

Company Registration No. 08486720 (England and Wales)

ADDISON LEE GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

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COMPANIES HOUSE

ADDISON LEE GROUP LIMITED

COMPANY INFORMATION

Directors

L Griffin
P Suter
P Gallagher

Secretary

L Gage

Company number

08486720

Registered office

The Point
37 North Wharf Road
London W2 1AF

ADDISON LEE GROUP LIMITED

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ADDISON LEE GROUP LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2019

The directors present their strategic report for Addison Lee Group Limited for the year ended 31 August 2019.

Review of business

During the year the company's principal activity was to act as a holding company.

The key financial and performance indicators during the year are as follows:

	2019	2018
	£'000	£'000
Dividend income	-	115,591
Interest income	5,079	431
Interest expense	<u>(17,290)</u>	<u>(11,251)</u>
Net interest income/(expense)	<u>(12,211)</u>	<u>(104,771)</u>

Dividends

The company declared and paid a dividend of £nil (2018 £31.3m) and received dividends of £nil (2018: 115.6m)

Principal risks and uncertainties

Refer to the Strategic Report in the Annual Report and Consolidated financial statements of Addison Lee Financing Limited.

On behalf of the board


P Suter
Director

Date: 7 September 2020

ADDISON LEE GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

The directors present their annual report and unaudited financial statements for the year ended 31 August 2019.

Principal activity

The principal activity of the company continued to be that of a holding company of a group of companies that principally provide ground transportation services.

Directors

The following directors have held office since 1 September 2018:

L Griffin	appointed on 23 March 2020
P Suter	appointed on 23 March 2020
P Gallagher	appointed on 23 March 2020
A K Boland	resigned on 23 March 2020
S Gordon	resigned on 23 March 2020

Dividends

The company paid a dividend during the year of £nil (2018: £31.3m).

Financial instruments

The company's financial instruments including amounts due to, and from, other members of the group. Other financial assets and liabilities, such as trade creditors arise directly from operations.

Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The directors have accordingly determined that it is appropriate to prepare the financial statements on a going concern basis.

ADDISON LEE GROUP LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019**

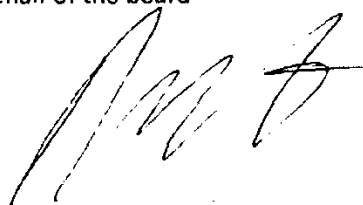
Events occurring after the reporting period

On 23 March 2020, the Addison Lee Financing Limited was acquired by consortium of investors, led by Cheyne Capital and Liam Griffin. As part of the corporate rescue transaction and financial restructuring process –

- Intercompany receivable and payable balances within Addison Lee Midco II Limited with the company were released in full;
- Loan notes payable by the Company to Addison Lee Financing Limited were released in full; and
- Lenders unconditionally and irrevocably released and discharged senior finance loans and unpaid accrued interest in respect of the debt, for nil consideration;

Refer to the Annual Report and Consolidated financial statements of Addison Lee Financing Limited which provides full detail in respect of change of ownership and business restructuring.

On behalf of the board



P Suter
Director

Date: 7 September 2020

ADDISON LEE GROUP LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 AUGUST 2019

The directors are responsible for preparing the strategic report, 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), including Financial Reporting Standard FRS 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 of the profit or loss of the company for that period.

In preparing those 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ADDISON LEE GROUP LIMITED**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 AUGUST 2019**

	Notes	2019 £'000	2018 £'000
Administrative expenses		(575)	12
Exceptional items	2	(937)	-
Operating (loss)/profit		(1,512)	12
Interest receivable and similar income	3	5,079	116,405
Interest payable and similar charges	4	(17,580)	(11,447)
(Loss)/profit on ordinary activities before taxation		(14,013)	104,970
Taxation	5	(894)	1,312
(Loss)/profit for the financial year		(14,907)	106,282
Retained earnings brought forward		5,415	(69,496)
Dividend paid		-	(31,371)
Retained (loss)/earnings carried forward		(9,492)	5,415

All activities of the company are continuing.

There was no other comprehensive income other than the (loss)/profit for the year.

ADDISON LEE GROUP LIMITED

**BALANCE SHEET
AS AT 31 AUGUST 2019**

	Notes	2019 £'000	2018 £'000
Fixed assets			
Investments	6	342,013	335,007
		<u>342,013</u>	<u>335,007</u>
Current assets			
Debtors	7	44,037	27,801
Cash at bank		1,559	1
		<u>45,596</u>	<u>27,802</u>
Creditors			
Amounts falling due within one year	8	(61,439)	(47,744)
Net current liabilities		<u>(15,843)</u>	<u>(19,942)</u>
Total assets less current liabilities		326,170	315,065
Amounts falling due after more than one year	9	(288,103)	(262,091)
Net assets		<u><u>38,067</u></u>	<u><u>52,974</u></u>
Capital and reserves			
Called up share capital	10	476	476
Share premium account	11	47,083	47,083
Profit and loss reserves		(9,492)	5,415
Total shareholders' funds		<u><u>38,067</u></u>	<u><u>52,974</u></u>

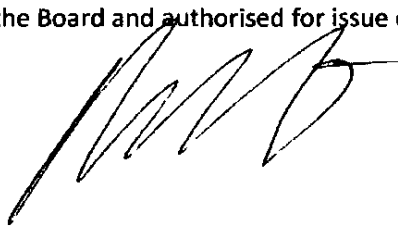
For the year ended 31 August 2019 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of the accounts.

Approved by the Board and authorised for issue on 7 September 2020.

**P Suter
Director**



ADDISON LEE GROUP LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2019**

	Share capital £'000	Share premium account £'000	Profit and loss account £'000	Total equity £'000
Balance at 1 September 2017	476	47,083	(69,496)	(21,937)
Profit for the year	-	-	106,282	106,282
Total comprehensive income for the year	-	-	106,282	84,345
Dividends paid during the year	-	-	(31,371)	(31,371)
Balance at 31 August 2018	476	47,083	5,415	52,974
Profit for the year	-	-	(14,907)	(14,907)
Balance at 31 August 2019	476	47,083	(9,492)	38,067

ADDISON LEE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies

Company information

Addison Lee Group Limited is incorporated in England and Wales. Its registered office is located at The Point, 37 North Wharf Road, London W2 1AF.

Basis for preparation

The financial statements of Addison Lee Group Limited were approved for issue by the Board of Directors on 7 September 2020.

The financial statements have been prepared in compliance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006.

The financial statements have been prepared on the historical cost convention and in British Pound Sterling rounded to the nearest thousand pounds (£'000).

Financial Reporting Standard 102 (FRS 102) allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholders.

The company has taken advantage of the following exemptions:

- the requirement to present a statement of cash flows and related notes
- financial instrument disclosures, including the categories of financial instruments, items of income, expenses, gains or losses relating to financial instruments, and exposure to and management of financial risks
- the requirement to disclose key management personnel compensation

Equivalent disclosures are included in the consolidated financial statements of Addison Lee Financing Limited, a company incorporated in England and Wales, in which the company's financial statements for the year ended 31 August 2019 are consolidated.

The company has taken advantage of an exemption from disclosing transactions with wholly owned subsidiaries undertakings of Addison Lee Financing Limited.

Consolidated financial statements

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared consolidated financial statements and it is exempt from the requirement to do so under Section 400 of Companies Act 2006.

ADDISON LEE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting policies (*continued*)

Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. A financial asset or a financial liability is recognised when the company becomes a party to the contractual provisions of the instrument.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss.

Basic financial assets and liabilities

Basic financial assets, which includes trade debtors, trade creditors, bank loans, loans due to/from fellow group undertakings and preference shares that are classified as debt are initially measured at transaction price, and subsequently measured at amortised cost using the effective interest rate method.

Where an arrangement constitutes a financing transaction, financial assets and financial liabilities are measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Cash and cash equivalent

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short-term deposits with an original maturity date of three months or less.

Non-basic financial assets and liabilities

Non-basic financial instruments are measured at fair value through profit or loss.

Equity instruments

Equity instruments issued by the company are recorded at proceeds received, net of direct issue costs. Equity instruments is any contract that evidences a residual interest in assets of the company after deducting all its liabilities.

Fixed assets investments

Interest in subsidiaries, associates and jointly control entities are initially measured at costs and subsequently measured at cost less any accumulated impairment losses. Impairment losses or reversal of impairment losses are recognised in the profit and loss for the year.

ADDISON LEE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (*continued*)

Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Therefore, it has been determined that it is appropriate to prepare the financial statements on a going concern basis.

Taxation

Taxation on the profit for the year represents the sum of current tax and deferred tax.

Current tax is recognised for income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences that have originated but have not reversed at the balance sheet date, where transactions or events have occurred at the date that will result in an obligation to pay more, or right to pay less or receive more tax.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is calculated on an undiscounted basis using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

2. Exceptional items

		2019	2018
		£'000	£'000
Restructuring costs	(a)	937	-
		<u>937</u>	<u>-</u>

- (a) Costs relating to of group wide integration processes, costs of setting up new management structures and business operations

ADDISON LEE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

3. Interest receivable and similar income

	2019	2018
	£'000	£'000
Dividend from group companies	-	115,591
Interest receivable from group companies	5,079	431
Exchange gains	-	383
	5,079	116,405

4. Interest payable and similar charges

	2019	2018
	£'000	£'000
Interest payable to group companies	17,240	11,203
Other interest costs	50	48
Debt issue costs	40	40
Monitoring fee costs	250	156
	17,580	11,447

5. Taxation

	2019	2018
	£'000	£'000
Deferred tax		
Current year	14	-
Adjustment in respect of previous periods	831	(1,312)
Effect of changes in tax rates	49	-
Total deferred tax	894	(1,312)
Tax per income statement	894	(1,312)

ADDISON LEE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

The actual credit for the year can be reconciled to the expected credit based on the profit or loss and the standard rate of tax as follows:

	2019	2018
	£'000	£'000
(Loss)/profit for the period - continuing activities	(14,013)	104,970
Tax on loss at standard UK tax rate of 19% (2018: 19%)	(2,662)	19,944
Effects of:		
Dividend not taxable	-	(21,964)
Adjustments in respect of prior years	831	-
Expenses not deductible	178	-
Tax rate changes	49	155
Effects of group relief/ other reliefs	2,498	551
Tax charge for the period	894	(1,314)

The Finance Act (No.2) 2015 and the FA 2016 included legislations to reduce the main rate of UK corporation tax from 19% from 1 April 2017, and to 17 % from 1 April 2020. As these reductions were enacted at the balance sheet date, the closing deferred tax balances have been calculated at the rates at which the temporary differences are expected to reverse.

6. Investments

	Investments in subsidiaries £'000
Cost	
At 1 September 2018	335,007
Additions	7,006
At 31 August 2019	342,013

During the year the company increased its investment in Addison Lee Inc through debt equity swap.

Details of the company's subsidiaries are as follows:

a) Subsidiary undertakings incorporated (and with place of business) in the England & Wales

Name of undertaking	Company registration Number	Nature of business	% equity interest	
			2019	2018
Registered office The Point, 37 North Wharf Road, London W2 1AF:				
Addison Lee Limited (1)	01205530	Private mini cab hire	100	100
Addison Lee Coaches Limited	05822489	Property investment	100	100
Addison Lee Services Limited (1)	07305923	Administration services	100	100
Blueback Limited	06377529	Private mini cab hire	100	100
Eventech Limited (1)	03229417	Rental of motor vehicles	100	100

ADDISON LEE GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

Professional IT (Logistics) Limited	03806233	Software development	100	100
Seela Limited	08167525	Rental of motor vehicles	100	100
W1 Cars Limited	08048025	Private mini cab hire	100	100

Registered office at Unit 1 Horton Road, West Drayton, Middlesex, UB7 8BQ:

Aptus Worldwide Limited	06325936	Provider of ground transportation	100	100
Bodycove Limited	03292923	Holding company	100	100
Project Tristar Limited (1)	06434912	Provider of global chauffeur services	100	100

Registered office at Frodsham Business Centre, Bridge Lane, Frodsham, Cheshire, WA6 7FZ:

Prestige Daily Rentals & Vehicle Solutions Limited	08933821	Provider of car rentals	100	100
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b) Subsidiary undertakings incorporated (and with place of business) in the United States

Name of undertaking	Nature of business	% equity interest	
		2019	2018

Registered principal office: 90 McKee Drive, Mahwah, New Jersey 07430:

American Limousine LLC (3)	Provider of ground transportation	100	100
America Transportation Holdings LLC	Provider of ground transportation	100	100
Flyte Line Transportation LLC (3)	Provider of ground transportation	100	100

Registered principal office: 16517-16521 Arminia Street, Van Nuys, California 91406

ATH Transport LLC (3)	Provider of ground transportation	100	100
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Registered agent office at Corporation Trust Centre, 1209 Orange Street, Wilmington, Delaware 19801:

Addison Lee Inc. (1)	Private mini cab hire	100	100
Tristar Chauffeur Management	Provider of global chauffeur	100	100
Tristar Services (US) Inc.	Provider of global chauffeur	100	100
Transportation Technology Services Inc (4)	Software development	100	100

ADDISON LEE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

6. Investments (continued)

c) Subsidiary undertakings incorporated in rest of the world

Name of undertaking	Country of incorporation and place of business	Nature of business	% equity interest	
			2019	2018
Registered offices at: Heritage Hall, Le Marchant Street, St Peter Port, Guernsey GY1 4JH:				
The Addison Lee Purpose Trust (2)	Guernsey	Purpose Trust	-	-
Addison Lee Insurance Limited	Guernsey	Insurance captive	100	100
Addison Lee Trustee Limited	Guernsey	Trustee company	100	100

Registered office at Suite 1901-02, 19th Floor, Lever Tech Centre, No. 69-71 King Yip Street, Kwun Tong, Kowloon, Hong Kong

Tristar Worldwide Asia Limited	Hong Kong	Provider of global chauffeur services	100	100
Tristar Asia Travel Limited	Hong Kong	Provider of global chauffeur services	100	100

- (1) The company holds an equity interest in these entities directly. Equity interest in other subsidiary undertakings are held indirectly
- (2) Except for the interests in The Addison Lee Purpose Trust where the company is deemed to have control, all equity interest are held in ordinary shares
- (3) The company indirectly acquired 100% of the share capital on 28 December 2016
- (4) The company indirectly acquired 100% of the share capital on 1 September 2017.

7. Debtors

	2019 £'000	2018 £'000
Amounts due from group undertakings	41,042	26,457
Deferred tax asset	628	1,312
Other tax receivables	187	-
Prepayments and accrued income	32	32
Other debtors	2,148	-
	44,037	27,801

ADDISON LEE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

8. Creditors: amounts falling due within one year

	2019	2018
	£'000	£'000
Trade creditors	500	250
Amounts due to group undertakings	60,364	47,494
Amounts due to group undertakings	575	-
	61,439	47,744

9. Creditors: amounts falling due after more within one year

	2019	2018
	£'000	£'000
Other borrowings	164,875	139,285
Senior loans	120,000	120,000
Deferred tax liabilities	3,228	-
Amounts due to group undertakings	-	2,806
	288,103	262,091

Other borrowings comprise:

Loan notes 4%	106,225	106,225
Loan notes 12%	58,800	33,250
Less: debt issue costs	(150)	(190)
	164,875	139,285

Loan notes are repayable to the company's parent, Addison Lee Financing Limited, on 19 April 2025 and accrue interest that compounds annually. Issue costs of £0.3m are being amortised over the life of the related loans.

On 23 March 2020, the Addison Lee Financing Limited was acquired by consortium of investors, led by Cheyne Capital and Liam Griffin. As part of the corporate rescue transaction and financial restructuring process –

- Intercompany receivable and payable balances within Addison Lee Midco II Limited with the company were released in full;
- Loan notes payable by the Company to Addison Lee Financing Limited were released in full; and
- Lenders unconditionally and irrevocably released and discharged senior finance loans and unpaid accrued interest in respect of the debt, for nil consideration;

Refer to the Annual Report and Consolidated financial statements of Addison Lee Financing Limited which provides full detail in respect of change of ownership and business restructuring.

ADDISON LEE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

10. Share capital

	2019 £'000	2018 £'000
Allotted, issued, and fully paid		
47,558,268 ordinary shares of £0.01p each	<u>476</u>	<u>476</u>

11. Share premium account

	2019 £000	2018 £000
At beginning and end of year	<u>47,083</u>	<u>47,083</u>

12. Related parties

The company is exempt from disclosing related party transactions with other wholly owned subsidiary undertakings of Addison Lee Financing Limited.

There are no other material related party transactions requiring disclosure.

13. Controlling party

The parent undertaking of the company is Addison Lee Financing Limited, a company incorporated in England and Wales.

The directors regarded the company's ultimate controlling parent entity as at 31 Aug 2019 to be Carlyle Europe Partners III LLP.

Group consolidated financial statements that incorporate the financial statements of the company are headed by Addison Lee Financing Limited. Company incorporated in England and Wales, with registered offices at The Point, 37 North Wharf Road, London W2 1AF.

Following the change of ownership on 23 March 2020, Cheyne SVC General Partner S.a.r.l. became the ultimate parent undertaking and controlling party.