 January 2014 | 286,981 | 112,834 | 432,027 | 831,842 |
| Additions | 31,694 | 33,542 | 127,776 | 193,012 |
| Disposals | - | - | (32,752) | (32,752) |
| Foreign exchange movement | 3,708 | (2,813) | 10,073 | 10,968 |
| At 31 December 2014 | 322,383 | 143,563 | 537,124 | 1,003,070 |
| Depreciation | | | | |
| At 1 January 2014 | 9,069 | 3,566 | 13,652 | 26,287 |
| Charge for the year | 59,840 | 73,338 | 217,550 | 350,728 |
| On disposals | - | - | (22,140) | (22,140) |
| Foreign exchange movement | (42) | (373) | 6,007 | 5,592 |
| At 31 December 2014 | 68,867 | 76,531 | 215,069 | 360,467 |
| Net book value | | | | |
| At 31 December 2014 | 253,516 | 67,032 | 322,055 | 642,603 |
| At 31 December 2013 | 277,912 | 109,268 | 418,375 | 805,555 |

11. Fixed asset investments

Notes to the financial statements

For the year ended 31 December 2014

Subsidiary undertakings

The following were subsidiary undertakings of the company, those companies held 100% indirectly through Invesco Technologies Holdings Limited are marked with a *:

| Name | Class of shares | Holding |
|---|------------------------|----------------|
| Causeway Technologies Limited* | Ordinary | 100% |
| Causeway Software Solutions Limited* | Ordinary | 100% |
| Invesco Technologies Holdings Limited | Ordinary | 100% |
| Causeway Software Technologies India Private Limited* | Ordinary | 100% |
| Vixen Software Solutions Limited* | Ordinary | 100% |
| Integrated FM Limited* | Ordinary | 100% |
| Causeway Middle East FZ-LLC* | Ordinary | 100% |

| Name | Business | Registered office |
|--|---|--------------------------|
| Causeway Technologies Limited | Supplier of computer services | England |
| Causeway Software Solutions Limited | Supplier of computer services | Ireland |
| Invesco Technologies Holdings Limited | Holding company | England |
| Causeway Software Technologies India Private Limited | Provision of research and development services to the group | India |
| Vixen Software Solutions Limited | Dormant | England |
| Integrated FM Limited | Dormant | England |
| Causeway Middle East FZ-LLC | Supplier of computer services | UAE |

| Company | Investments in subsidiary companies £ |
|--|--|
| Cost or valuation | |
| At 1 January 2014 and 31 December 2014 | 40,975,663 |
| Net book value | |
| At 31 December 2014 | 40,975,663 |
| At 31 December 2013 | 40,975,663 |

Notes to the financial statements

For the year ended 31 December 2014

12. Debtors

| | Group | | Company | |
|------------------------------------|------------------|------------------|----------------|------------------|
| | 2014 | 2013 | 2014 | 2013 |
| | £ | £ | £ | £ |
| Trade debtors | 2,022,109 | 3,349,333 | - | - |
| Amounts owed by group undertakings | - | - | 277,056 | 2,627,056 |
| Amounts owed to related parties | - | 6,187 | - | - |
| Other debtors | 314,512 | 276,839 | - | - |
| Prepayments and accrued income | 1,262,901 | 999,928 | - | - |
| Tax recoverable | - | 32,759 | - | - |
| Deferred tax asset (see note 15) | 4,122 | - | - | - |
| | <u>3,603,644</u> | <u>4,665,046</u> | <u>277,056</u> | <u>2,627,056</u> |

Included within prepayments and accrued income is £400,000 of deferred consideration due in respect of the sale of BR Network Limited in the previous period. BR Network Limited is considered to be a related party by virtue of common directorships.

13. Creditors: Amounts falling due within one year

| | Group | | Company | |
|------------------------|------------------|------------------|------------------|------------------|
| | 2014 | 2013 | 2014 | 2013 |
| | £ | £ | £ | £ |
| Bank loan | 2,668,376 | 1,835,000 | 2,668,376 | 1,835,000 |
| Loan notes | 1,200,000 | 900,000 | 1,200,000 | 900,000 |
| Trade creditors | 455,856 | 434,329 | - | - |
| Corporation tax | 164,272 | 246,130 | - | - |
| Deferred consideration | - | 242,500 | - | - |
| Other creditors | 1,088,357 | 1,150,274 | - | - |
| | <u>5,576,861</u> | <u>4,808,233</u> | <u>3,868,376</u> | <u>2,735,000</u> |

Notes to the financial statements

For the year ended 31 December 2014

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

| | Group | | Company | |
|--------------------------|-------------------|-------------------|-------------------|-------------------|
| | 2014 | 2013 | 2014 | 2013 |
| | £ | £ | £ | £ |
| Bank loans | 10,130,374 | 7,340,000 | 10,130,374 | 7,340,000 |
| Loan notes | 23,200,000 | 28,500,000 | 23,200,000 | 28,500,000 |
| Contingent consideration | 5,163,430 | 4,973,190 | 5,163,430 | 4,973,190 |
| | <u>38,493,804</u> | <u>40,813,190</u> | <u>38,493,804</u> | <u>40,813,190</u> |

Bank loans attract interest at 2.95% above LIBOR and are secured by way of a fixed and floating charge over the assets of the group. The bank loan is repayable in quarterly installments of £458,750 commencing in March 2014, the remaining balance is due for repayment in October 2016.

Loan notes attract interest at 2.95% above LIBOR. As these rank behind the loan notes and repayment is dependent on the satisfaction of loan covenants. The amounts included in current liabilities reflect the maximum amount which is allowed to be repaid by December 2014.

The contingent consideration attracts no interest and is payable on certain performance criteria being met by the acquired Invesco Technologies Holdings Group. The amount included above reflects the directors best estimate of the amounts that will be payable, being £6,000,000 the maximum amount, net of a discount of £836,570 (2013: £1,026,810) which ensures that the liability is held at its net present value. The movement in this balance has been charged to the profit and loss account as an interest charge.

15. Deferred taxation

| | Group | | Company | |
|---|--------------|----------|----------|----------|
| | 2014 | 2013 | 2014 | 2013 |
| | £ | £ | £ | £ |
| At beginning of year/period | - | 96,816 | - | - |
| Released during/(charge for) the year (P&L) | 4,122 | (96,816) | - | - |
| Liability at end of year/period | <u>4,122</u> | <u>-</u> | <u>-</u> | <u>-</u> |

The deferred taxation balance is made up as follows:

| | Group | | Company | |
|--------------------------------|----------------|----------|----------|----------|
| | 2014 | 2013 | 2014 | 2013 |
| | £ | £ | £ | £ |
| Accelerated capital allowances | <u>(4,122)</u> | <u>-</u> | <u>-</u> | <u>-</u> |

Notes to the financial statements

For the year ended 31 December 2014

16. Accruals and deferred income

| | Group | | Company | |
|------------------|------------|------------|---------|------|
| | 2014 | 2013 | 2014 | 2013 |
| | £ | £ | £ | £ |
| Less than 1 year | 10,358,632 | 11,195,741 | - | - |

17. Share capital

| | 2014 | 2013 |
|---|---------------|---------------|
| | £ | £ |
| Allotted, called up and fully paid | | |
| 93,000 A ordinary shares of £1 each | 93,000 | 93,000 |
| 7,000 B ordinary shares of £0.01 each | 70 | 70 |
| | <u>93,070</u> | <u>93,070</u> |

18. Reserves

| | Profit and loss account £ |
|-----------------------------|---------------------------------|
| Group | |
| At 1 January 2014 | (186,877) |
| Loss for the financial year | (1,357,238) |
| | <u>(1,544,115)</u> |
| At 31 December 2014 | |
| Company | |
| At 1 January 2014 | (19,225) |
| Loss for the financial year | (1,149,866) |
| | <u>(1,169,091)</u> |
| At 31 December 2014 | |

Notes to the financial statements

For the year ended 31 December 2014

19. Reconciliation of movement in shareholders' deficit

| | 2014 | 2013 |
|--------------------------------------|--------------------|-----------------|
| Group | £ | £ |
| Opening shareholders' deficit | (93,807) | - |
| Loss for the financial year/period | (1,357,238) | (186,877) |
| Shares issued during the year/period | - | 93,070 |
| Closing shareholders' deficit | <u>(1,451,045)</u> | <u>(93,807)</u> |

| | 2014 | 2013 |
|---------------------------------------|--------------------|---------------|
| Company | £ | £ |
| Opening shareholders' funds | 73,845 | - |
| Loss for the financial year/period | (1,149,866) | (19,225) |
| Shares issued during the year/period | - | 93,070 |
| Closing shareholders' (deficit)/funds | <u>(1,076,021)</u> | <u>73,845</u> |

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

The loss for the year/period dealt with in the accounts of the company was £1,149,866 (2013: £19,225).

20. Net cash flow from operating activities

| | Year ended 31 December 2014 | Period ended 31 December 2013 |
|---|-----------------------------------|-------------------------------------|
| | £ | £ |
| Operating loss | (710,068) | (167,069) |
| Amortisation of intangible fixed assets | 2,961,166 | 224,287 |
| Depreciation of tangible fixed assets | 350,728 | 31,697 |
| Profit on disposal of tangible fixed assets | (2,149) | - |
| Decrease/(increase) in debtors | 1,058,337 | (3,188,378) |
| Decrease in amounts owed by related parties | 6,187 | - |
| (Decrease)/increase in creditors | (1,151,765) | 4,940,017 |
| Foreign exchange | 27,390 | - |
| Net cash inflow from operating activities | <u>2,539,826</u> | <u>1,840,554</u> |

Notes to the financial statements

For the year ended 31 December 2014

21. Analysis of cash flows for headings netted in cash flow statement

| | Year ended 31 December 2014 £ | Period ended 31 December 2013 £ |
|--|--|--|
| Returns on investments and servicing of finance | | |
| Interest received | 5,210 | 24 |
| Interest paid | (349,169) | (16,463) |
| Unwinding of discount of contingent consideration | - | - |
| Net cash outflow from returns on investments and servicing of finance | (343,959) | (16,439) |
| | | |
| | Year ended 31 December 2014 £ | Period ended 31 December 2013 £ |
| Capital expenditure and financial investment | | |
| Purchase of tangible fixed assets | (193,012) | - |
| Sale of tangible fixed assets | 12,761 | - |
| Net cash outflow from capital expenditure | (180,251) | - |
| | | |
| | Year ended 31 December 2014 £ | Period ended 31 December 2013 £ |
| Acquisitions and disposals | | |
| Purchase of fixed asset investments net of cash acquired | - | (5,043,575) |
| | | |
| | Year ended 31 December 2014 £ | Period ended 31 December 2013 £ |
| Financing | | |
| Issue of ordinary shares | - | 93,070 |
| Draw down on bank borrowings | 5,000,000 | 9,175,000 |
| Repayment of bank loans | (1,376,250) | (2,627,056) |
| Repayment of shareholder loan notes | (5,000,000) | - |
| Net cash (outflow)/inflow from financing | (1,376,250) | 6,641,014 |

Notes to the financial statements

For the year ended 31 December 2014

22. Analysis of changes in net debt

| | 1 January 2014 £ | Cash flow £ | Other non-cash changes £ | 31 December 2014 £ |
|---|------------------------|------------------|-----------------------------------|--------------------------|
| Cash at bank and in hand | 3,421,554 | 440,415 | - | 3,861,969 |
| Debt: | | | | |
| Debts due within one year | (2,735,000) | 1,376,250 | (2,509,626) | (3,868,376) |
| Debts falling due after more than one year | (35,840,000) | - | 2,509,626 | (33,330,374) |
| Net debt | (35,153,446) | 1,816,665 | - | (33,336,781) |

23. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £394,453 (2013: £27,185). Contributions totalling £34,587 (2013: £72,025) were payable to the fund at the balance sheet date and are included in other creditors.

24. Operating lease commitments

At 31 December 2014 the group had annual commitments under non-cancellable operating leases as follows:

| | Land and buildings | |
|-------------------------|--------------------|-----------|
| Group | 2014 £ | 2013 £ |
| Expiry date: | | |
| Within 1 year | - | 68,000 |
| Between 2 and 5 years | 215,385 | 113,000 |
| After more than 5 years | 120,283 | 180,000 |

Notes to the financial statements

For the year ended 31 December 2014

25. Related party transactions

The company has taken advantage of the exemptions available under Financial Reporting Standard 8 which allows non disclosure of transactions with other group companies.

During the year the group incurred expenses of £237,062 (2013: £nil) from Powershift Media Limited, a company in which Mr P D Nagle is a director. There was £24,000 (2013: £nil) due to Powershift Media Limited at the year-end.

During the year the group incurred expenses of £317,119 (2013: £119,903) on behalf of Livestax, a company in which P Brown and M Howell are directors. P Nagle, P Brown and M Howell own 100% of the ordinary share capital of Livestax. At 31 December 2014 £nil (2013: £nil) was due to the company.

During the previous year Causeway Software Solutions Limited, a subsidiary of the company, disposed of its investment in BR Network Limited. Total consideration was £2,700,000, of which, £400,000 remains unpaid at the balance sheet date. BR Network Limited is considered to be a related party by virtue of common directorships.

During the period the group made sales totalling £140,000 (2013: £110,000) to Connect Construction Software Limited, which is considered to be a related party by virtue of common directors. At the balance sheet date £nil (2013: £13,750) was due to the group.

During the year the group repaid £5m (2013: £nil) worth of shareholder loans. There was £24.4m (2013: £29.4m) due to shareholders at the year-end. At year-end the shareholder loans totalled £24,400,000 (2013: £29,400,000). During the year repayments of £5,000,000 (2013: £nil) were made on shareholders loans. Interest was waived by the shareholders.

There were no other related party transactions that are required to be disclosed under Financial Reporting Standard 8.

26. Controlling party

The directors consider there to be no single controlling party.

27. Capital commitments

The group had no capital commitments at 31 December 2014 or 31 December 2013.