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**Company Registration No. SC221290**

**CityFleet Networks Limited**  
**Annual Report and Financial Statements**  
**for the year ended 31 December 2017**

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# **CityFleet Networks Limited**

## **Annual Report and Financial Statements for the year ended 31 December 2017**

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# **CityFleet Networks Limited**

## **Corporate Information for the year ended 31 December 2017**

### **Directors**

Mr Lim Jit Poh  
Mr Kua Hong Pak (Resigned on 1 January 2018)  
Mr Yang Ban Seng (Appointed on 1 May 2017)  
Mr Andrew Skelton (Resigned on 31 July 2017)  
Mr Russell Balding AO (Resigned on 6 April 2017)  
Mr Jaspal Singh

### **Company Secretary**

Mr Rakesh Jattan

### **Registered office**

Farburn House  
Burnside Drive  
Dyce, Aberdeen  
Scotland  
AB21 0HW

### **Business Address**

7 Woodfield Road  
London  
W9 2BA

### **Bankers**

Barclays Bank PLC  
1 Churchill Place  
London  
E14 5HP

### **Auditor**

Deloitte LLP  
Statutory Auditor  
London, United Kingdom

## **CityFleet Networks Limited**

### **Strategic report**

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

Cityfleet Networks Limited (the "Company"), together with all of its subsidiary undertakings, as detailed in note 11, are collectively referred to as "the Group".

This Strategic report has been prepared for the Group as a whole and therefore gives greater emphasis to those matters which are significant to the Group and its subsidiary undertakings when viewed as a whole.

#### **Principal activities**

In June 2017, ComfortDelGro Corporation Limited ("ComfortDelGro") entered into a share purchase agreement and acquired the remaining 49 percent stake in Cityfleet Networks Limited from Cabcharge Australia Limited. CityFleet Networks Limited became a wholly-owned subsidiary of ComfortDelGro.

The Group's principal activity is to provide booking and billing services for car and taxi travel on an account or credit basis, to business, public sector and private communities. To deliver this customised service CityFleet Networks Limited employs a state-of-the-art booking and dispatch system with highly sophisticated billing and management information and reporting facilities. The company also provides private coach bookings.

CityFleet Networks Limited operates under the ComCab brand for taxi services in London, Liverpool and Aberdeen and the ComfortExecutive brand for business and executive class car services. It also operates Westbus Coaches; a London based private charter coach company. CityFleet also engages with a number of other car and taxi vendors, on a subcontractor basis, to provide a wide range of vehicle and product choice to its clients. There has been no significant change in the Group's principal activities in the year under review.

During the year the Directors took the decision to close the underperforming operations of Computer Cab (Edinburgh) Limited a 100% owned subsidiary of CityFleet Networks Limited. The Directors have considered the impact of this closure under IFRS5 and have concluded that it was not a significant line of business and therefore have decided not to present this as a discontinued operation.

The Directors are not aware, at the date of this report, of any likely major changes in the Group's principal activities in the next year.

#### **Financial Results and Key Performance Indicators**

As shown in the Group's consolidated income statement on page 10, the Group's revenue has increased in the year by £3,268,000 (5.97%) despite 2017 being a challenging year in the industry that the Group operates in. Majority of the uplift in revenue was due to the increase in in-cab card payment.

Customers continue to implement cost saving measures and tighten their travel policies. The Group pro-actively engages with customers to manage costs and implement savings but it is still impacting operating profit margins. Operating Profit for the year was £639,000 (2016:£656,000)

The Group's consolidated statement of financial position on page 11 and page 12 shows the Group's net asset position at £18,811,000 (2016:£26,264,000) at the end of the year.

#### **Future outlook**

The Group intends to continue the provision of booking and billing services for car and taxi travel, private hire and private coach charter to the business, public sector and private communities.

2017 saw the Group continue with its investment in technological advancements, developmental work is underway to roll out new in-cab equipment to Drivers and a robust new telephony upgrade in 2018. The Group's rolling executive coach replacement program gathered momentum as did further investment in taxis. Further improvements to the market leading, state of the art responsive web booker and apps aimed at the corporate market also continued.

The Fleet continued to grow and to remain ahead of the competition the Group continually seeks improvements to Driver retention and recruitment initiatives.

# CityFleet Networks Limited

## Strategic report (continued)

The Group continued to invest in order to enhance customer and driver offering and to ensure that the proprietary Advantage System remains a modern, flexible and highly bespoke platform for customers, drivers and third party sub-contractors to book, despatch and manage trips, with support for rich and tailored business rules.

Strategic alliances were also cemented with key service providers, despatch systems and third party applications to ensure that the Company continues to expand its availability and attractiveness of the Advantage platform over competitor offerings.

The Group continues to identify inefficiencies, streamline processes but at the same time ensuring no compromise in the level of service provided to customer and drivers.

### Principal risks and uncertainties

The Group faces changing and challenging times in the 3 sectors that it operates in with regional variances also a contributing factor. The private equity backed taxi and private hire apps continue to cause disruption in the marketplace. This is further aggravated by the emergence of Ground Transport booking platforms with many attempting to buy market share through external funding they have received.

In London, operations continued to come under pressure due to intense competition and uncertainty over the future of the City of London in the aftermath of Brexit. Our Aberdeen operations continue to ride the wave of low oil price which has seen curtailed investment from corporate clients. This is compounded by reduced incoming tourism affecting the Group's coach business due to security concerns in the UK and mainland Europe.

Despite this and operating in the back drop of increased competition the Group have been successful in winning several large contracts both in the private and public sector across all business units.

### Financial risk management

#### Credit Risk

The Group's principal financial assets are bank balances and trade receivables. The Group's credit risk is primarily attributable to its trade receivables. The Group's client base is substantially blue chip or public sector bodies with strong credit ratings. Directors feel that the credit risk of the trade receivables is low.

Details of Trade and other receivables can be found in note 13 of the financial statements.

#### Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows.

#### Going concern

The Directors have a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the accounting policy note 2.

### Approval

This report was approved by the Board of Directors on 27 JUNE 2018 and signed on its behalf by:

Jaspal Singh

Director

27/6 2018

## **CityFleet Networks Limited**

### **Directors' report**

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

#### **Directors**

Details of the current directors and those who have resigned during the year are given on page 1.

The company has made qualifying third party indemnity provisions for the benefit of its Directors which were made during the year and remain in force at the date of this report.

#### **Future Developments**

The Directors have a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for the foreseeable future. Future Developments is covered on Page 2 'Future Outlook' of the Strategic Report.

#### **Financial instruments and credit risk**

The Group's principal financial assets are bank balances and trade receivables. The credit risk is primarily attributable to its trade receivables. The Group's client base is substantially blue chip or public sector bodies with strong credit ratings.

#### **Environment**

CityFleet Networks Group recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that may be caused by the Group's activities.

#### **Disabled employees**

The Group's policy in respect of disabled persons is that their applications for employment are always fully and fairly considered, bearing in mind the abilities of the applicant concerned. In the event of a member becoming disabled, every effort is made to ensure that employment with the company continues and where necessary appropriate training is arranged. It is the Group's policy that training, career development and promotion of disabled persons should, as far as possible, be identical to that of all other employees in similar grades.

#### **Employee consultation**

Regular updates are communicated to CityFleet Networks staff to inform them about the Company's progress and future plans.

Quarterly updates provide information on performance against quality, environmental, health and safety and general commercial objectives.

The Company enhanced its ISO 9001 Quality Management and ISO 14001 Environmental Management by successfully getting accredited for both the new standards (ISO 9001:2015 and ISO 14001:2015). The robust and externally audited performance management system ensures employees are engaged in a programme of objective setting, review and development. A number of staff have been promoted internally as part of long term development and succession planning.

#### **Dividends**

An interim dividend of £8 Million was paid out to the parent company ComfortDelGro in 2017 (2016: £nil).

## CityFleet Networks Limited

### Directors' report (continued)

#### Auditor

Each of the persons who is a Director at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the company's auditor is unaware and;
- the Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

A resolution to reappoint Deloitte LLP will be proposed at the forthcoming Annual General Meeting.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Board and signed on its behalf by:



Jaspal Singh

Director

27 June 2018

## **CityFleet Networks Limited**

### **Directors' responsibilities statement**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the Group financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and the Company financial statements in accordance with Financial Reporting Standard 101 '*Reduced Disclosure Framework*' (FRS 101). 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 the Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards has 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.

In preparing the Group financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



# **CityFleet Networks Limited**

## **Independent auditor's report to the members of CityFleet Networks Limited**

### **Report on the audit of the financial statements**

#### **Opinion**

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 2017 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and IFRSs as issued by the International Accounting Standards Board (IASB);
- the parent company financial statements have been properly prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of CityFleet Networks Limited (the 'parent company') and its subsidiaries (the 'group') which comprise:

- the consolidated income statement;
- the consolidated and parent company statements of financial position;
- the consolidated and parent company statements of changes in equity;
- the consolidated cash flow statement; and
- the related notes 1 to 21.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework".

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

## **CityFleet Networks Limited**

### **Independent auditor's report to the members of CityFleet Networks Limited (continued)**

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

#### **Responsibilities of directors**

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

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.

#### **Report on other legal and regulatory requirements**

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

## **CityFleet Networks Limited**

### **Independent auditor's report to the members of CityFleet Networks Limited (continued)**

In the light of the knowledge and understanding of the group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

#### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.



Sukhbinder Kooner, FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

29 June 2018

## CityFleet Networks Limited

### Consolidated Income Statement Year ended 31 December 2017

	Note	2017 £'000	2016 £'000
<b>Continuing operations</b>			
Revenue	3	57,976	54,708
Cost of sales		(47,144)	(43,164)
<b>Gross profit</b>		<u>10,832</u>	<u>11,544</u>
Administrative expenses		(11,151)	(11,753)
Other Operating Income		<u>958</u>	<u>865</u>
<b>Operating profit</b>	5	<u>639</u>	<u>656</u>
Profit on disposal of property, plant and equipment		33	12
Goodwill Impairment	6	<u>-</u>	<u>(443)</u>
<b>Profit on ordinary activities before finance income</b>		<u>672</u>	<u>225</u>
Finance income	7	<u>5</u>	<u>15</u>
<b>Profit before taxation</b>		<u>677</u>	<u>240</u>
Income tax expense	8	<u>(130)</u>	<u>(150)</u>
<b>Profit for the year</b>		<u><u>547</u></u>	<u><u>90</u></u>
Attributable to:			
Shareholders of the Company		<u>547</u>	<u>90</u>
		<u><u>547</u></u>	<u><u>90</u></u>

All results in the current and preceding year are derived from continuing operations.

The Group had no recognised gains or losses other than the profit for the current and prior year and accordingly, a statement of comprehensive income has not been present.

## CityFleet Networks Limited

### Consolidated statement of financial position As at 31 December 2017

	Note	2017	2016
		£'000	£'000
<b>Assets</b>			
<b>Non-current assets</b>			
Goodwill	6	438	438
Property, plant and equipment	10	9,929	10,086
<b>Total non-current assets</b>		<u>10,367</u>	<u>10,524</u>
<b>Current assets</b>			
Inventories	12	98	87
Trade and other receivables	13	6,280	5,321
Cash and Cash equivalents		5,445	13,648
<b>Total current assets</b>		<u>11,823</u>	<u>19,056</u>
<b>Total assets</b>		<u><u>22,190</u></u>	<u><u>29,580</u></u>

## CityFleet Networks Limited

### Consolidated statement of financial position (continued)

As at 31 December 2017

	Note	2017	2016
		£'000	£'000
<b>Liabilities and Equity</b>			
<b>Current liabilities</b>			
Rollerbonds	14	565	542
Trade Payables	14	371	238
Amounts owed to group undertakings	14	23	52
Other payables and Social Security cost	14	880	925
Accruals and deferred income	14	1,187	1,126
Total current liabilities		<u>3,026</u>	<u>2,883</u>
<b>Non-current liabilities</b>			
Driver Deposits	14	273	286
Deferred Tax	15	80	147
Total non-current liabilities		<u>353</u>	<u>433</u>
<b>Total liabilities</b>		<u>3,379</u>	<u>3,316</u>
<b>Equity</b>			
Share capital	16	17,214	17,214
Retained Earnings		<u>1,597</u>	<u>9,050</u>
Equity attributable to shareholders of the Company		18,811	26,264
<b>Total equity</b>		<u>18,811</u>	<u>26,264</u>
<b>Total liabilities and equity</b>		<u>22,190</u>	<u>29,580</u>

The financial statements of CityFleet Networks Limited, registered number SC221290, were approved by the Board of Directors on 27/6/2018.

Signed on behalf of the Board of Directors

Jaspal Singh

Director

## CityFleet Networks Limited

### Consolidated statement of changes in equity As at 31 December 2017

	Share capital £'000	Retained Earnings £'000	Total equity £'000
Balance at 1 January 2016	17,214	8,960	26,174
Profit and total comprehensive income	-	90	90
Balance at 31 December 2016	<u>17,214</u>	<u>9,050</u>	<u>26,264</u>
Profit and total comprehensive income	-	547	547
Dividend Paid	-	(8,000)	(8,000)
Balance at 31 December 2017	<u>17,214</u>	<u>1,597</u>	<u>18,811</u>

## CityFleet Networks Limited

### Company statement of financial position As at 31 December 2017

Company	Note	2017 £'000	2016 £'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	10	3,192	3,102
Investments	11	23,454	23,821
Total non-current assets		26,646	26,923
<b>Current assets</b>			
Trade and other receivables	13	4,150	4,376
Cash and cash equivalents		532	1,800
Total current assets		4,682	6,176
<b>Total assets</b>		<b>31,328</b>	<b>33,099</b>
<b>Liabilities and equity</b>			
<b>Current liabilities</b>			
Trade and other payables	14	246	229
<b>Non-current liabilities</b>			
Driver Deposits	14	22	20
Deferred Tax	15	28	28
Amount owed to group undertaking	14	13,810	15,279
Total liabilities		14,106	15,556
<b>Equity</b>			
Share capital	16	17,214	17,214
Retained earnings		8	329
Total equity		17,222	17,543
<b>Total liabilities and equity</b>		<b>31,328</b>	<b>33,099</b>

No profit and loss account is presented for CityFleet Networks Limited as permitted by section 408 of the Companies Act 2006. The profit for the Company was £7,679,000 (2016: Loss £ 203,000).

The financial statements of CityFleet Networks Limited, registered number SC221290, were approved by the Board of Directors on 27/6/2018.

Signed on behalf of the Board of Directors

Jaspal Singh  
Director



## CityFleet Networks Limited

### Company statement of changes in equity Year ended 31 December 2017

Company	Share capital £'000	Retained Earnings £'000	Total equity £'000
Balance at 1 January 2016	17,214	532	17,746
Loss for the year	-	(203)	(203)
Balance at 31 December 2016	<u>17,214</u>	<u>329</u>	<u>17,543</u>
Profit for the year	-	7,679	7,679
Dividend Paid	-	(8,000)	(8,000)
Balance at 31 December 2017	<u>17,214</u>	<u>8</u>	<u>17,222</u>

## CityFleet Networks Limited

### Consolidated statement of cash flows Year ended 31 December 2017

	2017 £'000	2016 £'000
<b>Operating activities</b>		
Profit before taxation	677	240
Adjustments for:		
Depreciation	2,010	2,235
Interest income	(5)	(15)
Impairment of goodwill	-	443
Profit on disposal of property, plant and equipment	(33)	(12)
<b>Operating cash flows before movements in working capital</b>	<b>2,649</b>	<b>2,891</b>
<b>Working capital adjustments:</b>		
Inventories	(11)	(4)
Trade receivables	(1,094)	1,715
Other receivables and prepayments	285	528
Trade and other payables	88	80
Other liabilities	(26)	(217)
<b>Cash generated from operations</b>	<b>1,891</b>	<b>4,992</b>
Income tax paid	(279)	(368)
<b>Net cash from operating activities</b>	<b>1,612</b>	<b>4,623</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(1,884)	(1,525)
Proceeds from disposal of property, plant and equipment	64	214
Cash payments on purchase of property, plant and equipment	(1,820)	(1,311)
Interest received	5	15
<b>Net cash used in investing activities</b>	<b>(1,815)</b>	<b>(1,296)</b>
<b>Financing activities</b>		
Dividend paid	(8,000)	-
<b>Net cash flows used in financing activities</b>	<b>(8,000)</b>	<b>-</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(8,203)</b>	<b>3,328</b>
Cash and Cash equivalents beginning of year	13,648	10,320
<b>Cash and Cash equivalents at end of year</b>	<b>5,445</b>	<b>13,648</b>

# CityFleet Networks Limited

## Consolidated statement of cash flows Year ended 31 December 2017

### 1. General information

CityFleet Networks Limited (Registration no. SC221290) is a private company limited by shares and is registered in Scotland. The company is incorporated in the United Kingdom with registered office at Burnside Drive, Dyce, Aberdeen, Scotland, AB21 0HW. In June 2017, ComfortDelGro Corporation Limited ("ComfortDelGro") entered into a share purchase agreement and acquired the remaining 49 percent stake in CityFleet Networks from Cabcharge Australia. CityFleet Networks Limited became a wholly-owned subsidiary of ComfortDelGro. Information on its ultimate parent is presented in note 19.

The operating companies provide booking and billing services for car and taxi services in London, Aberdeen, Edinburgh and Liverpool on account or credit basis, to business, public sector and private communities under the ComCab brand. Also CityFleet Networks Limited operates the Comfort Executive brand for business and executive class car services and Westbus Coaches, a London based private charter coach company.

The consolidated financial statements of the Group for the year ended 31 December 2017 (including comparatives) and the statement of financial position and statement of changes in equity for the Company were approved and authorised for issue by the board of directors on 27/6/2018.

### 2. Summary of significant accounting policies

#### Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report on page 2. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are also described in further detail in the notes to the financial statements. The directors are satisfied with the results and believe that the Group is well placed to manage its business risks successfully.

In particular, although the Group is exposed to wider macroeconomic events, The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group should be able to continue to operate within the level of the resources available to it.

The directors believe that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### Basis of preparation and adoption of IFRS for the Group financial statements

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The financial statements have also been prepared in accordance with IFRS adopted by the European Union and therefore the Group financial statements comply with Article 4 of the EU IAS Regulation.

The financial statements for the year ended 31 December 2017 are the second set of annual accounts that have been prepared in accordance with IFRS. Hence there is no impact of the transition to IFRS on the Group's reported financial position for the 31 December 2017 accounts and comparative notes.

The consolidated financial statements have been prepared on a historical cost basis. The consolidated financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the group operates and all values are rounded to the nearest thousand (£'000), except when otherwise indicated.

# CityFleet Networks Limited

## Notes to the financial statements Year ended 31 December 2017

### 2. Summary of significant accounting policies (continued)

#### Adoption of FRS 101 'Reduced disclosure framework' for the Company financial statements

The Company meets the definition of a qualifying entity under FRS 101 (Financial Reporting Standard 101) issued by the Financial Reporting Council. These company financial statements were prepared in accordance with FRS 101 'Reduced Disclosure Framework' as issued by the Financial Reporting Council, incorporating the Amendments to FRS 101 issued by the FRC in July 2015 and the amendments to Company law made by The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 prior to their mandatory effective date of accounting periods beginning on or after 1 January 2016.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial commitments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, impairment of assets, related party transactions and key management personnel. Where relevant, equivalent disclosures have been given in the Company's consolidated accounts.

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

#### Basis of consolidation

The Group financial statements consolidate those of the Company and all of its subsidiaries as of 31 December 2017. Subsidiaries are all entities over which the Group has the power to control the financial and operating policies. The Group obtains and exercises control through more than half of the voting rights. All subsidiaries have a reporting date of 31 December.

For the year ended 31 December 2017, the Directors have prepared consolidated financial statements subject to an audit to enhance visibility over the combined operations of the Group and to enable the Group's subsidiaries to take exemption from audit under section 479a of the Companies Act 2006.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

#### Business combinations and goodwill

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

## **CityFleet Networks Limited**

### **Notes to the financial statements**

**Year ended 31 December 2017**

#### **2. Summary of significant accounting policies (continued)**

##### **Business combinations and goodwill (continued)**

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of a) fair value of consideration transferred, b) the recognised amount of any non-controlling interest in the acquiree and c) acquisition-date fair value of any existing equity interest in the acquiree, over the acquisition-date fair values of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (i.e. gain on a bargain purchase) is recognised in profit or loss immediately.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

##### **Intangible assets**

Intangible assets held, where reliably measured, have an indefinite useful economic life and are therefore subject to an annual impairment review. Provision is made for any impairment.

##### **Property, plant and equipment**

Property, plant and equipment are stated at historical cost less accumulated depreciation and provision for impairment.

Depreciation is provided on all property, plant and equipment, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful economic life, as follows:

Freehold premises	2% on cost straight line per annum
Leasehold premises	Over length of lease
Improvements to premises	8 years
Coach and Motor vehicles	3 - 12 years from registration date
Fixtures, fittings and machinery	1 - 10 years
IT hardware and software	3 - 8 years

##### **Investments**

Investments held as non-current assets are stated at cost less provision for any impairment in value.

##### **Cash**

Cash and cash equivalents comprise cash at banks and on hand and cash in deposit accounts which require less than three months' notice for the Company to access.

##### **Inventories**

Inventories consist primarily of materials and fuel stocks required for the operation and maintenance of coaches. These materials and fuel stocks are valued on a first in first out basis at the lower of cost and net realisable value to the group.

## CityFleet Networks Limited

### Notes to the financial statements

#### Year ended 31 December 2017

#### 2. Summary of significant accounting policies (continued)

##### Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

##### Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

##### Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

# **CityFleet Networks Limited**

## **Notes to the financial statements**

**Year ended 31 December 2017**

### **Operating leases**

Rental payable under operating leases are charged to consolidated income statement on a straight-line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

### **Finance costs**

Finance costs of financial liabilities are recognised in the consolidated income statement over the term of such instruments at a constant rate on the carrying amount.

### **Financial Instruments**

Financial assets and financial liabilities are recognised in the Group's Statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

### **Financial assets**

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss. Transaction costs directly attributable to the acquisition of financial assets classified as at fair value through profit or loss are recognised immediately in profit or loss..

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. The group only has financial assets classified as loans and receivables.

### **Loans and receivables**

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

### **Impairment of financial assets**

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the differences between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

## **CityFleet Networks Limited**

### **Notes to the financial statements** **Year ended 31 December 2017**

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

#### **Derecognition of financial assets**

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

#### **Financial liabilities and equity**

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

#### **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

#### **Retirement benefit obligations**

Defined contribution arrangements are made for eligible employees of the group. The pension cost charged in the year represents contributions payable by the company to the pension scheme.

#### **Drivers' rollerbond**

The Group provides a voluntary rollerbond scheme whereby a proportion of the drivers' payments can be withheld by the company and credited to drivers' rollerbond accounts each month. The driver chooses either a limit at which the balance will be refunded or a time of the year when the amount becomes refundable to the driver. At the reporting date the total rollerbond liability is disclosed in creditors falling due within one year.

#### **Insurance**

Insurance costs include insurance premiums which are recognised in profit and loss over the period to which they relate.



# **CityFleet Networks Limited**

## **Notes to the financial statements** **Year ended 31 December 2017**

### **Revenue**

Revenue represents amounts receivable for services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes. Revenue from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due. Other operating income which mainly comprises of vehicle rental is recognised in line with the contractual rental due date. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year. Interest income is recognised when it is probable that the economic benefits will flow to the company and the amount of revenue can be measured reliably.

### **Foreign currency transactions**

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction.

### **Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

### **Operating profit**

Operating profit is stated after charging restructuring costs and after the share of results of associates but before investment income and finance costs.

### **Critical accounting judgements and key sources of estimation uncertainty**

There were no accounting policies which required significant accounting judgements for either the Group or Company.

### **Key source of estimation uncertainty**

In the opinion of directors, there were no key sources of estimation and uncertainty for either the Group or Company.

### **Adoption of new and revised standards**

In the current year, the Group has applied a number of amendments to IFRS issued by the IASB that are mandatorily effective for an accounting period that begins on or after 1 January 2017. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

The following new and revised IFRS have been issued but are not yet effective and have not been applied by the Group in these financial statements:

- IFRS15 - Revenue from Contracts with Customers (effective for the year ending 31 December 2018, subject to EU endorsement)
- IFRS 9 - Financial Instruments (effective for the year ending 31 December 2018, subject to EU endorsement)
- IFRS16 – Leases (effective for the year ending 31 December 2019, subject to EU endorsement)

Management is reviewing the potential effect of IFRS 15 and IFRS16 on the Group's financial statements which will be finalised towards the end of 2018. This includes reviewing the revenue presentation and

## CityFleet Networks Limited

### Notes to the financial statements Year ended 31 December 2017

reporting on Gross v/s Net basis. IFRS 9 is not expected to have a material impact on the results of the Group when it is adopted.

The following revisions, amendments and improvements have been issued but are not yet effective and are not expected to have a material impact on the results of the Group when they are adopted:

- Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS11)
- Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS16 and IAS38)
- Defined Benefit Plans: Employee Contributions (Amendments to IAS19)
- Improvements to IFRS 2010-2012 Cycle and 2011-2013 Cycle

#### Useful lives of property, plant and equipment

The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period to ensure that they appropriately reflect the consumption of the economic benefit of that property, plant and equipment.

### 3. Revenue

Revenue and operating profit are attributable to the Group's principal activity and arise entirely in the United Kingdom.

	2017 £'000	2016 £'000
Taxi and Private Hire Revenue	47,588	44,560
Taxi Driver Subscription	5,178	5,273
Coach revenue	5,210	4,875
Total revenue from services	<u>57,976</u>	<u>54,708</u>
Other operating income	958	865
Total revenue	<u>58,934</u>	<u>55,573</u>
Operating profit	<u>639</u>	<u>656</u>

# CityFleet Networks Limited

## Notes to the financial statements Year ended 31 December 2017

### 4. Information regarding directors and employees

Group	2017 £'000	2016 £'000
<b>Directors' remuneration</b>		
Emoluments	30	30

Group	2017 No.	2016 No.
<b>Average number of persons employed (including directors)</b>		
Operating staff	142	151
Drivers	44	40
Sales	14	16
Administration	37	36
	237	243

Group	2017 £'000	2016 £'000
<b>Staff costs during the year (including directors)</b>		
Wages and salaries	6,445	6,530
Social security costs	617	593
Pension costs	44	40
	7,106	7,163

There are no retirement benefits accruing under a money purchase pension scheme for the Directors (2016 - £nil). The company does not operate a defined benefit pension scheme. Remuneration of the highest paid director includes fees of £30,000 (2016 - £30,000)

The Company has no employees.

There has been no share option or long-term incentive scheme available for the directors in the current year.

## CityFleet Networks Limited

### Notes to the financial statements

#### Year ended 31 December 2017

##### 5. Group operating profit

	2017	2016
	£'000	£'000
Group operating profit is stated after charging:		
Depreciation:		
Assets owned	2,010	2,235
Impairment of goodwill	-	443
Staff Cost ( Note 4 )	7,106	7,163
Rentals under operating leases:		
Premises	382	348
Others	403	396
	<u>9,901</u>	<u>10,585</u>

##### Auditor's remuneration

	2017	2016
	£'000	£'000
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	50	50
Total audit fees	<u>50</u>	<u>50</u>
Tax compliance fees	20	21
Total fees	<u>70</u>	<u>71</u>

##### 6. Goodwill

The movements in the net carrying amount of goodwill are as follows:

Group	2017	2016
	£'000	£'000
Cost		
At 1 January	<u>2,385</u>	<u>2,385</u>
Amortisation		
At 1 January	1,947	1,504
Impairment losses	-	443
At 31 December	<u>1,947</u>	<u>1,947</u>
Net book value		
At 31 December	<u>438</u>	<u>438</u>

## CityFleet Networks Limited

### Notes to the financial statements Year ended 31 December 2017

#### Goodwill (continued)

Goodwill acquired in a business combination is allocated at acquisition to the cash-generating units that are expected to benefit from that business combination. The carrying amount of goodwill of £ 438,000 (2016: £438,000) is reported after an impairment test and review of taxi operations by the directors. There is no impairment loss for 2017 (2016: £443,000).

The Group is required to test, on an annual basis, whether goodwill has suffered any impairment. The recoverable amounts of the cash generating units ("CGUs") are determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the determination of a discount rate in order to calculate the present value of the cash flows.

The basis of the impairment test included assumptions as set out below:

- Growth rate of 1.5% based on International Monetary Funds (IMF) UK predictions and forecast.
- The company's weighted average cost of capital of 5.71%.

#### 7. Finance income

	2017 £'000	2016 £'000
Bank interest	<u>5</u>	<u>15</u>

#### 8. Income tax expense

##### a) Tax expense:

	2017 £'000	2016 £'000
<b>Current tax expense</b>		
Current tax on profits for the year	193	215
Adjustment in respect of prior years	<u>4</u>	<u>29</u>
Total current tax charge	197	244
<b>Deferred tax</b>		
Origination and reversal of temporary differences (note 15)	<u>(67)</u>	<u>(94)</u>
Income tax expense reported in the income statement	<u>130</u>	<u>150</u>

## CityFleet Networks Limited

### Notes to the financial statements

#### Year ended 31 December 2017

##### Income tax expense (continued)

The actual tax charge for the current year and previous year can be reconciled to the accounting profit as follows:

	2017 £'000	2016 £'000
Profit before taxation	677	240
Income tax calculated at standard rate of 19.25% (2016: 20%)	129	48
Factors affecting charge for the year:		
Disallowable expenses	-	1
Goodwill impairment	-	88
Effects of changes in tax rate	(3)	(16)
Adjustments in respect of prior years	4	29
	130	150
Effective rate	19.2%	62.5%

##### b) Changes in tax rates and factors affecting the future tax charge

The Finance Act 2016 included legislation to reduce the main rate of UK corporation tax from 20% to 19% from April 2017 and to 17% from 1 April 2017. These rates reductions were substantially enacted by the reporting date and therefore have been reflected in the calculation of deferred tax at the reporting date.

#### 9. Dividend

	2017 £'000	2016 £'000
Dividend Paid	8,000	-

An interim dividend of £ 8 Million was paid out to the ultimate holding company ComfortDelGro in 2017 (2016:£nil).

# CityFleet Networks Limited

## Notes to the financial statements Year ended 31 December 2017

### 10. Property, plant and equipment

Group	Freehold premises	Leasehold premises	Coaches and motor vehicles	Fixtures and fittings and machinery	IT hardware and software	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost or valuation</b>						
At 1 January 2016	622	1,424	17,598	3,475	13,959	37,078
Additions	95	42	292	6	1,090	1,525
Disposals	-	(54)	(654)	(73)	(128)	(909)
<b>At 31 December 2016</b>	<b>717</b>	<b>1,412</b>	<b>17,236</b>	<b>3,408</b>	<b>14,921</b>	<b>37,694</b>
Additions	-	11	1,116	-	757	1,884
Disposals	-	-	(194)	-	-	(194)
<b>At 31 December 2017</b>	<b>717</b>	<b>1,423</b>	<b>18,158</b>	<b>3,408</b>	<b>15,678</b>	<b>39,384</b>
<b>Accumulated Depreciation</b>						
At 1 January 2016	479	924	10,224	3,398	11,055	26,080
Charge for the year	18	15	909	19	1,274	2,235
Disposals	-	(54)	(468)	(58)	(127)	(707)
<b>At 31 December 2016</b>	<b>497</b>	<b>885</b>	<b>10,665</b>	<b>3,359</b>	<b>12,202</b>	<b>27,608</b>
<b>Net book value</b>						
Charge for the year	23	19	827	17	1,124	2,010
Disposals	-	-	(163)	-	-	(163)
<b>At 31 December 2017</b>	<b>520</b>	<b>904</b>	<b>11,329</b>	<b>3,376</b>	<b>13,326</b>	<b>29,455</b>
<b>Net book value</b>						
At 31 December 2017	197	519	6,829	32	2,352	9,929
At 31 December 2016	220	527	6,571	49	2,719	10,086

# CityFleet Networks Limited

## Notes to the financial statements Year ended 31 December 2017

### 10. Property, plant and equipment

	£'000	£'000	£'000
<b>Cost or valuation</b>			
At 1 January 2016	1,262	2,407	3,669
Additions	171	648	819
Disposals	(226)	-	(226)
Reclassification	-	451	451
<b>At 31 December 2016</b>	<b>1,207</b>	<b>3,506</b>	<b>4,713</b>
Additions	112	445	557
Reclassification	-	283	283
<b>At 31 December 2017</b>	<b>1,319</b>	<b>4,234</b>	<b>5,553</b>
At 1 January 2016	390	796	1,186
Charge for the year	240	356	596
Disposals	(171)	-	(171)
<b>At 31 December 2016</b>	<b>459</b>	<b>1,152</b>	<b>1,611</b>
Charge for the year	115	635	750
<b>At 31 December 2017</b>	<b>574</b>	<b>1,787</b>	<b>2,361</b>
At 31 December 2017	745	2,447	3,192
At 31 December 2016	748	2,354	3,102
At 1 January 2016	872	1,611	2,483



## CityFleet Networks Limited

### Notes to the financial statements Year ended 31 December 2017

#### 11. Investments

Company	2017 £'000	2016 £'000
Cost		
At 1 January	23,821	23,821
Disposals	(367)	-
At 31 December	<u>23,454</u>	<u>23,821</u>

In 2017 investment of £367,000 in Computer Cab (Birmingham) Limited was struck off on 19 September 2017. All of the investments are unlisted.

The Company has guaranteed the liabilities of the following subsidiaries outstanding as at the date of the statement of financial position and as a result they are exempt from audit under s479A of Companies Act 2006. Details of the Company's subsidiary undertakings, the results of which are included in these group accounts, are as follows:

Investment	Company registration Number	Country of incorporation	Nature of business	% Holding	Type of shares	Reg. Office
Flightlink International Limited	3201374	United Kingdom	Executive chauffeur services	100.00	Ordinary	A
Central Dispatch Limited	5121323	United Kingdom	Call centre and dispatch services	100.00	Ordinary	A
Computer Cab (Liverpool) Limited	597443	United Kingdom	Taxi booking and billing services	100.00	Ordinary	A
Computer Cab plc	1214640	United Kingdom	Taxi booking and billing services	100.00	Ordinary	A
Cabcharge Ltd	1887129	United Kingdom	Taxi booking card services	100.00	Ordinary	A
Westbus Coach Services Limited	5565345	United Kingdom	Coach Services	100.00	Ordinary	A
Computer Cab (Aberdeen) Ltd	SC083134	United Kingdom	Taxi booking and billing services	100.00	Ordinary	B
Computer Cab (Edinburgh) Ltd	SC211594	United Kingdom	Taxi booking and billing services	100.00	Ordinary	B
Onward Travel Ltd	SC270311	United Kingdom	Taxi booking and billing services	100.00	Ordinary	B

A Advantage House, Mitre Bridge Industrial Park, Mitre Way London W10 6AU

B Farburn House, Burnside Drive, Dyce, Aberdeen, Scotland AB21 0HW

## CityFleet Networks Limited

### Notes to the financial statements Year ended 31 December 2017

#### 12. Inventories

	Group		Company	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Taxi/Coach maintenance stocks	64	63	-	-
Fuel stocks	34	24	-	-
	<u>98</u>	<u>87</u>	<u>-</u>	<u>-</u>

The cost of inventories recognised as an expense and included in the cost of sales was £ 872,000 (2016: £768,000).

#### 13. Trade and other receivables

	Group		Company	
Current	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Trade receivables	5,367	4,320	1,952	983
Less: allowance for doubtful accounts	<u>(38)</u>	<u>(85)</u>	<u>(2)</u>	<u>(2)</u>
Trade receivables - net	5,329	4,235	1,950	981
Amounts owed by group undertakings	61	3	1,572	1,993
Other Debtors	460	437	469	1,208
Prepayments and Accrued Income	<u>430</u>	<u>646</u>	<u>159</u>	<u>194</u>
	<u>6,280</u>	<u>5,321</u>	<u>4,150</u>	<u>4,376</u>

Trade receivables are non-interest bearing and are generally on 1-30 day terms. Average debtor days are 27 (2016: 26)

# CityFleet Networks Limited

## Notes to the financial statements Year ended 31 December 2017

### Ageing of Past due but not impaired receivables

	Group		Company	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
31-60 days	107	264	26	161
61-90 days	23	32	1	11
91-120 days	55	5	15	8
Total	185	301	42	180

### Movement in the allowance for doubtful accounts

	Group		Company	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Balance at the beginning of the period	(85)	(94)	(2)	(2)
Impairment losses recognised	45	-	-	-
Amounts written off during the year as uncollectable	2	(6)	-	-
Amounts recovered during the year	-	15	-	-
Balance at the end of the period	(38)	(85)	(2)	(2)

### Ageing of impaired receivables

	Group		Company	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
31-60 days	5	45	-	-
61-90 days	3	21	-	-
91-120 days	30	19	2	2
Total	38	85	2	2

## CityFleet Networks Limited

### Notes to the financial statements

Year ended 31 December 2017

#### Credit risk management

The Group's credit risk is primarily attributable to its trade receivables. The Group's client base is substantially blue chip or public sector bodies with strong credit ratings. Although the Group has a small number of counterparties to its trade receivables and as such has a high concentration of credit risk with these clients, the credit risk remain low because the main counterparties are corporate bodies.

An allowance has been made for estimated irrecoverable amounts which has been determined by reference to past default experience. The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk as no collateral or other credit enhancements are held.

#### 14. Trade and other payables

Current	Group		Company	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Rollerbonds	565	542	-	-
Trade Payables	371	238	93	6
Amounts owed to group undertakings outside of the CFN Group	23	52	-	-
Social security costs	123	123	-	-
Other payables	757	802	54	179
Accruals and deferred income	1,187	1,126	99	44
	<u>3,026</u>	<u>2,883</u>	<u>246</u>	<u>229</u>
Non-current				
Other Payables				
Driver Deposits	273	286	22	20
Deferred Tax	80	147	28	28
Amounts owed to group undertakings	-	-	13,810	15,279
	<u>353</u>	<u>433</u>	<u>13,860</u>	<u>15,327</u>

Trade and Other payables are generally on 1-30 day terms. The average Trade creditor days are 25 (2016:24).

#### Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term

# CityFleet Networks Limited

## Notes to the financial statements

### Year ended 31 December 2017

funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows.

#### Maturity of financial liabilities:

The maturity of the Group's non-borrowing related financial liabilities at 31 December 2017 was as follows:

	<u>Group</u>		<u>Company</u>	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
In one year or less, or on demand	2,752	2,606	246	229
In more than one year, but not more than five	104	94	-	-
In more than five years	142	169	22	20
Total	<u>2,998</u>	<u>2,869</u>	<u>268</u>	<u>249</u>

#### 15. Deferred tax liabilities

	2017	2016
	£'000	£'000
<b>Group</b>		
At 1 January	147	241
Movement in the year	(67)	(94)
At 31 December	<u>80</u>	<u>147</u>
<b>Company</b>		
At 1 January	28	37
Movement in the year	-	(9)
At 31 December	<u>28</u>	<u>28</u>

#### 16. Share capital

##### Group & Company

	2017		2016	
	No.	£'000	No.	£'000
	'000		'000	
Allotted, authorised, called-up and fully paid				
17,213,914 ordinary shares of £1 each	<u>17,214</u>	<u>17,214</u>	<u>17,214</u>	<u>17,214</u>

## CityFleet Networks Limited

### Notes to the financial statements Year ended 31 December 2017

The Company has one class of ordinary shares which carry no right to fixed income.

#### 17. Retained Earnings

	Group	Company
	Retained Earnings £'000	Retained Earnings £'000
Balance at 1 January 2016	8,960	532
Profit and total comprehensive income	90	(203)
<b>Balance at 31 December 2016</b>	<b>9,050</b>	<b>329</b>
Profit and total comprehensive income	547	7,679
Dividend Paid	(8,000)	(8,000)
<b>Balance at 31 December 2017</b>	<b>1,597</b>	<b>8</b>

Retained Earnings represent the accumulated gains and losses from group operations.

#### 18. Financial commitments

Operating lease commitments:

	Land and Buildings		Others	
Group	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Total future minimum lease payments under non- cancellable Operating leases are as follows:				
Within one year	156	55	275	335
Within two to five years	92	111	101	310
In five years or more	-	92	-	-
	<u>248</u>	<u>258</u>	<u>376</u>	<u>645</u>

# CityFleet Networks Limited

## Notes to the financial statements Year ended 31 December 2017

### 19. Ultimate parent company and controlling party

The ultimate parent company and the controlling party of which the Company is a member and for which Group financial statements are prepared at the reporting date is ComfortDelGro Corporation Limited, a company incorporated in Singapore.

The registered address for ComfortDelGro Corporation Limited is ComfortDelGro Corporation Limited, 205 Braddell Road, Singapore 579701. Copies of its accounts can be obtained from the same address.

### 20. Related party transactions

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Transactions between the group and its related parties include employee and related services and are disclosed below.

	2017 £'000	2016 £'000	2017 £'000	2016 £'000
	<b>Amount owed by related parties</b>		<b>Amount due to related parties</b>	
Metroline Travel Limited & ComfortDelGro Corporation Limited	<u>61</u>	<u>3</u>	<u>23</u>	<u>52</u>
	<b>Services provided to related parties</b>		<b>Services acquired from related parties</b>	
Metroline Travel Limited & ComfortDelGro Corporation Limited	<u>18</u>	<u>10</u>	<u>449</u>	<u>559</u>

### 21. Events after the Reporting Period

There were no adjustments required to the financial statements as a result of events after the reporting period.