

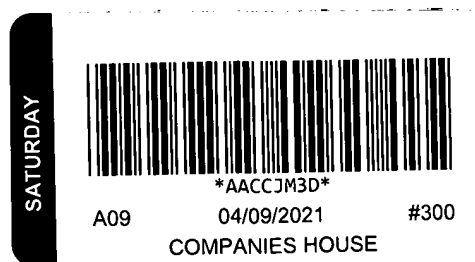
**Company Registration No. SC221290**

**CityFleet Networks Limited**

**Annual Report and Financial Statements**

**for the year ended 31 December 2020**

see note 11 page 36+37



# **CityFleet Networks Limited**

## **Annual Report and Financial Statements for the year ended 31 December 2020**

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# **CityFleet Networks Limited**

## **Corporate Information for the year ended 31 December 2020**

### **Directors**

Mr Lim Jit Poh  
Mr Yang Ban Seng  
Mr Rudy Tan Lai Wah  
Mr Sean Poul O'Shea

### **Company Secretary**

Mr Rakesh Jattan

### **Registered office**

Farburn House  
Burnside Drive  
Dyce, Aberdeen  
Scotland  
AB21 0HW

### **Business Address**

31 Colville Road  
London  
W3 8BL

### **Bankers**

Barclays Bank PLC  
1 Churchill Place  
London  
E14 5HP

### **Auditor**

Azets Audit Services  
Chartered Accountants and Statutory Auditor  
Gladstone House  
77-79 High Street  
Egham  
TW20 9HY

# 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

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, “CityFleet” employs a state-of-the-art booking and dispatch system with highly sophisticated billing and management information and reporting facilities. The Group also provides private coach bookings.

On 9 March 2020 the Company expanded its foothold in the Liverpool region with the acquisition of 100% share capital of Argyle Satellite Limited and Argyle Satellite Contract Services Limited, collectively known Argyle. Argyle is the third largest taxi and private hire operator in the Liverpool City Region and manages more than 700 self-employed drivers on its circuit which complements CityFleet’s existing 400-strong taxi operation in Liverpool.

CityFleet Networks Group operates under the ComCab and DaC brand for taxi services in London, ComCab and Argyle Satellite brand in Liverpool, ComCab brand in 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.

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 12, the Group’s revenue has decreased in the year by £19,725,000 (41.8%). The Taxi and Private Hire trade is seen as an essential business however since the outbreak of COVID-19 and the UK Government’s imposition of a lockdown, activity levels were severely impacted. With the public told to stay at home, travel restrictions in place and corporate employees working from home; job volumes have reduced drastically in what was already challenging trading conditions. The tourism sector was hugely impacted with no inbound or outbound travel which impacted our coach services.

Operating Loss for the year was £8,277,000 (2019 Loss: £1,522,000).

Cash reserves at £3,542,000 (2019: £6,372,000) have decreased from last year by £2,830,000 or 44%.

The Group’s consolidated statement of financial position on page 13 and page 14 shows the Group’s net asset position at £11,532,000 (2019:£19,736,000) at the end of the year had decreased by 41.6%.

### 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.

The Group successfully brought together 3 London operational sites into one building following the acquisition of a new premises which is its new Head-Office based in Acton, London. The new office which incorporates a new fitting bay is fully operational in line with the current COVID-19 regulation.

The Group continued to invest in 2020 with the introduction of a new booking, dispatch and billing system. The agreement with Autocab saw the implementation of their advanced booking, dispatch and billing management system along with an intelligent and sophisticated phone system in the Liverpool, Aberdeen and Flightlink operations. Further investment was made in acquiring 8 new plug-in hybrid executive private hire vehicles and 2 brand new buses to be used on school routes at Westbus Coach Services.

# CityFleet Networks Limited

## Strategic report (continued)

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 improve productivity and, 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 continues to face changing and challenging times in the 3 sectors that it operates in with regional variances also a contributing factor.

The Taxi and Private Hire trade is seen as an essential business however since the outbreak of COVID-19 and the UK Government's imposition of a lockdown, activity levels were severely impacted. With the public told to stay at home, travel restrictions in place and corporate employees working from home; job volumes have reduced drastically. The tourism sector was hugely impacted with no inbound or outbound travel which impacted our coach services. The Directors and Management moved quickly to limit the impact to its Customers, Drivers and Staff. In March the Group implemented Working From Home where possible to protect staff, those who were unable to work from home were provided with adequate face masks, sanitisers and full Personal Protection Equipment (PPE) to mitigate the risk of infection. The Group implemented the 'Five Steps to Safer Working Together' as part of the Government guidance on managing the risk of COVID-19. In order to assist and alleviate the burden on our Drivers during this time the Group reduced Driver Subscriptions in light of falling job volumes, lowered vehicle rental charges and through Driver liaison provided guidance and advice and where necessary sanitisation and PPE.

For our Customers we continued with open dialogue continuing to provide the best level of service and meet their varying needs. Our Hackney carriages are already installed with protection barriers which provide a safe and secure mode of transport. In order to protect both Drivers and Passengers the Group introduced a free decontamination and deep clean service for all Taxis in London whether they were a subscribing Driver or not.

The risk brought on by COVID-19 led to reduced job volumes from traditional sources however to mitigate some of this loss the Group engaged with local business in offering a delivery and click and collect service and our vehicles were used for safe transportation for essential supplies. This was extended to the frontline Health and Care professional moving people or medical equipment in a safe and secure manner. In London and Liverpool we worked closely with local governments to ensure the continuation of services for the vulnerable. With the collapse of the incoming tourism and group travel our coach services focused on UK school work, rail replacement and private hire within the UK and are well placed to capitalise on available work due to their varied fleet.

In addition to this the Group looked at the various UK Government Schemes that were available in order to support Staff, Customers and Drivers and to ensure that the Group provided service continuity during and after the current coronavirus, COVID-19 outbreak.

Despite this and operating in the back drop of increased competition the Group have been successful in winning and retaining several large contracts both in the private and public sector across all business units. In addition to this and to mitigate the risk inherent in any particular segment there has been a diversification into different market segments which has had an immediate impact.

The medium and longer term effects to the Group as a result of COVID-19 are unknown. The various businesses are continually under review and Management continue to adopt measures to mitigate risk and ensure service continuity during and after the current coronavirus, COVID-19 outbreak.

### 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.

# **CityFleet Networks Limited**

## **Strategic report (continued)**

### **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.

### **Brexit**

The effects of Brexit have been masked by that of COVID-19 and thus have been difficult to measure. The economic impact of a high-disruption Brexit will be negligible compared to the overhaul caused by COVID-19.

### **Statement by the directors relating to their statutory duties under s172(1) Companies Act 2006**

The Directors are fully aware of their responsibilities to promote the success of the Group in accordance with section 172 of the Companies Act 2006. CityFleet Network Group is a 100% subsidiary of ComfortDelGro Corporation a company listed on the Singapore Stock Exchange (SGX). The Board of Directors meet formally 4 times a year and have regular review meetings. Review meetings are also held with Senior Management, the meetings continue to focus on key stakeholders; Our Customers, Our Drivers, Our Staff and Our Shareholders.

The Group undertakes a rigorous annual planning process to align Strategic Thinking not only from a CityFleet Groups perspective but the wider Parent undertaking. The detailed plan considers all Stakeholders and demonstrates how to best 'value-add'. With business uncertainty surrounding the short and medium term of COVID-19 regular short-term forecasts are done with full projections covering a 3 year period to ensure that the immediate challenges are met but that a longer term outlook is planned to ensure continued success. The overall plan has the approval and endorsement by the ComfortDelGro Board and is distilled down to all levels of Management and Staff so that everyone is aware of the Plan and is involved in any future forecasts. The plan does not only cover financial outcome. It looks at the technological, strategic and operational decisions and routes that need to be taken to ensure Stakeholder enhancements to ensure that all Stakeholders are provided the best possible service and care.

Stakeholder voice is brought into the Boardroom through a series of rich Management Information as well direct engagement with stakeholders. Directors regard all Stakeholders as key, for our high profile Customers a systematic cyclic account review process is in place attended by Senior Management. A full review of performance and service level agreements are discussed with all meetings minuted and any matters arising dealt with in an orderly fashion, this is in addition to regularly contact with dedicated Account Management teams. Directors are fully aware of Customer needs to ensure a safe and reliable transportation service with ease of booking. Our Customers are diverse and hence the requirements are adapted to the Passenger needs whether they be Business Customers who require a Premium Service to those on our Passenger Assistant programmes which takes care of patients transfers, vulnerable and those who have mobility restrictions in our wheel accessible vehicles. Wherever possible we engage with Customers on Service Level Agreement which looks to achieve high levels of service availability and provision.

Our Drivers are offered the same level of service through our experienced Fleet and Operations team offering driver assistant, support and advice. CityFleet are proud of our dedicated Drivers who play a pivotal role in ensuring the movement of people in the cities we operate. Driver engagement comes in the form of formal Driver Liaison meetings, continual training programmes, Driver notices and notifications. Drivers are kept up to date with new innovations and technology enhancements as well as provided with detailed briefing of new accounts to keep ahead of the competition but also to ensure that a symbiotic relationship with customers is harnessed and grown. This relationship is for the best of all stakeholders of the Group.

## **CityFleet Networks Limited**

### **Strategic report (continued)**

Directors believe that direct engagement is the best engagement and this is also adopted and rolled out to all Staff. Regular communications are held with Staff by way of Staff Communication bulletins with the Chief Executive Officer and Senior Management holding Staff Communications sessions 4 times a year. Under normal operating conditions the Staff Communications would have a formal presentation within an informal atmosphere encouraging two-way dialogue, due to COVID-19 formal Staff Communication was sent out via different channels with Management holding smaller informal sessions. Directors see the interests of the company's employees as key and fundamental asset to the business. All staff participates in a Performance Management System which allows engagement and contribution to the Groups Strategic and Financial plans but also allow programmes to achieve personal growth and ambitions.

#### **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 19 April 2021 and signed on its behalf by:



Mr Rudy Tan Lai Wah  
Director

# CityFleet Networks Limited

## Directors' report

The Directors present their annual report and the audited financial statements for the year ended 31 December 2020.

### Directors

Details of the current directors 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 '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.

### UK Greenhouse gas emissions and energy use data

	2020
Energy Consumption used to calculate emissions (kWh)	2,581,147
Scope 1 emissions in metric tonnes CO <sub>2</sub> e	
Gas Consumption	40.58
Owned Transport	320.05
<b>Total Scope 1</b>	<b>360.63</b>
Scope 2 emissions in metric tonnes CO <sub>2</sub> e	
Purchased Electricity	234.23
Purchased Electricity - Heating	59.19
<b>Total Scope 2</b>	<b>293.43</b>
<b>Total gross emissions in metric tonnes CO<sub>2</sub>e</b>	<b>654.05</b>
<b>Intensity Ratio</b>	
<b>Gas &amp; Electricity Tonnes per Employee</b>	<b>1.23</b>
<b>Owned Transport Tonnes per passenger miles travelled</b>	<b>0.0003</b>

## **CityFleet Networks Limited**

### **Directors' report (continued)**

#### Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guideline We have also used the GHG Reporting Protocol - Corporate Standard and have used the 2020 UK Government Conversion Factors for Company Reporting.

#### Intensity measurement

We have used to intensity measurement ratio to accurately reflect the total gross emissions in metric tonnes CO2e per employee. For gas and electricity usage this is against number of employees and for Owned Transport this is against mile travelled.

#### Measures taken to improve energy efficiency

We have installed a new 3 pipe Heating, Ventilation and Air Conditioning system in our new premises along with a Passive Infrared Sensor (PIR). Paper consumption and colour printing is also controlled with default black and white and password access.

In addition the company has invested in 8 plug-in hybrids for the Executive Fleet and all new Taxis will also have zero-emission capability

#### **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**

No dividend has been paid out to the ultimate holding company ComfortDelGro Corporation Limited in the year (2019: £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 Azets Audit Services (formerly Wilkins Kennedy Audit Services) 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:



Mr Rudy Tan Lai Wah  
Director

19 April 2021

# 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 member of CityFleet Networks Limited**

#### **Opinion**

We have audited the financial statements of CityFleet Networks Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise Consolidated Income Statement, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 December 2020, and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **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 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**

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 this regard.

#### **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 member of CityFleet Networks Limited (continued)**

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

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 8, 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 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 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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;

## CityFleet Networks Limited

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

- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

### 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.

*Azets Audit Services*

Paul Creasey (Senior Statutory Auditor)  
for and on behalf of Azets Audit Services  
Chartered Accountants  
Statutory Auditor  
Gladstone House  
77-79 High Street  
Egham  
Surrey  
TW20 9HY

19 April 2021

# CityFleet Networks Limited

## Consolidated Income Statement Year ended 31 December 2020

	Note	2020 £'000	2019 £'000
<b>Continuing operations</b>			
<b>Revenue</b>	3	27,466	47,191
Cost of sales		(21,030)	(36,762)
<b>Gross profit</b>		<u>6,436</u>	<u>10,429</u>
Administrative expenses		(13,945)	(12,733)
Impairment charge		(2,395)	-
Other operating income		358	782
Government grants		<u>1,269</u>	<u>-</u>
<b>Operating loss/ profit</b>	5	<u>(8,277)</u>	<u>(1,522)</u>
Profit on disposal of property, plant and equipment		100	1,780
<b>(Loss)/Profit on ordinary activities before finance income</b>		<u>(8,177)</u>	<u>258</u>
Finance income	6	1	8
Finance costs		<u>(31)</u>	<u>(43)</u>
<b>(Loss)/profit before taxation</b>		<u>(8,207)</u>	<u>223</u>
Income tax expense	7	3	(63)
<b>(Loss)/profit for the year</b>		<u><u>(8,204)</u></u>	<u><u>160</u></u>
Attributable to:			
Shareholders of the Company		(8,204)	160
		<u><u>(8,204)</u></u>	<u><u>160</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 presented.

## CityFleet Networks Limited

### Consolidated statement of financial position As at 31 December 2020

	Note	2020	2019
		£'000	£'000
<b>Assets</b>			
<b>Non-current assets</b>			
Goodwill	8	6,126	438
Intangible assets	9	1,663	513
Property, plant and equipment	10	12,834	14,831
Total non-current assets		<u>20,623</u>	<u>15,782</u>
<b>Current assets</b>			
Inventories	12	100	98
Trade and other receivables	13	2,900	6,713
Cash and Cash equivalents		3,542	6,372
Total current assets		<u>6,542</u>	<u>13,183</u>
<b>Total assets</b>		<u><u>27,165</u></u>	<u><u>28,965</u></u>

## CityFleet Networks Limited

### Consolidated statement of financial position As at 31 December 2020

	Note	2020	2019
		£'000	£'000
<b>Liabilities and Equity</b>			
<b>Current liabilities</b>			
Rollerbonds	14	341	888
Trade Payables	14	202	376
Amounts owed to group undertakings	14	10,528	3,531
Other payables and Social Security cost	14	1,344	769
Accruals and deferred income	14	1,841	1,892
Lease liabilities	14	331	476
Total current liabilities		<u>14,587</u>	<u>7,932</u>
<b>Non-current liabilities</b>			
Driver Deposits	14	-	236
Lease liabilities	14	468	808
Deferred Tax	15	578	253
Total non-current liabilities		<u>1,046</u>	<u>1,297</u>
<b>Total liabilities</b>		<u>15,633</u>	<u>9,229</u>
<b>Equity</b>			
Share capital	16	17,214	17,214
Retained Earnings	17	(5,682)	2,522
Equity attributable to shareholders of the Company		<u>11,532</u>	<u>19,736</u>
<b>Total equity</b>		<u>11,532</u>	<u>19,736</u>
<b>Total liabilities and equity</b>		<u><u>27,165</u></u>	<u><u>28,965</u></u>

The financial statements of CityFleet Networks Limited, registered number SC221290, were approved by the Board of Directors on 19 April 2021.

Signed on behalf of the Board of Directors



Mr Rudy Tan Lai Wah  
Director

## CityFleet Networks Limited

### Consolidated statement of changes in equity As at 31 December 2020

	Share capital £'000	Retained Earnings £'000	Total equity £'000
Balance at 1 January 2019	17,214	2,362	19,576
Profit and total comprehensive income	-	160	160
Balance at 31 December 2019	<u>17,214</u>	<u>2,522</u>	<u>19,736</u>
(Loss) and total comprehensive income	-	(8,204)	(8,204)
Balance at 31 December 2020	<u>17,214</u>	<u>(5,682)</u>	<u>11,532</u>

## CityFleet Networks Limited

### Company statement of financial position As at 31 December 2020

Company	Note	2020 £'000	2019 £'000
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets	9	396	513
Property, plant and equipment	10	7,012	7,301
Gain on bargain purchase	20	(150)	(225)
Investments	11	25,711	22,232
Total non-current assets		<u>32,969</u>	<u>29,821</u>
<b>Current assets</b>			
Trade and other receivables	13	837	2,730
Cash and cash equivalents		<u>1,110</u>	<u>2,534</u>
Total current assets		<u>1,947</u>	<u>5,264</u>
<b>Total assets</b>		<u><b>34,916</b></u>	<u><b>35,085</b></u>
<b>Liabilities and equity</b>			
<b>Current liabilities</b>			
Trade and other payables	14	30,243	20,797
<b>Non-current liabilities</b>			
Driver Deposits	14	-	24
Deferred Tax	15	17	102
Total liabilities		<u>30,260</u>	<u>20,923</u>
<b>Equity</b>			
Share capital	16	17,214	17,214
Retained earnings	17	<u>(12,558)</u>	<u>(3,052)</u>
Total equity		<u>4,656</u>	<u>14,162</u>
<b>Total liabilities and equity</b>		<u><b>34,916</b></u>	<u><b>35,085</b></u>

No profit and loss account is presented for CityFleet Networks Limited as permitted by section 408 of the Companies Act 2006. The loss for the Company was £9,506,000 (2019: £2,960,000).

The financial statements of CityFleet Networks Limited, registered number SC221290, were approved by the Board of Directors on 19 April 2021.

Signed on behalf of the Board of Directors



Mr Rudy Tan Lai Wah  
Director

## CityFleet Networks Limited

### Company statement of changes in equity Year ended 31 December 2020

Company	Share capital £'000	Retained Earnings £'000	Total equity £'000
Balance at 1 January 2019	17,214	(92)	17,122
Loss for the year	-	(2,960)	(2,960)
Balance at 31 December 2019	<u>17,214</u>	<u>(3,052)</u>	<u>14,162</u>
Loss for the year	-	(9,506)	(9,506)
Balance at 31 December 2020	<u>17,214</u>	<u>(12,558)</u>	<u>4,656</u>

## CityFleet Networks Limited

### Consolidated statement of cash flows Year ended 31 December 2020

	2020 £'000	2019 £'000
<b>Operating activities</b>		
(Loss)/profit before taxation	(8,207)	223
Adjustments for:		
Depreciation	2,451	2,386
Finance costs	31	43
Interest income	(1)	(8)
Amortisation	230	118
Profit on disposal of property, plant and equipment	(100)	(1,780)
Impairment of goodwill – CityFleet Networks Limited	191	-
Impairment of IT systems – CityFleet Networks Limited	1,284	-
Impairment of IT systems – Computer Cab Plc	140	-
Impairment of vehicles – Westbus Coach Services Limited	780	-
Impairment of IT systems – Computer Cab (Liverpool) Limited	-	182
Impairment of IT systems – Computer Cab (Aberdeen) Limited	-	155
<b>Operating cash flows before movements in working capital</b>	<b>(3,201)</b>	<b>1,319</b>
<b>Working capital adjustments:</b>		
Inventories	(2)	(11)
Trade receivables	2,276	58
Other receivables and prepayments	1,944	596
Trade and other payables	6,090	1,711
Other liabilities	(8)	426
<b>Cash generated from operations</b>	<b>7,099</b>	<b>4,099</b>
Income tax paid	3	(197)
Interest paid	(31)	(43)
<b>Net cash from operating activities</b>	<b>7,071</b>	<b>3,859</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(2,722)	(4,735)
Proceeds from disposal of property, plant and equipment	198	257
Cash payments on purchase of property, plant and equipment	(2,524)	(4,478)
Acquisition of a subsidiary, net of cash acquired	(6,893)	-
Interest received	1	8
<b>Net cash used in investing activities</b>	<b>(9,416)</b>	<b>(4,470)</b>
<b>Financing activities</b>		
Lease repayments in the year	(485)	(535)
<b>Net cash flows used in financing activities</b>	<b>(485)</b>	<b>(535)</b>
<b>Net (decrease) /increase in cash and cash equivalents</b>	<b>(2,830)</b>	<b>(1,146)</b>
Cash and Cash equivalents beginning of year	6,372	7,518
<b>Cash and Cash equivalents at end of year</b>	<b>3,542</b>	<b>6,372</b>

# CityFleet Networks Limited

## Consolidated statement of cash flows Year ended 31 December 2020

### 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.

The operating companies provide booking and billing services for car and taxi services in London, Aberdeen, and Liverpool on an account or credit basis, to business, public sector and private communities under the ComCab, Dial-a-Cab and Argyle Satellite brands. In addition, 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 2020 (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 19 April 2021.

### 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.

The ultimate parent company, ComfortDelGro Corporation Limited, have provided a letter of support confirming their intention to provide financial support to the Group to meet its liabilities when they fall due should it be required. The directors do not consider the validity of the parent support is tainted by the impact of COVID-19. 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 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.

#### 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.

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 Group's consolidated accounts.

# CityFleet Networks Limited

## Notes to the financial statements Year ended 31 December 2020

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

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 2020. 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 2020, 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.

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 in the consolidated financial statements of the Group. In the individual parent company financial statements the gain on bargain purchase is initially recognised on the face of the statement of financial position.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Gain on bargain purchase is released to the parent company profit and loss over four years which represents the periods in which the non-monetary assets are recovered. 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 relating to customer relationships and brands are carried at cost less accumulated amortisation and impairment and are written off over their economic useful life of 5 – 15 years.

# CityFleet Networks Limited

## Notes to the financial statements Year ended 31 December 2020

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

#### 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	Not depreciated
Leasehold premises	Over length of lease
Improvements to premises	1 – 12.5 years
Coach and motor vehicles	2 - 12 years from registration date
Fixtures, fittings and machinery	1 - 10 years
IT hardware and software	1 - 10 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 Group 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.

#### 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.

# CityFleet Networks Limited

## Notes to the financial statements Year ended 31 December 2020

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

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.

#### 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 are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires. 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

Except for trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable). Financial asset, other than those designated and effective as hedging instruments are classified into the following categories:

- Amortised cost
- Fair value through profit or loss (FVTPL)
- Fair value through other comprehensive income (FVTOCI)

## CityFleet Networks Limited

### Notes to the financial statements Year ended 31 December 2020

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

In the periods presented, the group and company do have any financial assets categorised as FVTPL or FVTOCI.

The classification is determined by both:

- The entity's business model for managing the financial asset
- The contractual cash flow characteristics of the financial asset

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within administrative expenses.

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- They are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where its effect is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category. This category also includes investments in equity instruments.

Financial assets which are designated as FVTPL are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined with reference to active market transactions or using a valuation technique where no active market exists.

#### Trade and other receivables

The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Group assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics they have been grouped based on the days past due. 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.

#### 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.

# **CityFleet Networks Limited**

## **Notes to the financial statements Year ended 31 December 2020**

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

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.

The Group's financial liabilities include borrowings and trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

#### **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 after 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 2020

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

#### Leases

The company applies IFRS 16. Accordingly leases are accounted for in the same manner:

- A right-of-use asset and lease liability is recognised in the statement of financial position, initially measured at the present value of future lease payments;
- Depreciation of right-of-use assets and interest on lease liabilities are recognised in the statement of comprehensive income;
- The total amount of cash paid is recognised in the statement of cash flows, split between payments of principal (within financing activities) and interest (within operating activities).

The initial measurement of the right-of-use asset and lease liability takes into account the value of lease incentives such as rent free periods.

The costs of leases of low value items and those with a short term at inception are recognised as incurred.

#### Revenue

Revenue from contracts with customers represents amounts receivable for services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes. Revenue is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the group expects to be entitled in exchange for those services. In revenue arrangements where it controls the goods or services before transferring them to the customer, it is acting as the principal. In contrast certain hail and ride fares are not recognised as they are considered to be of an agent nature. Payment is typically due within 60 days. Contracts with customers do not contain a financing component or any element of variable consideration. The group does not offer an option to purchase a warranty.

Revenue for services is recognised in relation to the delivery of performance obligations specified. 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.

#### Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### Foreign currency transactions

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

#### 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.

## CityFleet Networks Limited

### Notes to the financial statements Year ended 31 December 2020

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

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

The estimates and assumptions that have a significant risk of causing a material misstatement to the carrying amounts of assets and liabilities within the next financial year are:

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

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates.

##### *Intangible assets*

The group establishes a reliable estimate of the useful life of intangible assets arising on business combinations. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the intangibles are attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

##### *Impairment of goodwill*

In determining whether or not an impairment provision is required, the directors take into account a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provision that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

##### *Discount rate for leases*

The company assesses the discount rate to be applied to the leases held on an annual basis. They ensure the discount rate is in line with market rate.

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

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the Group.

Management anticipates that all of the pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Group's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Company's financial statements.

In the current year, the company has applied a number of amendments to Standards and Interpretations issued by the IASB that are effective for an annual period that begins on or after 1 January 2020. These have not had any material impact on the amounts reported for the current and prior years:

Amendments to References to the Conceptual Framework in IFRS Standards

Amendments to IFRS 3: Definition of a Business

Amendments to IAS 1 and IAS 8: Definition of Material

Covid-19 Related Rent Concessions (Amendment to IFRS 16).

The following Adopted IFRSs have been issued but have not been applied by the Group in these financial statements, all of which are effective for the accounting period commencing 1 January 2022. Their adoption is not expected to have a material effect on the financial statements unless otherwise indicated:

Narrow scope amendments to IFRS 3, IAS 16 and IAS 27

Annual improvements to IFRS Standards 2018 – 2020

Amendments to IAS 1: Classification of Liabilities as Current or non Current

# CityFleet Networks Limited

## Notes to the financial statements Year ended 31 December 2020

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

As yet, none of these have been endorsed for use in the UK and will not be adopted until such time as endorsement is confirmed. The directors do not expect any material impact as a result of adopting the standards and amendments listed above in the financial year they become effective.

From 1 January 2021 the company will apply UK-adopted IAS. At the date of application, both UK-adopted IAS and EU-adopted IFRS will be the same.

### 3. Revenue

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

	2020 £'000	2019 £'000
Taxi and Private Hire Revenue	21,500	36,327
Taxi Driver Subscription	4,136	5,660
Coach revenue	1,830	5,204
Total revenue from services	27,466	47,191
Other operating income	358	782
Government grants	1,269	-
Total revenue	29,093	47,973
Operating (loss)/profit	(8,277)	(1,522)

All revenue types arise wholly within the United Kingdom.

Taxi, private hire and coach revenue totalling £23,330,000 (2019: £41,531,000) are recognised at a point in time and subscriptions of £4,136,000 (2019: £5,660,000) are recognised over time.

### 4. Information regarding directors and employees

Group	2020 £'000	2019 £'000
<b>Directors' remuneration</b>		
Emoluments	-	30
<b>Group</b>		
	2020 No.	2019 No.
Average number of persons employed (including directors)		
Operating staff	188	152
Drivers	42	56
Sales	20	17
Administration	21	34
	271	259

# CityFleet Networks Limited

## Notes to the financial statements Year ended 31 December 2020

### 4. Information regarding directors and employees (continued)

Group	2020 £'000	2019 £'000
<b>Staff costs during the year (including directors)</b>		
Wages and salaries	7,559	7,673
Social security costs	720	707
Pension costs	159	133
	<u>8,438</u>	<u>8,513</u>

There are no retirement benefits accruing under a money purchase pension scheme for the directors (2019 - £nil). The company does not operate a defined benefit pension scheme.

The Company has no employees.

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

The key management personnel are remunerated through the wider ComfortDelGro Group and are not charged in these financial statements.

### 5. Group operating loss

Group operating loss is stated after charging:	2020 £'000	2019 £'000
Depreciation:		
Assets owned	1,985	1,831
Right of use assets	466	555
Amortisation of Intangibles Assets	230	118
Impairment of Property, Plant and Equipment	2,203	337
Impairment of Goodwill	192	-
Staff Cost (Note 4)	8,438	8,513
Rentals under operating leases:		
Others	18	100
	<u>13,532</u>	<u>11,454</u>

Auditor's remuneration	2020 £'000	2019 £'000
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	54	47
Total audit fees	<u>54</u>	<u>47</u>
Other non audit services	9	3
Tax compliance fees	14	12
Total fees	<u>77</u>	<u>62</u>

# CityFleet Networks Limited

## Notes to the financial statements Year ended 31 December 2020

### 6. Finance income

	2020 £'000	2019 £'000
Bank interest	1	8

### 7. Income tax expense

#### a) Tax expense:

	2020 £'000	2019 £'000
<b>Current tax expense</b>		
Current tax on profits for the year	-	-
Adjustment in respect of prior years	(3)	185
Total current tax charge	-	185
<b>Deferred tax</b>		
Origination and reversal of temporary differences (note 15)	-	(122)
Income tax expense reported in the income statement	(3)	63

The actual tax charge is reconciled to the accounting profit as follows:

	2020 £'000	2019 £'000
Profit/(loss) before taxation	(8,207)	223
Income tax calculated at standard rate of 19% (2019: 19%)	(1,559)	42
Factors affecting charge for the year:		
Disallowable expenses	427	(164)
Losses not utilised	1,132	-
Adjustments in respect of prior years (unrecognised deferred tax)	(3)	185
	(3)	63
Effective rate	0.1%	28.3%

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

The UK government announced an expected increase to the corporation tax rate from 19% to 25% with effect from 1 April 2023. As this has not been substantively enacted by the reporting date, this change has not been reflected in the calculation of deferred tax at the reporting date.

# CityFleet Networks Limited

## Notes to the financial statements Year ended 31 December 2020

### 8. Goodwill

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

Group	2020 £'000	2019 £'000
<b>Cost</b>		
At 1 January	2,385	2,385
Additions through business combinations	5,882	-
Impairment	(192)	-
<b>At 31 December</b>	<b>8,075</b>	<b>2,385</b>
<b>Amortisation</b>		
At 1 January	1,947	1,947
Charge for year	2	-
Impairment losses	-	-
<b>At 31 December</b>	<b>1,949</b>	<b>1,947</b>
<b>Net book value</b>		
<b>At 31 December</b>	<b>6,126</b>	<b>438</b>

Impairment charge is included within administrative expenses on the statement of profit or loss.

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 £6,126,000 (2019: £438,000) is reported after an impairment test and review of taxi operations by the directors. There is a net impairment loss for 2020 of £192,000 (2019: £nil).

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 Group considers it has one single CGU for the purposes of this review.

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

- Growth rate of 1.4% based on International Monetary Funds (IMF) UK predictions and forecast.
- The company's weighted average cost of capital of 5.90%.

# CityFleet Networks Limited

## Notes to the financial statements Year ended 31 December 2020

### 9. Intangible assets

<b>Group</b>	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
<b>Cost</b>		
At 1 January	704	704
Additions through business combinations	1,380	-
<b>At 31 December</b>	<b>2,084</b>	<b>704</b>
<b>Amortisation</b>		
At 1 January	191	73
Charge for the year	230	118
<b>At 31 December</b>	<b>421</b>	<b>191</b>
<b>Net book value</b>		
At 31 December	<b>1,663</b>	<b>513</b>
<b>Company</b>	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
<b>Cost</b>		
At 1 January	704	704
Additions	-	-
<b>At 31 December</b>	<b>704</b>	<b>704</b>
<b>Amortisation</b>		
At 1 January	191	73
Charge for the year	117	118
<b>At 31 December</b>	<b>308</b>	<b>191</b>
<b>Net book value</b>		
At 31 December	<b>396</b>	<b>513</b>

Intangible assets relate to customer relationships and the brand acquired with the Dial-a-Cab business and will be written off over their remaining useful life of 2 years.

Intangible asset additions for the year within the group asset figures relate to customer relationships and the brand acquired with the Argyle Satellite business and will be written off over their remaining useful life of 4 years and 14 years respectively.

#### Individually material intangibles:

	<b>Remaining useful life</b>	<b>Carrying value at 31/12/2020</b>
Argyle customer relationships	4 years 2 months	302,000
Argyle brand	14 years 2 months	965,000

# CityFleet Networks Limited

## Notes to the financial statements Year ended 31 December 2020

### 10. Property, plant and equipment

Group	Freehold premises	Leasehold premises	Coach and motor vehicles	Fixtures and fittings and machinery	IT hardware and software	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>						
At 1 January 2019	717	1,399	17,616	3,420	17,638	40,790
Additions	4,133	1,372	608	79	362	6,554
Disposals	(775)	-	(705)	-	-	(1,480)
Transfers	48	26	105	1,552	(1,703)	28
Impairment	-	-	-	-	(337)	(337)
At 31 December 2019	4,123	2,797	17,624	5,051	15,960	45,555
Additions	1,243	12	817	17	634	2,723
Acquisitions through business combinations	-	-	20	9	-	29
Disposals	-	(762)	(7,877)	(954)	(1,450)	(11,043)
Reclassifications	(10)	-	(155)	25	140	-
Impairment	-	-	(780)	-	(1,424)	(2,204)
At 31 December 2020	5,356	2,047	9,649	4,148	13,860	35,060
	Freehold premises	Leasehold premises	Coach and motor vehicles	Fixtures and fittings and machinery	IT hardware and software	Total
<b>Depreciation</b>						
At 1 January 2019	538	850	10,503	3,351	14,069	29,311
Charge for the year	12	366	1,128	756	124	2,386
Disposals	(550)	-	(451)	-	-	(1,001)
Transfers	-	19	800	727	(1,518)	28
At 31 December 2019	-	1,235	11,980	4,834	12,675	30,724
Charge for the year	46	317	1,087	87	914	2,451
Disposals	-	(766)	(7,808)	(923)	(1,452)	(10,949)
At 31 December 2020	46	786	5,259	3,998	12,137	22,226
<b>Net book value</b>						
At 31 December 2020	5,310	1,261	4,390	150	1,723	12,834
At 31 December 2019	4,123	1,562	5,644	217	3,285	14,831
At 31 December 2018	179	549	7,113	69	3,569	11,479

# CityFleet Networks Limited

## Notes to the financial statements Year ended 31 December 2020

### 10. Property, plant and equipment (continued)

The total impairment loss recognised in the year relates to the following:

- 1) Impairment of booking system due to management's plans to replace this system in the near future. The charge to the profit or loss account is £1,424,000. The resulting recoverable amount at the year-end in relation to this asset is £Nil.
- 2) Impairment of numerous coaches following the changes to the Ultra-Low Emission Zone in 2021. The charge to the profit or loss account is £780,000. The resulting total recoverable amount in relation to these assets following the impairment part way through the financial year is £420,000.

Company	Freehold premises	Coaches and motor vehicles	IT hardware and software	Work in progress	Total
	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>					
At 1 January 2020	4,113	1,393	4,940	819	11,265
Additions	1,243	261	597	-	2,101
Disposals	-	(457)	(1,269)	-	(1,726)
Impairment	-	-	(1,283)	-	(1,283)
Transfers to/(from) work in progress	-	-	819	(819)	-
<b>At 31 December 2020</b>	<b>5,356</b>	<b>1,197</b>	<b>3,804</b>	<b>-</b>	<b>10,357</b>
<b>Depreciation</b>					
At 1 January 2020	-	889	3,075	-	3,964
Charge for the year	46	164	843	-	1,053
Disposals	-	(413)	(1,259)	-	(1,672)
<b>At 31 December 2020</b>	<b>46</b>	<b>640</b>	<b>2,659</b>	<b>-</b>	<b>3,345</b>
<b>Net book value</b>					
At 31 December 2020	5,310	557	1,145	-	7,012
At 31 December 2019	4,113	504	1,865	819	7,301

# CityFleet Networks Limited

## Notes to the financial statements Year ended 31 December 2020

### 10. Property, plant and equipment (continued)

#### Right of use assets

The group leases properties and some motor vehicles. The average lease term on the properties is four years and on the motor vehicles is two years. There are no options to purchase at the end of the lease lives. In all cases, the lease obligations are secured by the lessor's title to the leased assets.

The right-of-use assets included in the statement of financial position are as follows:

Group	Properties £'000	Motor Vehicles £'000	Total £'000
<b>Net carrying amount</b>			
At 1 January 2020	989	275	1,264
At 31 December 2020	698	76	774
<b>Depreciation expense for the year ended</b>			
31 December 2019	344	211	555
31 December 2020	291	175	466

Total additions to right-of-use assets (through taking on new leases in the year) were £Nil (2019 - £291,000).

#### Amounts recognised in profit and loss

Group	2020 £'000	2019 £'000
Depreciation expense on right-of-use assets	466	555
Interest expense on lease liabilities	31	43
Expense relating to short-term leases	18	100

None of the group's property leases contain variable payment terms.

The total cash outflow relating to leases in the period amounted to £516,000 (2019 - £557,000).

At 31 December 2020 the company is committed to £Nil relating to leases classified as short term where the right-of-use asset and corresponding lease liabilities are not recognised in the statement of financial position.

### 11. Investments

Company	2020 £'000	2019 £'000
<b>Cost</b>		
At 1 January	22,232	23,454
Additions	7,563	-
Impairment	(4,084)	-
Disposals	-	(1,222)
At 31 December	<u>25,711</u>	<u>22,232</u>

The investment in Flightlink International Limited was impaired to £Nil due to the company continuing to be loss making. The investment in Comcab Plc was impaired by £3,303,000 due to its continued reported losses, resulting in an investment carried forward value of £12,083,000.

## CityFleet Networks Limited

### Notes to the financial statements Year ended 31 December 2020

#### 11. Investments (continued)

##### Business Acquisition

On 9th March 2020, the company purchased 100% of the share capital of Argyle Satellite Limited and Argyle Satellite Contract Services Limited as part of their long-term expansion plans for the Cityfleet group. Both of the companies that were acquired operate in the taxi industry.

The combined consideration paid for the acquisitions amounted to £7,563,000. This was paid by Metroline Travel Limited with the creditor balance being reflected within amounts due to related parties in the consolidated accounts.

The goodwill recognised for the acquisition of the Argyle companies amounted to £5,882,000. This has been included within additions in note 8 and is calculated as being the consideration paid less net assets at the acquisition date inclusive of deferred tax of £324,000 arising on acquisition. Acquisition related costs amounting to £167,000 have been recognised in the statement of comprehensive income. The full value of goodwill is expected to be tax deductible.

The provisional value of the major class of assets and liabilities at the acquisition date are as follows:

Intangible assets	1,380,000
Property, plant and equipment	29,000
Trade and other receivables	408,000
Cash at bank and in hand	670,000
Trade and other payables	(482,000)
Deferred tax	(324,000)

The value of acquired receivables was £367,000; all of which were expected to be collected.

Of the group's revenue for the year, £2,793,000 is attributable to the newly acquired entities. They have also contributed £449,000 of profit to the group's loss before tax. It is impracticable to state the impact on the group's revenue and loss before tax if the acquisition date had been at the beginning of the annual reporting period given the internal changes made to the accounting function post acquisition.

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:

## CityFleet Networks Limited

### Notes to the financial statements Year ended 31 December 2020

#### 11. Investments (continued)

Investment	Company registration Number	Country of incorporation	Nature of business	% Holding	Type of shares	Reg. Office
Flightlink International Limited	03201374	United Kingdom	Executive chauffeur services	100.00	Ordinary	A
Computer Cab (Liverpool) Limited	00597443	United Kingdom	Taxi booking and billing services	100.00	Ordinary	A
Computer Cab plc	01214640	United Kingdom	Taxi booking and billing services	100.00	Ordinary	A
Westbus Coach Services Limited	05565345	United Kingdom	Coach Services	100.00	Ordinary	A
Computer Cab (Aberdeen) Ltd	SC083134	United Kingdom	Taxi booking and billing services	100.00	Ordinary	B
Argyle Satellite Limited	10755797	United Kingdom	Taxi booking and billing services	100.00	Ordinary	A
Argyle Satellite Contract Services Limited	10755970	United Kingdom	Taxi booking and billing services	100.00	Ordinary	A

A 31 Colville Road, London, England, W3 8BL

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

#### 12. Inventories

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Taxi/Coach maintenance stocks	44	63	-	-
Fuel stocks	56	35	-	-
	<u>100</u>	<u>98</u>	<u>-</u>	<u>-</u>

The cost of inventories recognised as an expense and included in the cost of sales was £338,000 (2019: £930,000).

# CityFleet Networks Limited

## Notes to the financial statements Year ended 31 December 2020

### 13. Trade and other receivables

Current	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trade receivables	2,392	4,218	328	1,144
Less: allowance for credit losses	(110)	(27)	-	-
Trade receivables – net	2,282	4,191	328	1,144
Amounts owed by group undertakings	66	-	298	1,351
Other Debtors	227	2,133	47	11
Prepayments and Accrued Income	325	389	164	224
	<u>2,900</u>	<u>6,713</u>	<u>837</u>	<u>2,730</u>

Trade receivables are non-interest bearing and are generally on 1-30 day terms. Average debtor days are 25 days (2019: 25)

#### Ageing of Past due but not impaired receivables

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
31-60 days	408	850	60	211
61-90 days	116	181	-	38
91-120 days	76	7	-	-
121 + days	-	-	-	-
Total	<u>600</u>	<u>1,038</u>	<u>60</u>	<u>249</u>

#### Movement in the allowance for credit losses

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Balance at the beginning of the period	(27)	(32)	-	-
Impairment losses recognised	-	-	-	-
Amounts written off during the year as uncollectable	(83)	5	-	-
Amounts recovered during the year	-	-	-	-
Balance at the end of the period	<u>(110)</u>	<u>(27)</u>	<u>-</u>	<u>-</u>

## CityFleet Networks Limited

### Notes to the financial statements Year ended 31 December 2020

#### 13. Trade and other receivables (continued)

##### Ageing of impaired receivables

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
31-60 days	-	-	-	-
61-90 days	16	-	-	-
91-120 days	94	27	-	-
Total	110	27	-	-

#### 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. Financial assets and liabilities

All financial assets of the group and company (comprising trade and other receivables) and cash and cash equivalents are carried at amortised cost. All financial liabilities of the group and company (comprising trade and other payables), driver deposits and amounts owed to group undertakings are also carried at amortised cost.

	Group		Company	
Current	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Rollerbonds	341	888	-	437
Trade Payables	202	376	130	118
Amounts owed to related parties	10,528	3,531	29,817	19,895
Social security costs	173	139	-	-
Other payables	1,171	630	102	49
Accruals and deferred income	1,841	1,892	194	298
Lease liabilities	331	476	-	-
	14,587	7,932	30,243	20,797

# CityFleet Networks Limited

## Notes to the financial statements Year ended 31 December 2020

### 14. Financial assets and liabilities (continued)

Non-current	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
<b>Other Payables</b>				
Driver Deposits	-	236	-	24
Lease liabilities	468	808	-	-
Deferred Tax	578	253	17	102
Amounts owed to group undertakings	-	-	-	-
	<u>1,046</u>	<u>1,297</u>	<u>17</u>	<u>126</u>

Trade and Other payables are generally on 1-30 day terms. The average trade payable days are 23 (2019: 21).

#### 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.

#### Maturity of financial liabilities:

The maturity of the Group's non-borrowing related financial liabilities at 31 December 2020 was as follows:

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
In one year or less, or on demand	13,686	7,016	530	902
In more than one year, but not more than five	-	-	-	-
In more than five years	-	236	12	24
Total	<u>13,686</u>	<u>7,252</u>	<u>542</u>	<u>926</u>

#### Maturity of lease liabilities:

The maturity of the Group's non-borrowing related lease liabilities at 31 December 2020 was as follows:

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
In one year or less, or on demand	331	476	-	-
In more than one year, but not more than five	468	808	-	-
In more than five years	-	-	-	-
Total	<u>799</u>	<u>1,284</u>	<u>-</u>	<u>-</u>

# CityFleet Networks Limited

## Notes to the financial statements Year ended 31 December 2020

### 15. Deferred tax liabilities

	2020 £'000	2019 £'000
<b>Group</b>		
At 1 January 2020	253	375
Movement in the year	325	(122)
<b>At 31 December 2020</b>	<b>578</b>	<b>253</b>
<b>Company</b>		
At 1 January 2020	102	174
Movement in the year	(85)	(72)
<b>At 31 December 2020</b>	<b>17</b>	<b>102</b>

### 16. Share capital

	Group and Company		Group and Company	
	2020 No. '000	2020 £'000	2019 No. '000	2019 £'000
<b>Allotted, authorised, called-up and fully paid</b>				
17,213,914 ordinary shares of £1 each	17,214	17,214	17,214	17,214

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
<b>Balance at 1 January 2019</b>	<b>2,362</b>	<b>(92)</b>
Profit/(Loss) and total comprehensive income	160	(2,960)
<b>Balance at 31 December 2019</b>	<b>2,522</b>	<b>(3,052)</b>
(Loss)/profit and total comprehensive income	(8,204)	(9,506)
<b>Balance at 31 December 2020</b>	<b>(5,682)</b>	<b>(12,558)</b>

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

## CityFleet Networks Limited

### Notes to the financial statements Year ended 31 December 2020

#### 18. 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.

#### 19. 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.

	2020 £'000	2019 £'000	2020 £'000	2019 £'000
	Amount owed by related parties		Amount due to related parties	
Metroline Travel Limited, Metroline West Limited, Braddell Limited & ComfortDelGro Corporation Limited	43	-	10,505	3,531
	Services provided to related parties		Services acquired from related parties	
Metroline Travel Limited, Metroline West Limited, Braddell Limited & ComfortDelGro Corporation Limited	66	-	44	443

#### 20. Acquisitions

In 2018, negative goodwill arose due to the acquisition of trade and certain assets of Dial-a-Cab, a London taxi circuit operator.

Company	2020 £'000	2019 £'000
<b>Cost</b>		
At 1 January	(300)	(300)
At 31 December	(300)	(300)
<b>Amortisation</b>		
At 1 January	75	-
Charge for the year	75	75
At 31 December	150	75
<b>Net book value</b>		
At 31 December	(150)	(225)

## CityFleet Networks Limited

### Notes to the financial statements Year ended 31 December 2020

#### 21. Capital management policies and procedures

The Group's main objective when managing capital is to protect returns to shareholders by ensuring the Group will continue to trade profitably in the foreseeable future. The Group also aims to maximise its capital structure of debt and equity so as to minimise its cost of capital.

The Group manages its capital with regard to the risks inherent in the business and the sector within which it operates by monitoring its gearing ratio on a regular basis.

The Group considers its capital to include share capital and retained earnings. Net debt includes short and long-term borrowings (including lease obligations) and shares classed as financial liabilities, net of cash and cash equivalents. The Group has not made any changes to its capital management during the year. The Group is not subject to any externally imposed capital requirements.

An analysis of what the Group manages as capital is outlined below:

	2020 £'000	2019 £'000
Total non current liabilities	(1,273)	(1,267)
Cash and cash equivalents	3,542	6,375
Net funds	<u>2,269</u>	<u>5,075</u>
 Total equity (capital)	 <u>11,677</u>	 <u>19,736</u>
 Net funds to capital ratio	 <u>25.7%</u>	 <u>35.2%</u>