

Nimbus Acquisitions Midco Limited

**Directors' report and financial
statements**

Registered number 09674425

31 August 2015

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Directors' report

The Company was incorporated on 7 July 2015. The directors present their directors' report and financial statements for the period from incorporation to 31 August 2015.

Principal activities

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

Business review

The results for the period are shown in the profit and loss account on page 5.

The company has taken the exemption provided in the Companies Act 2006 from the requirement to prepare a strategic report and an enhanced business review on the grounds of its size. Further details on the performance of the Group can be obtained from the accounts of Nimbus Acquisitions Holdings Limited.

Dividend

The dividends paid during the period amounted to £nil.

Directors

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

M Lessing (appointed 7 July 2015, resigned 31 July 2015)
B Flicker (appointed 7 July 2015, resigned 31 July 2015)
S Goldblatt (appointed 31 July 2015)
B Hood (appointed 31 July 2015)

Certain directors benefit from qualifying third party indemnity provisions in place during the financial period and at the date of this report.

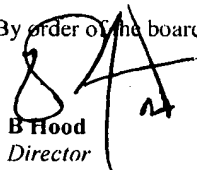
Disclosure of information to auditor

The directors who held office at the 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.

Auditor

KPMG LLP were appointed as first auditors of the Company during the period. Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board


B Hood
Director

18 December 2015

90 Long Acre
Covent Garden
London
WC2E 9RA

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.



KPMG LLP

1 St Peter's Square
Manchester
M2 3AE
United Kingdom

Independent auditor's report to the members of Nimbus Acquisitions Midco Limited

We have audited the financial statements of Nimbus Acquisitions Midco Limited for the period ended 31 August 2015 set out on pages 5 to 14. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 company's affairs as at 31 August 2015 and of its loss for the period then ended;
- have been properly prepared in accordance with UK 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

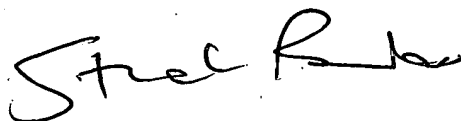
In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Nimbus Acquisitions Midco Limited *(continued)*

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, 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; or
- the directors were not entitled to take advantage of small companies exemption in preparing the directors' report and from the requirement to prepare a strategic report.



Stuart Burdass (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
1 St Peter's Square
Manchester
M2 3AE

21 December 2015

Profit and Loss Account
for the period ended 31 August 2015

	<i>Note</i>	2015 £000
Turnover		-
Cost of sales		-
		<hr/>
Gross profit		-
Administrative expenses		-
		<hr/>
Operating loss		-
Interest payable and similar charges	5	(688)
		<hr/>
Loss on ordinary activities before taxation		(688)
Tax on loss on ordinary activities	6	-
		<hr/>
Loss for the financial period		(688)
		<hr/> <hr/>

The amounts reported in the profit and loss account relate to continuing operations.

There are no recognised gains and losses for the current financial period other than that shown above and therefore no separate statement of total recognised gains and losses has been presented.

Balance Sheet
at 31 August 2015

	<i>Note</i>	2015
		£000
Fixed assets		
Investments	7	40,906
		<hr/>
Current assets		
Debtors (of which £80,263,000 is due in more than one year)	8	80,263
		<hr/>
Net current assets		80,263
		<hr/>
Total assets less current liabilities		121,169
		<hr/>
Creditors: amounts falling due after more than one year	9	(71,646)
		<hr/>
Net assets		49,523
		<hr/>
Capital and reserves		
Called up share capital	10	50,211
Profit and loss account	11	(688)
		<hr/>
Shareholder's funds		49,523
		<hr/>

These financial statements were approved by the board of directors on 18 December 2015 and were signed on its behalf by:


B Hood
 Director

Reconciliation of Movements in Shareholder's Funds
for the period ended 31 August 2015

	2015 £000
Loss for the financial period	(688)
New share capital issued	50,211
	<hr/>
Net increase in shareholder's funds	49,523
Opening shareholder's funds	-
	<hr/>
Closing shareholder's funds	49,523
	<hr/>

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as noted below.

Basis of preparation

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

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

As the Company is a wholly owned subsidiary of Nimbus Acquisitions Holdings Limited, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group. The consolidated financial statements of Nimbus Acquisitions Holdings Limited, within which this Company is included, can be obtained from the address given in note 13.

Going concern

The directors have prepared trading and cash flow forecasts for the Nimbus Acquisitions Holdings Limited group which, taking into account reasonably possible changes in trading performance, which show that the company can trade within its agreed finance facilities for the coming 12 months. These forecasts indicate that all bank covenants will be met.

Based on the above, management consider it appropriate to prepare the financial statements on a going concern basis.

Investments

Investments in subsidiary undertakings are stated at cost, including directly attributable acquisition costs.

Taxation

The charge for taxation is based on the loss for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Interest bearing borrowings

Immediately after issue, debt is stated at the fair value of the consideration received on the issue of the capital instrument after deduction of issue costs. The finance cost of the debt is allocated to periods over the term of the debt at a constant rate on the carrying amount.

Notes (continued)

1 Accounting policies (continued)

Debt

Debt is initially stated at the amount of the net proceeds after deduction of issue costs. The carrying amount is increased by the finance cost in respect of the accounting period and reduced by payments made in the period. Finance costs are recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount.

Classification of financial instruments issued by the Company

Following the adoption of FRS 25, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Where a financial instrument that contains both equity and financial liability components exists these components are separated and accounted for individually under the above policy. The finance cost on the financial liability component is correspondingly higher over the life of the instrument.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds (see dividends policy), are dealt with as appropriations in the reconciliation of movements in shareholders' funds.

2 Auditor's remuneration

Auditor's remuneration of £5,000 was borne by a fellow group undertaking.

3 Remuneration of directors

Directors' remuneration is borne by a fellow group company without recharge.

4 Staff numbers and costs

The Company has no employees other than the Directors.

5 Interest payable and similar charges

	2015 £000
On loan notes	688

Notes *(continued)*

6 Taxation

Analysis of charge in period

	2015
	£000
<i>UK corporation tax</i>	
Current tax on income for the period	-
	<hr/>
Total current tax	-
<i>Deferred tax (see note 10)</i>	
Origination/reversal of timing differences	-
	<hr/>
Total deferred tax	-
	<hr/>
Tax on profit on ordinary activities	-
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Notes (continued)

6 Taxation (continued)

Factors affecting the tax charge for the current period

The current tax charge for the period is higher than the standard rate of corporation tax in the UK.

The differences are explained below:

	2015 £000
<i>Current tax reconciliation</i>	
Loss on ordinary activities before tax	(688)
	<hr/>
Current tax at 20%	(138)
<i>Effects of:</i>	
Other short term timing differences	138
	<hr/>
Total current tax charge (see above)	-
	<hr/>

Factors that may affect future current and total tax charges

A reduction in the UK corporation tax rate to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015. This will reduce the company's future current tax charge accordingly. The deferred tax liability at 31 August 2015 has been calculated based on the rates of 20% substantively enacted at the balance sheet date.

Notes (continued)

7 Investments

	Shares in group undertakings £000
<i>Cost and net book value</i>	
At beginning of period	-
Acquisitions	40,906
At end of period	40,906

The Company acquired the entire issued share capital of Nimbus Acquisitions Midco 1 Limited on 15 July 2015 for a consideration of £40,906,000.

The Directors consider that the value of the Company's investment in its subsidiary undertaking is not less than the amount at which it is stated in the Company's balance sheet.

The Company's subsidiary undertakings at the period end are as follows:

	Country of incorporation	Principal Activity	Class and percentage of shares held
<i>Subsidiary undertakings</i>			
Nimbus Acquisitions Midco 1 Limited	UK	Holding company	100% Ordinary
Nimbus Acquisitions Bidco Limited	UK	Holding company	*100% Ordinary
Quattro Topco Limited	UK	Holding company	*100% Ordinary
Quattro Bidco Limited	UK	Holding company	*100% Ordinary
Fourth Limited	UK	Software services	*100% Ordinary
Fourth Holdings Limited	UK	Holding company	*100% Ordinary
Alternative Business Solutions Limited	UK	Dormant	*100% Ordinary
Star Logic Limited	UK	Dormant	*100% Ordinary
Fourth Holding Inc (formerly Fourth USA Inc)	USA	Holding company	*100% Ordinary
Fourth USA Inc (Formerly Adaco Inc)	USA	Software services	*100% Ordinary
Team Hours Limited	Republic of Ireland	Software services	*100% A Ordinary
Fourth Bulgaria EOOD	Bulgaria	Software services	*100% Ordinary

* Denotes investment held indirectly.

8 Debtors

	2015 £000
Amounts owed by group undertakings	80,263

Amounts owed by group undertakings are due in more than one year, no interest is charged on these amounts.

The company has an unrecognised deferred tax asset of £138,000 relating to short term timing differences. The asset has not been recognised due to the uncertainty of generating future taxable profits against which to recover the asset.

Notes (continued)

9 Creditors: amounts falling due after more than one year

	2015 £000
Loan notes	67,506
Amounts owed to group undertakings	4,140
	<hr/>
	71,646
	<hr/>

Amounts owed to group undertakings have no set repayment date, although the parent company has confirmed it will not seek repayment within one year. No interest is charged on these amounts.

The loan notes consist of the following:

	2015 £000
Loan notes	66,818
Accrued interest	688
	<hr/>
	67,506
	<hr/>

Interest on the loan notes is charged at a rate of 8% per annum and is accrued into the loan note balance. The loan notes have no set repayment date but are repayable in full on a future sale or exit of the Group. Security is provided by way of a fixed and floating charge over the assets of the company. See note 12 for details of related parties' interests in the loan notes.

10 Called up share capital

	2015 £000
<i>Allotted, called up and fully paid</i>	
50,211,000 Ordinary shares of £1	50,211
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On 7 July 2015 1 Ordinary Share was issued for £1. On 15 July 2015, a further 50,210,999 Ordinary Shares were issued for £1 per share.

Notes (continued)

11 Profit and loss account

	£000
At beginning of the period	-
Loss for the period	(688)
	<hr/>
At end of the period	(688)
	<hr/>

12 Related party transactions

Funds controlled by Insight Venture Partners hold loan notes with principal value of £61,654,000 in the Company which accrue interest at a rate of 8% per annum. The balance on the loan notes at the end of the period is £62,288,000.

The Directors' interests in the loan notes, all of which accrue interest at a rate of 8% per annum, are as follows:

- B Hood – loan notes with principal value of £1,138,000. The balance on the loan notes at the end of the period is £1,150,000.
- S Goldblatt - loan notes with principal value of £118,000. The balance on the loan notes at the end of the period is £119,000.

Loan notes held by other parties related by virtue of their shareholdings in the Company's parent undertaking, Nimbus Acquisitions Holdings Limited, all of which accrue interest at a rate of 8% per annum, have a principal value of £3,908,000. The balance on these loan notes at the end of the period is £3,948,000.

13 Ultimate parent company

The Company's immediate and ultimate parent undertaking is Nimbus Acquisitions Holdings Limited, a company incorporated in the UK.

The smallest and largest group in which the results of the Company are consolidated is that headed by Nimbus Acquisitions Holdings Limited, incorporated in the UK. No other group financial statements include the results of the Company. The consolidated financial statements of these groups are available to the public and may be obtained from Nimbus Acquisitions Holdings Limited, 90 Long Acre, Covent Garden, London, WC2E 9RA.