

Registered number: 09798040

IPAT HOLDINGS ACQUISITION LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2015



IPAT HOLDINGS ACQUISITION LIMITED

COMPANY INFORMATION

Directors
Bruce Hernandez (appointed 9 October 2015)
David K Schaible (appointed 9 October 2015)
Anthony Cassano (appointed 9 October 2015)
Dentons Directors Limited (appointed 28 September 2015, resigned 9 October 2015)
Peter Cox (appointed 28 September 2015, resigned 9 October 2015)

Registered number 09798040

Registered office
2nd Floor Clarendon House
Suite 13
52 Cornmarket Street
Oxford
OX1 3HJ

Independent auditor
Mazars LLP
Chartered Accountants & Statutory Auditor
The Pinnacle
160 Midsummer Boulevard
Milton Keynes
MK9 1FF

IPAT HOLDINGS ACQUISITION LIMITED

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IPAT HOLDINGS ACQUISITION LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2015

The directors present their report and the financial statements for the period ended 31 December 2015.

The company changes its name from SNRDCO 3209 Limited on 9 October 2015 to IPAT Holdings Acquisition Limited.

The company was incorporated on 28 September 2015 and therefore these accounts represent activity of the company of the period from incorporation until 31 December 2015.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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

The directors who served during the period were:

Bruce Hernandez (appointed 9 October 2015)

David K Schaible (appointed 9 October 2015)

Anthony Cassano (appointed 9 October 2015)

Dentons Directors Limited (appointed 28 September 2015, resigned 9 October 2015)

Peter Cox (appointed 28 September 2015, resigned 9 October 2015)

Disclosure of information to auditor

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

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

IPAT HOLDINGS ACQUISITION LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2015

Post balance sheet events

On 30 March 2016 IPAT Holdings Limited sold its 100% shareholding in IPAT Inc to another group company.

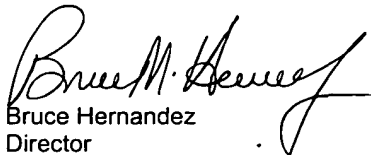
Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small Companies Note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on *December 16, 2016* and signed on its behalf.


Bruce Hernandez
Director

IPAT HOLDINGS ACQUISITION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF IPAT HOLDINGS ACQUISITION LIMITED

We have audited the financial statements of IPAT Holdings Acquisition Limited for the period ended 31 December 2015 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Balance Sheets, the Consolidated and Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows 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), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 1, 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. 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.

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 the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the parent Company's affairs as at 31 December 2015 and of the Group's loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on the 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.

IPAT HOLDINGS ACQUISITION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF IPAT HOLDINGS ACQUISITION 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; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' Report.



Stephen Brown (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

The Pinnacle
160 Midsummer Boulevard
Milton Keynes
MK9 1FF

Date: 20 December 2016

IPAT HOLDINGS ACQUISITION LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2015

	Note	Period ended 31 December 2015 \$
Turnover	4	55,205
Cost of sales		(864)
Gross profit		<u>54,341</u>
Administrative expenses		(145,929)
Operating (loss)/profit	5	(91,588)
Interest receivable and similar income	7	31
(Loss)/profit before taxation		<u>(91,557)</u>
Tax on (loss)/profit	8	4,459
(Loss)/profit for the period		<u><u>(87,098)</u></u>
Currency translation differences		10,195
Other comprehensive income for the period		<u>10,195</u>
Total comprehensive income for the period		<u><u>(76,903)</u></u>
(Loss) for the period attributable to:		
Owners of the parent Company		(87,098)
		<u><u>(87,098)</u></u>

The notes on pages 11 to 25 form part of these financial statements.

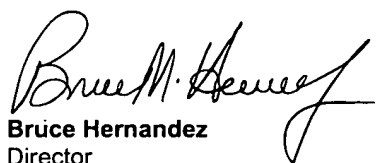
IPAT HOLDINGS ACQUISITION LIMITED
REGISTERED NUMBER: 09798040

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2015

	Note	2015 \$
Fixed assets		
Intangible assets	10	2,747,145
		<u>2,747,145</u>
Current assets		
Debtors: amounts falling due within one year	12	85,659
Current asset investments	13	16,360,000
Cash at bank and in hand	14	377,515
		<u>16,823,174</u>
Creditors: amounts falling due within one year	15	(16,584,363)
		<u>238,811</u>
Net current assets		<u>238,811</u>
Total assets less current liabilities		<u>2,985,956</u>
Net assets		<u><u>2,985,956</u></u>
Capital and reserves		
Called up share capital	18	3,062,859
Profit and loss account	19	(76,903)
		<u>2,985,956</u>
		<u><u>2,985,956</u></u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

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


Bruce Hernandez
Director

16 DEC 2016

The notes on pages 11 to 25 form part of these financial statements.

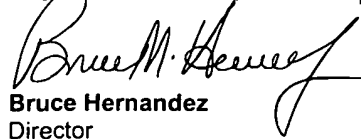
IPAT HOLDINGS ACQUISITION LIMITED
REGISTERED NUMBER: 09798040

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2015

	Note	2015 \$
Fixed assets		
Investments	11	3,202,859
		<u>3,202,859</u>
Current assets		
Current asset investments	13	16,360,000
		<u>16,360,000</u>
Creditors: amounts falling due within one year	15	(16,500,000)
		<u>(16,500,000)</u>
Net current (liabilities)/assets		<u>(140,000)</u>
Total assets less current liabilities		<u>3,062,859</u>
Net assets		<u><u>3,062,859</u></u>
Capital and reserves		
Called up share capital	18	3,062,859
		<u>3,062,859</u>
		<u><u>3,062,859</u></u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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


Bruce Hernandez
Director

16 DEC 2016

IPAT HOLDINGS ACQUISITION LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2015

	Called up share capital \$	Profit and loss account \$	Equity attributable to owners of parent Company \$	Total equity \$
Comprehensive income for the period				
Loss for the period	-	(87,098)	(87,098)	(87,098)
Currency translation differences	-	10,195	10,195	10,195
Other comprehensive income for the period	-	10,195	10,195	10,195
Total comprehensive income for the period	-	(76,903)	(76,903)	(76,903)
Shares issued during the period	3,062,859	-	3,062,859	3,062,859
Total transactions with owners	3,062,859	-	3,062,859	3,062,859
At 31 December 2015	3,062,859	(76,903)	2,985,956	2,985,956

IPAT HOLDINGS ACQUISITION LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2015

	Called up share capital	Total equity
	\$	\$
Other comprehensive income for the period	-	-
Total comprehensive income for the period	-	-
Contributions by and distributions to owners		
Shares issued during the period	3,062,859	3,062,859
Total transactions with owners	3,062,859	3,062,859
At 31 December 2015	3,062,859	3,062,859

The notes on pages 11 to 25 form part of these financial statements.

IPAT HOLDINGS ACQUISITION LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2015

	2015 \$
Cash flows from operating activities	
(Loss)/profit for the financial period	(87,098)
Adjustments for:	
Amortisation of intangible assets	96,732
Currency exchange difference on translation	7,757
Interest received	(31)
Taxation	(4,425)
(Increase)/decrease in debtors	(57,206)
Increase in creditors	32,946
Increase in amounts owed to groups	16,504,823
Net cash generated from operating activities	<u>16,493,498</u>
Cash flows from investing activities	
Cash acquired from subsidiaries	383,986
Purchase of fixed asset investments	(19,562,859)
Interest received	31
Net cash from investing activities	<u>(19,178,842)</u>
Cash flows from financing activities	
Issue of ordinary shares	3,062,859
Net cash used in financing activities	<u>3,062,859</u>
Net increase in cash and cash equivalents	<u>377,515</u>
Cash and cash equivalents at the end of period	<u><u>377,515</u></u>
Cash and cash equivalents at the end of period comprise:	
Cash at bank and in hand	<u><u>377,515</u></u>

The notes on pages 11 to 25 form part of these financial statements.

IPAT HOLDINGS ACQUISITION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2015

1. General information

IPAT Holdings Acquisition Limited is a private company limited by shares, domiciled and incorporated in England and Wales. Company number 09798040. The registered office and principal place of business is Clarendon Business Centre, Clarendon House, 52 Cornmarket Street, Oxford, OX1 3HJ.

The principal activity is that of a holding company.

The financial statements are prepared in US dollars, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest \$. The rate used at 31 December was \$1.4833 to £1.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

These are the first set of financial statements prepared by the company since its incorporation.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

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

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

The results of IPAT Inc have been excluded from consolidation on the basis that the directors intended to hold this asset for resale. The investment in IPAT Inc was disposed of post year end.

2.3 Going concern

These financial statements have been prepared on a going concern basis.

IPAT HOLDINGS ACQUISITION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2015

2. Accounting policies (continued)

2.4 Revenue

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

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Intangible assets

Goodwill

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

Other intangible assets

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

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

The estimated useful lives range as follows:

Goodwill	-	5 years
Other intangible fixed assets	-	4 - 5 years

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

IPAT HOLDINGS ACQUISITION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2015

2. Accounting policies (continued)

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.9 Financial instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

IPAT HOLDINGS ACQUISITION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2015

2. Accounting policies (continued)

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is USD.

Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Consolidated Statement of Comprehensive Income within 'other operating income'.

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

2.12 Interest income

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

IPAT HOLDINGS ACQUISITION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2015

2. Accounting policies (continued)

2.13 Provisions for liabilities

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

Provisions are charged as an expense to the Consolidated Statement of Comprehensive Income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.14 Current and deferred taxation

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

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

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

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

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

IPAT HOLDINGS ACQUISITION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2015

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

In applying the company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgments, estimates and assumptions are based on the best and most reliable evidence at the time when the decisions are made, and based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgments, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects both current and future periods.

Critical judgments in applying the company's accounting policies

The critical judgments that the directors have made in the process of applying the company's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Amortisation of intangibles

The company amortises its intangible assets over their estimated useful life of 4-5 years which is based upon the judgement applied for the performance of the intangible asset.

Valuation of investments

Impairment testing is carried out for all investments at the year end date or where there is an indication that impairment exists. For the purposes of impairment testing, the carrying amounts of the investments are reviewed and an impairment loss is recognised where the carrying amounts exceed the assets recoverable amount.

4. Turnover

An analysis of turnover by class of business is as follows:

	Period ended 31 December 2015 \$
Rendering of services	55,205

All turnover arose within the United Kingdom.

IPAT HOLDINGS ACQUISITION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2015

5. Operating (loss)/profit

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

	Period ended 31 December 2015 \$
Amortisation of intangible assets, including goodwill	96,732
Fees payable to the Group's auditor for the audit of the Company's annual financial statements	9,713
Exchange differences	(7,390)
	<u><u> </u></u>

During the period, no director received any emoluments.

6. Auditor's remuneration

	Period ended 31 December 2015 \$
Fees payable to the Group's auditor for the audit of the Group's annual financial statements	9,713
	<u><u> </u></u>
Fees payable to the Group's auditor in respect of:	
All other services	16,437
	<u><u> </u></u>

7. Interest receivable

	Period ended 31 December 2015 \$
Other interest receivable	31
	<u><u> </u></u>

IPAT HOLDINGS ACQUISITION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2015

8. Taxation

	Period ended 31 December 2015 \$
Total current tax	-
Deferred tax	
Origination and reversal of timing differences	(4,459)
Total deferred tax	(4,459)
Taxation on (loss)/profit on ordinary activities	(4,459)

Factors affecting tax charge for the period

The tax assessed for the period is higher than the standard rate of corporation tax in the UK of 20%. The differences are explained below:

	Period ended 31 December 2015 \$
(Loss)/profit on ordinary activities before tax	(91,557)
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20%	(18,311)
Effects of:	
Non-tax deductible amortisation of goodwill and impairment	10,450
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	3,402
Total tax charge for the period	(4,459)

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

IPAT HOLDINGS ACQUISITION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2015

9. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the parent Company for the period was \$nil.

10. Intangible assets

Group and Company

	Other intangible assets \$	Goodwill \$	Total \$
Cost			
Additions	-	1,877,156	1,877,156
On acquisition of subsidiaries	1,055,730	-	1,055,730
At 31 December 2015	<u>1,055,730</u>	<u>1,877,156</u>	<u>2,932,886</u>
Amortisation			
Charge for the year	34,160	62,572	96,732
On acquisition of subsidiaries	89,009	-	89,009
At 31 December 2015	<u>123,169</u>	<u>62,572</u>	<u>185,741</u>
Net book value			
At 31 December 2015	<u>932,561</u>	<u>1,814,584</u>	<u>2,747,145</u>

Amortisation charged during the year has been included within administrative expenses.

11. Fixed asset investments

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
IPAT Holdings Limited	United Kingdom	Ordinary	100 %	Distributor of 16pf assessments
Clover Ventures Limited *	United Kingdom	Ordinary	100 %	Supplier of career assessments

* indirectly owned

IPAT HOLDINGS ACQUISITION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2015

11. Fixed asset investments (continued)

The aggregate of the share capital and reserves as at 31 December 2015 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves \$	Profit/(loss) \$
IPAT Holdings Limited	14,089,058	1,524,261
Clover Ventures Limited	(169,448)	(174,390)

Company

	Investments in subsidiary companies \$
Cost or valuation	
Additions	3,202,859
At 31 December 2015	3,202,859
Net book value	
At 31 December 2015	3,202,859

12. Debtors

	Group 2015 \$	Company 2015 \$
Trade debtors	53,446	-
Other debtors	27,788	-
Deferred taxation	4,425	-
	85,659	-

IPAT HOLDINGS ACQUISITION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2015

13. Current asset investments

	Group 2015 \$	Company 2015 \$
Shares in group undertakings	<u>16,360,000</u>	<u>16,360,000</u>

Unlisted current asset investments consist of a 100% owned subsidiary investment in IPAT Inc. At year end the intention is for the company to sell its shares in the subsidiary therefore the investment has been classified as a current asset held for sale and the results since acquisition have been excluded from the consolidation. Following the year end the investment was sold to another group company.

14. Cash and cash equivalents

	Group 2015 \$	Company 2015 \$
Cash at bank and in hand	<u>377,515</u>	<u>-</u>

15. Creditors: Amounts falling due within one year

	Group 2015 \$	Company 2015 \$
Trade creditors	33,762	-
Amounts owed to group undertakings	16,504,823	16,500,000
Other creditors	19,132	-
Accruals and deferred income	26,646	-
	<u>16,584,363</u>	<u>16,500,000</u>

IPAT HOLDINGS ACQUISITION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2015

16. Financial instruments

	Group 2015 \$	Company 2015 \$
Financial assets		
Financial assets measured at fair value through profit or loss	377,515	-
Financial assets that are debt instruments measured at amortised cost	16,441,235	-
	<u>16,818,750</u>	<u>-</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(16,584,363)	(16,500,000)
	<u>(16,584,363)</u>	<u>(16,500,000)</u>

Financial assets measured at fair value through profit or loss comprises of trade debtors, other debtors and current asset investments.

Financial liabilities measured at amortised costs comprises of trade, intercompany and other creditor and accruals.

17. Deferred taxation

Group

	2015 \$
Charged to profit or loss	4,425
At end of year	<u>4,425</u>

The deferred tax asset is made up as follows:

	Group 2015 \$
Tax losses carried forward	<u>4,425</u>

The deferred tax asset is expected to reverse out during the next 12 months.

IPAT HOLDINGS ACQUISITION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2015

18. Share capital

	2015
	\$
Shares classified as equity	
Allotted, called up and fully paid	
2,004,961 Ordinary shares of \$1.52764 each	3,062,859
	<u><u> </u></u>

Upon incorporation the company issued 1 ordinary shares at par.

On 30 October the company issued a further 2,004,960 ordinary shares at par.

The ordinary shares carry one voting right per share and no fixed income.

19. Reserves

Profit and loss account

This reserve represents the cumulative profits and losses of the company after the payment of dividends.

IPAT HOLDINGS ACQUISITION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2015

20. Business combinations

Acquisition of IPAT Holdings Limited and subsidiaries

On 31 October 2015 the company purchased 100% of the share capital of IPAT Holdings Limited for \$19,562,859.

	Book value \$	Fair value adjustment \$	Fair value \$
Investments	13,118,050	3,241,950	16,360,000
Intangible	964,283	-	964,283
	<u>14,082,333</u>	<u>3,241,950</u>	<u>17,324,283</u>
Debtors	24,029	-	24,029
Cash at bank and in hand	383,986	-	383,986
Total assets	<u>14,490,348</u>	<u>3,241,950</u>	<u>17,732,298</u>
Due within one year	(46,595)	-	(46,595)
Fair value of net assets	<u>14,443,753</u>	<u>3,241,950</u>	<u>17,685,703</u>
Goodwill	1,877,156	-	1,877,156
Total purchase consideration	<u>16,320,909</u>	<u>3,241,950</u>	<u>19,562,859</u>
Purchase consideration settled in cash, as above	(19,562,859)	-	(19,562,859)
Cash and cash equivalents in subsidiary acquired	383,986	-	383,986
Cash outflow on acquisition	<u>(19,178,873)</u>	<u>-</u>	<u>(19,178,873)</u>

The results of IPAT Holdings Limited and subsidiaries since its acquisition are as follows:

	Current period since acquisition 2015 \$
Turnover	<u>55,205</u>
Profit for the period	<u>(24,527)</u>

IPAT HOLDINGS ACQUISITION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2015

21. Related party transactions

The company has taken advantage of the exemption available in accordance within Section 33 of FRS 102 'Related party disclosures' not to disclose transactions entered into between two or more members of the group that are wholly owned.

22. Post balance sheet events

On 30 March 2016 IPAT Holdings Limited sold its 100% shareholding in IPAT Inc to another group company.

23. Controlling party

The ultimate controlling party is PAN Inc, a company incorporated in USA.