Accident Exchange Limited

Report and Financial Statements
for the year ended 28 February 2017

Registered number: 4141140

Accident Exchange Limited

Company Information

Directors

Holly Neiweem
Lucy Woods
Nicola Roy
Thomas Doster

Company secretary

Irfan Sadiq

Registered office

Alpha 1
Canton Lane
Hams Hall
Birmingham
West Midlands
B46 1GA

Independent auditors

PricewaterhouseCoopers LLP
Cornwall Court
19 Cornwall Street
Birmingham
B3 2DT

Registered number

4141140

Accident Exchange Limited

Strategic Report
for the year ended 28 February 2017

The Directors present their strategic report for Accident Exchange Limited ("the Company") for the year ended 28 February 2017.

Principal activities

The principal activity of the Company is the delivery of accident management, credit repair and other solutions to the automotive and insurance related sectors in the UK.

At the year end the Company was a member of a group whose parent company was Automotive and Insurance Solutions Group Plc ("AISG"). On 14 September 2017 the Company acquired a 100% interest in the share capital of all the other directly owned subsidiaries of AISG and on the same date Eight Bar Financial International S.A.R.L. acquired a 100% interest in the share capital of the Company from AISG. Further details of the transactions described above and other associated transactions are set out in the Events after the balance sheet date in the Directors' Report on pages 6 - 7.

Business review

Turnover decreased from £96.3m to £91.6m in the year. This represents a decrease of 5% on the prior year. Cost of sales has decreased by 21% from £98.4m to £78.0m in the year to 28 February 2017 resulting in a gross margin for the year of £13.6m compared to loss of £2.1m in the prior year.

The principal reason for the increase in gross margin is due to the booking of an impairment charge of £16.2m in the year ended 29 February 2016 which was not repeated in the current year. Adjusting for the impact of the impairment charge made in the prior year the gross margin fell by £0.5m year on year.

Despite the continuing challenges within the industry, the Company continues to win new referral partners and retain existing sources of referrals. During the year the Company agreed a number of settlement protocols with insurers. These protocols are based upon the principles of the ABI General Terms of Agreement and benefit the Company by improving the quality of the relationship with individual insurers, reducing the frictional costs of handling claims and accelerating the receipt of cash.

Future developments

The Board are encouraged by the stability and potential for growth created by the change in ownership and look forward to generating alternative revenue streams and a return to profitability.

The Company continues to pursue a substantial claim for unlawful means conspiracy against two former directors of Autofocus Limited ("Autofocus"), three firms of solicitors and partners of those firms ("Defendants"), who it is alleged used dishonest hire rate evidence provided by Autofocus in litigation against customers of Accident Exchange Limited. This claim is progressing with the next major milestone being an application to challenge the assertion of privilege made by some of the Defendants in respect of documents relating to a number of cases in which credit hire rates were disputed using evidence provided by Autofocus.

Principal risks and uncertainties

The management of the Company and its newly acquired subsidiaries (together "the Group") and the execution of its strategy are subject to a number of risks which are set out below.

a) **Financing**
As part of the restructuring of the AISG group the Company took on £10m of debt provided by Eight Bar Financial International S.A.R.L. ("EBFI") and £6.8m provided by Arena Limited SPV, LLC ("Arena"). Repayment of the Arena debt is due on or before 13 September 2018 and repayment of the EBFI debt is due on or before 31 December 2020. The Directors have considered the risk of being unable to repay the loans on their due dates as part of their going concern review further details of which are included in the Directors' Report on pages 7 - 8.

b) **Market and economic conditions**
There have been a number of test cases, funded mainly by insurance companies, which have challenged the enforceability of credit hire agreements and the recovery of hire charges incurred through a credit hire agreement. There have also been challenges to the hire rates which can be recovered by credit hire organisations. These challenges have been a feature of the credit hire market for a number of years and the Group has had to deal with and ultimately overcome a number of such challenges itself in recent years. The ability of a non-fault claimant to recover the costs of a replacement vehicle as well as the cost of repairing the damaged vehicle after a road accident and the basis upon which the rates for the hire of a vehicle will be awarded is firmly established in law. However, if insurance companies were to bring more challenges in respect of the principle of the recoverability of credit hire and credit repair charges or the hire rates recoverable in tort, and if those challenges were protracted and/or successful, then the Group's revenue, profitability and cash flow could be materially and adversely affected. The Group is a signatory to the GTA. The GTA is a protocol between the majority of insurance companies and credit hire operators, including the Group, as to the manner in which claims should be processed, the documentation which customers should complete, the procedures that should be followed whilst a customer is in a hire vehicle, agreed hire rates for replacement vehicles by category and provision for early payment discounts. There is no guarantee that insurers will remain subscribers to the GTA or that the GTA will not change adversely over time. Either of these events could have a materially detrimental effect on the profitability and cash flow of the Group. Membership of the GTA is voluntary and it is open to members to leave at any time.

c) **Competition**
The Group operates in a competitive industry, the barriers to entry to which are relatively low. There is also the potential for insurance companies, brokers and/ or providers of services to motorists or other consumer groups to enter the market, either alone or in collaboration with service providers such as the Group. If the Group is unable to respond adequately to competitive challenges, it may lose market share and/or suffer pressure on its service offering, having an adverse impact on the Group's financial results. The Group has referral relationships with a large number of prestige motor vehicle dealerships, dealership groups and other referral sources. Accordingly, the Group does not consider itself to be dependent on any one particular referring partner. Nevertheless, given the largely fixed nature of the Group's cost base, the loss of or a substantial reduction in a major referring partner's business, could have a material effect on the Group's revenue and profitability. The Group seeks to minimise such risk by entering into contracts with the majority of its referring partners for periods of up to three years for the referral of prospective customers to the Group on an exclusive basis.

Principal risks and uncertainties (continued)

d) **Fleet availability and funding**
The Group's revenue is dependent on its ability to have available sufficient rental fleet to meet customer demand, including having the appropriate mix of vehicle brands and models. In addition, the Group's profitability is dependent on it being able to source that rental fleet at an appropriate cost. The Group's rental fleet is acquired on a hire purchase or contract hire basis together with strategic partnerships with a variety of vehicle hire companies to supplement the Group's owned fleet. If the Group was not able to acquire sufficient rental fleet, either on an owned or sub-leased basis, or the costs of operating its fleet increased significantly, it would have a detrimental effect on the Group's ability to generate revenue and/or profits. The Group endeavours to maximise the utilisation of its vehicle fleet so as to minimise the costs of holding non-revenue generating vehicles. Fleet utilisation remained strong during the year, however, any subsequent deterioration in utilisation rates could adversely affect the Group's profitability.

e) **IT systems**
The Group's business is dependent on processing a large number of claims and vehicle hires across the UK. The Group's systems and processes (including the Group's IT systems which have, in the main, been developed in-house) are designed to ensure that the operational risks associated with its activities are appropriately controlled, but any weakness in the systems, processes or business continuity arrangements could have a negative impact on its results or operations during the affected period.

f) **Regulation**
The Group's business is regulated by both the Financial Conduct Authority and the Ministry of Justice. Whilst the Directors believe that the Group conducts its business in compliance with all applicable regulations and will continue to endeavour to do so, there remains a risk that regulators will find that the business has not complied fully with such regulations and any subsequent action taken against the Group (such as withdrawal of any required authorisations) may adversely affect the Group's business.

Accident Exchange Limited

Strategic Report
for the year ended 28 February 2017 (continued)

Financial risk management

The Company's operations expose it to a variety of financial risks that include the effect of changes in market prices and ultimate settlement of claims. The Company has in place risk management policies that seek to limit the adverse effects on the financial performance of the Company.

a) Price risk
The Group recognises revenue, claims in progress and trade receivables after an allowance for any discounts that are expected to arise under the terms of the Association of British Insurers General Terms of Agreement ("GTA") and net of any other settlement adjustments expected to arise on the settlement of claims. This judgement is made on the basis of historical and expected net recovery from the settlement of claims and is influenced by the approach taken towards recovery of amounts claimed.

b) Settlement risk
The timing of the receipt of funds from the insurer of the party from whom the Company seeks to recover its rental charges is uncertain and can be protracted. The nature of trade debtors is such that claims against motor insurance companies can be subject to dispute which may result in financial loss to the Company. The Directors estimate the value of trade debtors to reflect the expected settlement amounts receivable on the basis of the prior experience of collection levels and anticipated collection profiles.

c) Credit risk
Credit risk is spread across major UK based motor insurers in proportion to their respective share of the market. No credit insurance is taken out given the regulated nature of these entities.

d) Interest rate risk
Interest rate risk exists on the Company's level of overall indebtedness.

This report was approved by the board and signed on its behalf by:

Lucy Woods
Director
9 November 2017

Accident Exchange Limited

Directors' Report
for the year ended 28 February 2017

The Directors present their report and the audited financial statements of Accident Exchange Limited ("the Company") for the year ended 28 February 2017.

Results and dividends

The results for the financial year are set out in the Profit and Loss Account on page 13. No dividends were paid or proposed during the year ended 28 February 2017 (2016: £nil).

Directors and their interests

The following Directors served during the year and up to the date of signing the financial statements.

Holly Neiweem (appointed 14 September 2017)
Thomas Doster (appointed 14 September 2017)
Nicola Roy
Lucy Woods (appointed 16 January 2017)
Martin Andrews (appointed 16 August 2016, resigned 16 January 2017)
Steve Evans (resigned 30 September 2016)

None of the Directors had any disclosable interest in the Company during the year (2016: none).

Directors' and officers' insurance

The Company maintains insurance cover for the Directors and officers of the Company against liabilities which may be incurred by them whilst acting as directors or officers. This policy is a qualifying third-party indemnity provision.

Events after the balance sheet date

On 25 May 2017, the Company entered into a series of transactions to restructure the Automotive and Insurance Solutions Group Plc ("AISG") group. AISG was the Company's former immediate and ultimate parent company. The restructuring completed on 14 September 2017. The principal effects of these agreements were as follows:

Oops! (RRI) Limited ("OOPS"), at the time a fellow subsidiary of AISG, released the Company of its obligation to pay OOPS £3,222,319;

The Company acquired all of AISG's subsidiaries for a combined consideration of £7 which was settled by way of intercompany account;

An amount of £6,797,533 due to Arena Limited SPV, LLC ("Arena") from AISG was novated to the Company, the consideration being the creation of an obligation for AISG to pay the Company an equal amount;

An amount of £11,140,748 due to EBFI from AISG was novated to the Company, the consideration being the creation of an obligation for AISG to pay the Company an equal amount.

The Company issued 1 ordinary share of £1 to EBFI the consideration for which was a reduction in the amount due to EBFI from the Company of £1,140,748.

Events after the balance sheet date (continued)

The right of the Company to receive £17,938,281 from AISG arising from the two novations described above was offset against an equal amount owed by the Company to AISG. Immediately after completion of the restructure the Company had no amounts payable to or receivable from AISG.

AISG sold the Company to Eight Bar Financial International S.A.R.L ("EBFI") for a consideration of £30 million;

The Company agreed that for a period of two years from the date of completion of the restructure it will meet the administrative costs of AISG. Such costs to include the costs of bookkeeping, registrar services, company secretarial services, audit services and any other services reasonably requested by AISG;

AISG novated all contracts relevant to the performance of the delivery of accident management and other solutions to the automotive and insurance related sector to the Company on or prior to 14 September 2017.

Principal risks and uncertainties

Details of the principal risks and uncertainties of the Company are disclosed in the strategic report.

Financial risk management

Details of the Company's financial risk management are disclosed in the strategic report.

Future developments

Details of future developments of the Company are disclosed in the strategic report.

Political donations

The Company did not make any political donations during the year (2016: £nil).

Going concern

As described in the Events after the balance sheet date section of this report, at the date of signing of these financial statements the Company is the parent company of the former subsidiaries of Automotive and Insurance Solutions Group plc ("AISG") (together the "Group") and is a wholly owned subsidiary undertaking of EBFI.

Based on the successful financial restructuring and discussions with EBFI, and the Company's and Group's continued revenue growth and improving financial performance, the Directors have a reasonable expectation that the Company and Group will receive additional adequate funding from EBFI to enable the Company and Group to meet their obligations as they fall due. Accordingly, the financial statements have been prepared on a going concern basis.

The Company and the Group are continuing to develop the business and the current business plan shows that additional funding may be required before the Company and the Group can generate cash surpluses. Therefore, the Company and Group is dependent upon the continued financial support of EBFI and/or the Company and Group's debt providers to enable the Company and the Group to meet their obligations as they fall due.

Going concern (continued)

As result of the above matters, the ability of the Company to satisfy its debt covenants and to repay the Arena loan before 13 September 2018 is uncertain. These circumstances, together with the receipt by the Company of further funding from EBFI, represents a material uncertainty that may cast significant doubt over the ability of the Company and Group to continue as a going concern. If further funding is not provided to the Company and it is unable to continue as a going concern, adjustments would have to be made to reduce the balance sheet values of assets to their recoverable amounts, to provide for further liabilities as they may arise and to reclassify fixed assets and long term liabilities as current assets and liabilities.

Statement of Directors' responsibilities

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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including 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 these 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 United Kingdom Accounting Standards, including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify the Company's shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Accident Exchange Limited

Directors' Report
for the 12 months ended 28 February 2017 (continued)

Employees

It is the Company's policy to consider all applicants for employment on the basis of their qualifications and experience for the specific job without regard to race, colour, religion, sex, age, disabilities or national origin. Appointments are determined by application of job criteria, abilities and competency.
The Company gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.
The Company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the factors affecting the performance of the Company. This is achieved through formal and informal meetings and regular briefings from the Managing Director and through the staff appraisal process.

Disclosure of information to auditors

Each director who is a Director of the Company at the date of approval of these financial statements confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Independent Auditors

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

On behalf of the Board 9 November 2017.

Lucy Woods
Director
Accident Exchange Limited
Registered Number: 4141140
Registered Office: Alpha 1 Canton Lane, Hams Hall, Birmingham, West Midlands B46 1GA

Independent Auditor's Report
to the members of Accident Exchange Limited

Report on the financial statements

Our opinion

In our opinion, Accident Exchange Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 28 February 2017 and of its 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.

Emphasis of matter - Going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 2 to the financial statements concerning the Company's ability to continue as a going concern. The Company and its current subsidiary undertakings, (together the "Group") are continuing to develop the business and the current business plan shows that additional funding may be required before operations become cash generative. The ability of the Company to satisfy its debt covenants and to repay or refinance the Arena Loan before 13 September 2018 is uncertain. The Company and Group is therefore dependent upon the continued financial support of Eight Bar Financial International S.A.R.L. ("EBFI"), its parent company, and/or the Company and Group's debt providers to enable the Company and the Group to meet their obligations as they fall due. Such financial support is not guaranteed. These conditions, along with the other matters explained in note 2 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

What we have audited

The financial statements, included within the Report and Financial Statements (the "Annual Report"), comprise:

- the Balance Sheet as at 28 February 2017;
- the Profit and Loss account and Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Directors' Report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' responsibilities 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent Auditor's Report
to the members of Accident Exchange Limited (continued)

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Strategic Report and Directors' Report, we consider whether those reports include the disclosures required by applicable legal requirements.

Mark Smith

Mark Smith (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
10 November 2017

Accident Exchange Limited

Profit and Loss Account
for the year ended 28 February 2017

	Note(s)	Year ended 28 February 2017 £'m	Year ended 29 February 2016 (restated) £'m
Turnover	**3, 5**	**91.6**	96.3
Cost of sales	**4, 5**	**(78.0)**	(98.4)
Gross profit/ (loss)		**13.6**	(2.1)
Administrative expenses		**(18.2)**	(18.1)
Other operating income	**3**	**1.9**	3.4
Operating loss	**6**	**(2.7)**	(16.8)
Interest payable and similar expenses	**7**	**(0.5)**	(0.5)
Loss before income taxation		**(3.2)**	(17.3)
Tax on loss on ordinary activities	**10**	**-**	(3.8)
Loss for the financial year		**(3.2)**	(21.1)

All results relate to continuing operations.

The notes on pages 16 to 31 form part of these financial statements.

Statement of Comprehensive Income
for the year ended 28 February 2017

	Year ended 28 February 2017 £'m	Year ended 29 February 2016 £'m
Loss for the financial year	**(3.2)**	(21.1)
Other comprehensive income: Items that will not be reclassified to profit or loss	**-**	19.5
Other comprehensive income for the year, net of tax	**-**	19.5
Total comprehensive expense for the financial year	**(3.2)**	(1.6)

Accident Exchange Limited

Balance Sheet
as at 28 February 2017

	Note	2017 £'m	2016 £'m
Fixed assets			
Tangible assets	11	**3.8**	4.0
		3.8	4.0
Current assets			
Debtors	12	**31.2**	34.9
Cash at bank and in hand		**2.4**	2.6
		33.6	37.5
Creditors: amounts falling due within one year	13	**(38.4)**	(39.8)
Net current liabilities		**(4.8)**	(2.3)
Total assets less current liabilities		**(1.0)**	1.7
Creditors: amounts falling due after more than one year	14	**(1.7)**	(1.2)
Net (liabilities)/ assets		**(2.7)**	0.5
Capital and reserves			
Called up share capital	16	**-**	-
Other reserves		**99.5**	99.5
Profit and loss account		**(102.2)**	(99.0)
Total shareholders' (deficit)/ funds		**(2.7)**	0.5

The financial statements on pages 13 to 31 were approved by the Board of Directors and authorised for issue 9 November 2017 and were signed on its behalf by:

Lucy Woods
Director

Accident Exchange Limited
Registered Number: 4141140
Registered Office: Alpha 1 Canton Lane, Hams Hall, Birmingham, West Midlands B46 1GA

Accident Exchange Limited

Statement of Changes in Equity
for the year ended 28 February 2017

	Called up share capital	Other reserves	Profit and loss account	Total shareholders' funds/ (deficit)
	£'m	£'m	£'m	£'m
Balance as at 1 March 2015	-	80.0	(77.9)	2.1
Loss for the financial year	-	-	(21.1)	(21.1)
Other comprehensive income for the year	-	19.5	-	19.5
Total comprehensive income/ (expense) for the year	-	19.5	(21.1)	(1.6)
Balance as at 29 February 2016	-	99.5	(99.0)	0.5
Balance as at 1 March 2016	-	99.5	(99.0)	0.5
Loss for the financial year	-	-	(3.2)	(3.2)
Total comprehensive expense for the year	-	-	(3.2)	(3.2)
Balance as at 28 February 2017	**-**	**99.5**	**(102.2)**	**(2.7)**

1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Accident Exchange Limited ("the Company") for the year ended 28 February 2017 were approved by the board of directors on 9 November 2017 and the balance sheet was signed on the board's behalf by Lucy Woods. Accident Exchange Limited is incorporated and domiciled in the United Kingdom and registered in England and Wales.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101") and in accordance with applicable accounting standards.

The Company's financial statements are presented in Pounds Sterling and all values are rounded to the nearest £0.1 million (£'m) except where otherwise indicated.

The results of Accident Exchange Limited are included in the consolidated financial statements of Automotive Insurance and Solutions Group Plc which are available from the Company Secretary Alpha 1 Canton Lane, Hams Hall, Birmingham, West Midlands B46 1GA.

The principal accounting policies adopted by the Company are set out in the notes to the financial statements. These policies have been consistently applied to all years presented unless otherwise stated.

2. Accounting policies

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101") and the Companies Act 2006 ("the Act"). FRS 101 sets out a reduced disclosure framework for a "qualifying entity" as defined in the standard which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of the qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of the European Union adopted International Financial Reporting Standards ("IFRS").

The Company is a qualifying entity for the purposes of FRS 101. Note 21 gives details on the Company's parent and from where its consolidated financial statements prepared in accordance with IFRS may be obtained.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- 101p8(d) & IFRS 7, 'Financial Instruments: Disclosures';
- 101p8(e) & Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities);
- 101p8(f) & Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
  - (i) paragraph 79(a)(iv) of IAS 1;
  - (ii) paragraph 73(e) of IAS 16 Property, plant and equipment;
  - (iii) paragraph 118(e) of IAS 38 Intangible assets (reconciliations between the carrying amount at the beginning and end of the period);

2. Accounting policies (continued)

Basis of preparation (continued)

- 101p8(g) & The following paragraphs of IAS 1, 'Presentation of financial statements':
  - 10(d), (statement of cash flows),
  - 16 (statement of compliance with all IFRS),
  - 38A (requirement for minimum of two primary statements, including cash flow statements),
  - 38B-D (additional comparative information),
  - 111 (cash flow statement information), and
  - 134-136 (capital management disclosures);
- 101p8(h) & IAS 7, 'Statement of cash flows';
- 101p8(i) & Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- 101p8(j) & Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation); and
- 101p89(k) & The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

As described in note 22 Events after the balance sheet date, at the date of signing of these financial statements the Company is the parent company of the former subsidiaries of Automotive and Insurance Solutions Group plc ("AISG") (together the "Group") and is a wholly owned subsidiary undertaking of EBFI.

Based on the successful financial restructuring and discussions with EBFI, and the Company's and Group's continued revenue growth and improving financial performance, the Directors have a reasonable expectation that the Company and Group will receive additional adequate funding from EBFI to enable the Company and Group to meet their obligations as they fall due. Accordingly, the financial statements have been prepared on a going concern basis.

The Company and the Group are continuing to develop the business and the current business plan shows that additional funding may be required before the Company and the Group can generate cash surpluses. Therefore, the Company and Group is dependent upon the continued financial support of EBFI and/or the Company and Group's debt providers to enable the Company and the Group to meet their obligations as they fall due.

As result of the above matters, the ability of the Company to satisfy its debt covenants and to repay the Arena loan before 13 September 2018 is uncertain. These circumstances, together with the receipt by the Company of further funding from EBFI, represents a material uncertainty that may cast significant doubt over the ability of the Company and Group to continue as a going concern. If further funding is not provided to the Company and it is unable to continue as a going concern, adjustments would have to be made to reduce the balance sheet values of assets to their recoverable amounts, to provide for further liabilities as they may arise and to reclassify fixed assets and long term liabilities as current assets and liabilities.

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company and the Group will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors have prepared the financial statements on a going concern basis of accounting.

2. Accounting policies (continued)

Prior year restatement

Turnover and cost of sales for the year ended 29 February 2016 have been restated to correct an error made in the financial statements for the year ended 29 February 2016. An adjustment of £12.7m was recognised as a settlement discount and therefore reducing turnover whereas to be consistent with the Company's accounting policy and prior periods the adjustment should have been treated as an impairment provision and charged to cost of sales. The impact of correcting the error is to increase turnover from £83.6m to £96.3m and to increase cost of sales from £85.7m to £98.4m. There is no effect on gross profit.

New standards, amendments and IFRIC interpretations

There are no IFRSs or IFRIC interpretations adopted for the first time in the current period which had a material impact on the Company.
Certain new standards, amendments and interpretations to existing standards that have been published and which are mandatory for the Company's future accounting periods, but which have not been early adopted include:

- Amendments to IAS 12, 'Income Taxes' on Recognition of deferred tax assets for unrealised losses;
- IFRS 9 – 'Financial Instruments';
- IFRS 15 – 'Revenue from Contracts with Customers';
- Amendment to IFRS 15 – 'Revenue from Contracts with Customers';
- IFRS 16 – 'Leases';
- Annual Improvements to IFRS Standards 2014 – 2016 Cycle; and
- IFRIC 22 – 'Foreign Currency Transactions and Advance Consideration'.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The critical estimates and judgements that impact upon the Company's financial statements include:

- assessment and conclusion as a going concern;
- estimation of income receivable from accident management activities. By their very nature, claims against motor insurance companies or self-insuring organisations can be subject to dispute. The Directors have estimated the value of revenue, trade receivables and claims in progress, and the impact of discounting trade receivables and claims in progress to reflect the expected settlement amounts receivable on the basis of the prior experience of collection levels and anticipated collection profiles; and;
- estimation of the residual values of property, plant and equipment, particularly motor vehicles, the residual values of which are affected by market conditions in the motor trade and wider economy.

2. Accounting policies (continued)

Significant accounting policies

Revenue recognition

Credit hire and repair income, and income derived from other accident management activities is recognised, net of VAT, as that which is estimated as recoverable on transactions which have been completed during the year, together with an appropriate proportion of estimated recoverable income in respect of hires and claims in progress at the year end and is measured at the fair value of the consideration receivable.

Credit hire revenue is recognised from the date a vehicle is placed on hire. Vehicles are only placed on hire after a validation process that ensures to the Group's satisfaction that liability for the accident rests with another party. The rates used are based on daily commercial rate charges for particular categories of vehicles and are accrued on a daily basis, by claim, after adjustment for the amount at which the claim is expected to settle. The settlement adjustment includes an estimation of the extent to which insurers are expected to take advantage of early settlement arrangements afforded under the terms of the ABI GTA.

Credit repair revenue represents income from the recovery of the costs of repair of customers' vehicles. Credit repair revenue is recognised when the work has been completed, invoiced and confirmed as recoverable. Credit repair income is recorded net of settlement adjustments.

Other operating income consists of interest income arising on claims in progress and trade receivables, which is accrued on a time basis by reference to outstanding trade receivables and at the effective interest rate applicable.

2. Accounting policies (continued)

Significant accounting policies (continued)

Property, plant and equipment and depreciation

Property, plant and equipment is stated at cost less accumulated depreciation less any provision for impairment. Depreciation is calculated to write down the cost less estimated residual value on a systematic basis over the expected useful economic lives. The rates generally applicable are as follows:

Leasehold property and improvements	the shorter of the period of the lease or ten years
Computer equipment	33.3%
Fixtures and fittings	25.0%
Motor vehicles	22.5%

Residual values, remaining useful economic lives and depreciation methods of non-motor vehicle assets are reviewed annually and adjusted if appropriate.
The gain or loss on disposal is determined by comparing the net sales proceeds with the carrying value and is recognised in the profit and loss account.

Impairment of fixed assets

Intangible fixed assets, tangible fixed assets and fixed asset investments are tested for impairment whenever there is an indication that an asset may be impaired.
An impairment loss is recognised in the income statement if the recoverable amount (being the higher of fair value less costs to sell and value in use) of an asset or cash generating unit falls below its carrying amount in the balance sheet. Such impairment losses may be reversed in subsequent periods if there is an indication that the impairment loss recognised in prior periods may no longer exist or may have decreased.

Leased assets

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of lease payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.
All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

Trade and other debtors

Trade debtors are recorded at amortised cost using the effective interest rate method. This represents the expected net claim value after estimated allowances for settlement adjustments. Income arising from discounting trade receivables using the effective interest rate is recognised in other operating income.

Settlement adjustments arising under the ABI General Terms of Agreement (GTA) and individual insurer protocol arrangements are treated as trade discounts and deducted from revenue.
The amount of any trade discount is measured as the difference between the carrying amount and the GTA value of the claim.

An adjustment for impairment is established when there is objective evidence that the Company will not be able to collect all amounts determined as above.

Trade and other debtors (continued)

The amount of any impairment is measured as the difference between the GTA value of the claim and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the original effective interest rate.

Other debtors are stated at amortised cost less any provision for impairment.

Claims in progress

Amounts recoverable on claims in progress, which are included in debtors, are stated at the estimated net claim value after estimated allowances for settlements.

Cash at bank and in hand

Cash at bank and in hand, in the Company balance sheet, consists of cash at bank, cash held in client accounts, cash in hand, and demand deposits with banks.

Borrowings

Interest-bearing bank loans and overdrafts are initially recorded at fair value, net of attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost.

Trade payables

Trade payables are non interest-bearing and are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Pensions

The Company contributes to certain of its employees' individual personal pension plans on a defined contribution basis. The pension costs arising are charged to the profit and loss account and represent the amount of contributions payable to the plans in respect of the financial period.

3. ***Turnover and other operating income***

The Company's turnover and other operating income is analysed as follows:

	Year ended 28 February 2017	Year ended 29 February 2016 (restated)
	£'m	£'m
Delivery of accident management and related services	**76.5**	82.5
Credit repair	**14.7**	13.7
Turnover before settlement adjustment	**91.2**	96.2
Settlement adjustment (note 5)	**0.4**	0.1
Turnover	**91.6**	96.3
Other operating income	**1.9**	3.4
Total turnover and other operating income	**93.5**	99.7

The Company operates within one business segment being that of the delivery of accident management, credit repair and other solutions to the automotive and insurance related sectors in the UK. The Company's turnover and operating loss relate entirely to its principal activity and arise in the United Kingdom.

The settlement adjustment relates principally to turnover arising on the delivery of accident management and related services.

Other operating income consists of interest income arising on claims in progress and trade debtors, which is accrued on a time basis by reference to outstanding trade debtors and at the effective interest rate applicable.

4. Cost of sales

Cost of sales comprises the following items for the current year:

	Year ended 28 February 2017 £'m	Year ended 29 February 2016 (restated) £'m
Indirect attributable costs		
Credit Repair Costs	**(14.5)**	(14.9)
Commissions	**(11.9)**	(12.4)
Management Fees	**(3.4)**	(3.3)
Impairment of debtors	**(30.3)**	(46.3)
Fleet related costs		
Contract Hire Charges	**(7.4)**	(7.9)
Fleet Expenses	**(4.1)**	(5.0)
Temporary Vehicle Charges	**(2.0)**	(4.3)
Fleet Depreciation	**(1.0)**	(1.0)
Direct employee costs		
Wages and Salaries	**(2.2)**	(2.1)
Bonus & Overtime (Logistics)	**(0.5)**	(0.5)
Staff Vehicles	**(0.5)**	(0.5)
Travel Costs	**(0.2)**	(0.2)
Total Cost of sales	**(78.0)**	(98.4)

Cost of sales represents the costs that are directly related to providing the service that generates revenue for the Company. Included in this category are direct costs, such as drivers' labour (included above as Direct employee costs), and indirect costs, such as fleet related expenses and other variable costs.

Management exercise judgment in order to determine which costs should be allocated to cost of sales, to be deducted from Turnover, to arrive at Gross Profit.

5. Settlement adjustment

The settlement adjustment is analysed as follows:

	Year ended 28 February 2017 £'m	Year ended 29 February 2016 £'m
Settlement adjustment:		
- credited as an adjustment to turnover	**(0.4)**	(0.1)
- charged to cost of sales as an impairment to debtors	**0.4**	2.5
Total settlement adjustment	**-**	2.4

5. **Settlement adjustment (continued)**

The Company *recognises turnover and trade debtors after an allowance for any discounts* that are expected to arise under the terms of the ABI General Terms of Agreement and net of any expected adjustments arising on the settlement of claims. This judgment is made on the basis of historical and expected net recovery from the settlement of claims and is influenced by the approach taken towards recovery of amounts claimed. The estimation of the expected adjustments arising on settlement of claims represents a critical judgment made by the Directors.

In the year to 28 February 2017, £nil (2016: £2.4 million) was charged of which £0.4 million (2016: £0.1 million) was credited as an adjustment to turnover, and £0.4 million (2016: £2.5 million) charged to cost of sales.

6. **Operating loss**

Operating loss is stated after charging:

	Year ended 28 February 2017 £'m	Year ended 29 February 2016 £'m
Auditors' remuneration:		
Audit services	**0.1**	0.1
Depreciation (note 11)		
Tangible assets - owned	**0.2**	0.3
Tangible assets - held under hire purchase contracts	**1.1**	1.0
Settlement adjustment (note 5)	**-**	2.4
Operating lease rentals:		
Land and buildings	**1.8**	1.6
Vehicles, plant and machinery	**7.4**	8.0

7. **Interest payable and similar expenses**

	Year ended 28 February 2017 £'m	Year ended 29 February 2016 £'m
Finance charges in respect of hire purchase contracts	**0.5**	0.5

8. Wages and salaries

Staff costs (including Directors) during the year were as follows:

	Year ended 28 February 2017	Year ended 29 February 2016
	£'m	£'m
Wages and salaries	**10.4**	10.6
Social security costs	**1.0**	1.0
Other pension costs	**0.5**	0.5
	11.9	12.1

The average monthly number of persons by activity (including Directors) employed by the Company during the year was as follows:

	Year ended 28 February 2017	Year ended 29 February 2016
	No.	No.
Sales and Operations	**300**	302
Finance and Administration	**57**	60
	357	362

9. Directors' remuneration

	Year ended 28 February 2017	Year ended 29 February 2016
	£'000	£'000
Emoluments and other benefits	**170.2**	134.2
Bonus	**40.0**	-
Contributions to money purchase pension schemes	**14.8**	12.2
	224.9	146.4

The Company made contributions to the money purchase pension plan of one Director (2016: one).

The Company paid no emoluments during the year to Holly Neiweem and Thomas Doster who became directors after the balance sheet date. All emoluments were paid to the highest paid director.

Figures shown above do not include the emoluments of Lucy Woods, Martin Andrews and Steve Evans, which are paid by the parent company and recharged to the Company as part of a management charge. This management charge, which in the year ended 28 February 2017 amounted to £3.4 million (2016: £3.3 million) also includes a recharge of administration and interest costs borne by the parent company on behalf of the Company and it is not possible to identify separately the amount of the Directors' emoluments for services to the Company.

10. Tax on loss

(a) *Analysis of tax charge for the financial year*

The tax charge is based on the loss for the financial year and:

	Year ended 28 February 2017 £'m	Year ended 29 February 2016 £'m
Deferred tax charge for the year	-	3.8
Total deferred tax charge	-	3.8
Total tax charge on loss on ordinary activities	-	3.8

(b) *Reconciliation of tax charge for the financial year*

The average standard rate of corporation tax applicable to the Company during the year to 28 February 2017 was 20% (2016: 20%)

The tax assessed for the financial year differs (2016: differs) from that resulting from applying the average standard rates of corporation tax of 20% (2016: 20%) as explained below:

	Year ended 28 February 2017 £'m	Year ended 29 February 2016 (restated) £'m
Loss before taxation	**(3.2)**	(17.3)
Loss before taxation multiplied by average standard rate of corporation tax in the UK of 20% (2016: 20%)	**(0.6)**	(3.5)
Tax effects of:		
Transfer pricing adjustment	**(1.1)**	-
Capital allowances in excess of depreciation	**0.3**	0.3
Expenses not deductible for tax purposes	**0.2**	0.3
Effect of change in tax rate	-	0.2
Deferred tax adjustments in respect of prior periods	-	3.3
Losses carried forward	**1.2**	3.2
Total tax charge on loss on ordinary activities	-	3.8

10. Tax on loss (continued)

(c) Factors affecting current and future tax charges

Unutilised losses

At the balance sheet date the Company had unutilised tax losses of £108.2 million (2016: £101.9 million) available for offset against future trading profits. No deferred tax asset has been recognised in respect of these tax losses due to the unpredictability of future profit streams.

Changes in tax legislation

From 1 April 2015 the UK main rate of corporation tax has been 20%. Legislation to reduce the main rate of corporation tax to 19% from 1 April 2017 and to 18% from 1 April 2018 was enacted in October 2015. A further reduction to 17% from 1 April 2020 was enacted in September 2016.

11. Tangible assets

	Fixtures and fittings £'m	Computer equipment £'m	Motor vehicles £'m	Total £'m
Cost				
At 1 March 2016	1.8	4.4	4.9	11.1
Additions	-	0.3	2.3	2.6
Disposals	-	-	(2.7)	(2.7)
At 28 February 2017	**1.8**	**4.7**	**4.5**	**11.0**
Accumulated depreciation				
At 1 March 2016	1.8	4.2	1.1	7.1
Charged in the year	-	0.2	1.1	1.3
Disposals	-	-	(1.2)	(1.2)
At 28 February 2017	**1.8**	**4.4**	**1.0**	**7.2**
Net book amount at 28 February 2017	**-**	**0.3**	**3.5**	**3.8**
Net book amount at 29 February 2016	-	0.2	3.8	4.0

11. Tangible assets (continued)

The figures stated above include assets held under hire purchase contracts as follows:

	Computer Equipment £'m	Motor vehicles £'m
Net book amount at 28 February 2017	**0.3**	**3.5**
Net book amount at 29 February 2016	0.2	3.8

12. Debtors

	2017 £'m	2016 £'m
Claims in progress	**2.6**	2.9
Trade debtors	**27.9**	30.7
Other debtors	**-**	0.4
Prepayments and accrued income	**0.7**	0.9
	31.2	34.9

Trade debtors represent amounts receivable for the provision of services to customers. The expected adjustments arising on the settlement of debtors represents a critical judgement made by the Directors. The Directors have estimated the value of trade debtors to reflect the expected settlement amounts receivable on the basis of the prior experience of collection levels and anticipated collection profiles.

13. Creditors: amounts falling due within one year

	2017 £'m	2016 £'m
Trade creditors	**11.1**	11.7
Amounts due under hire purchase contracts (note 17)	**2.1**	3.0
Amounts owed to parent undertaking	**19.6**	20.7
Amounts owed to group undertakings	**2.1**	1.7
Taxation and social security	**1.4**	1.2
Accruals and deferred income	**2.1**	1.5
	38.4	39.8

Amounts owed to the Company's parent and group undertakings included above are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

14. Creditors: amounts falling due after more than one year

	2017 £'m	2016 £'m
Amounts due under hire purchase contracts (note 17)	**1.7**	1.2
	1.7	1.2

15. Maturity of borrowings

Amounts due under hire purchase contracts are secured on the assets to which they relate and are payable as set out below.

	2017 £'m	2016 £'m
Within one year	**2.5**	3.4
After one and within two years	**1.9**	1.3
	4.4	4.7
Less: interest included above	**(0.6)**	(0.5)
	3.8	4.2

16. Called up share capital

	2017 £'m	2016 £'m
Allotted and fully paid		
1,000 (2016: 1,000) Ordinary shares of £1 each	-	-

17. Capital commitments and contingent liabilities

There were no material contingent liabilities at 28 February 2017 (2016: £nil). The Company is party to cross-guarantees in relation to bank and certain other borrowings of its parent undertaking.

Capital commitments relate to the replacement of some existing motor vehicles and the purchase of new motor vehicles. The purchase of new vehicles is contingent upon specific motor dealers operating an exclusive relationship with the Company in respect of the introduction of credit hire claims involving their customers.

Capital commitments for motor vehicles, which are contingent upon an exclusive relationship being upheld by our referring partners and on the maximum expected referral volumes being received from each referrer are analysed as follows:

	2017 £'m	2016 £'m
In one year or less	**0.3**	0.3
	0.3	0.3

There were no confirmed orders for motor vehicles at 28 February 2017 (2016: £nil).

18. Operating lease commitments

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	Land and buildings 2017 £'m	Land and buildings 2016 £'m	**Other 2017 £'m**	Other 2016 £'m
Within one year or less	**1.9**	1.7	**4.4**	1.6
Between one year and five years	**6.4**	6.9	**2.0**	6.1
In five years or more	**1.0**	1.0	**-**	-
	9.3	9.6	**6.4**	7.7

19. Pension commitments

The Company makes contributions to certain of its employees' individual personal pension plans on a defined contribution basis, the assets of which are held separately from those of the Company in independently administered funds. The pension cost charge for the financial year of £0.5 million (2016: £0.5 million) represents contributions payable by the Company to the funds. Contributions of £0.08m (2016: £0.07m) were included within creditors at 28 February 2017.

20. Related party transactions

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries.

21. Controlling party and ultimate parent undertaking

As at the 28 February 2017 the Directors consider that the Company's immediate and ultimate parent undertaking and controlling party was Automotive and Insurance Solutions Group Plc, a company registered in England and Wales, and which is the parent undertaking of the smallest and largest group to consolidate these financial statements. The consolidated financial statements of Automotive and Insurance Solutions Group Plc can be obtained from the Company Secretary, Alpha 1, Canton Lane, Hams Hall, Birmingham, West Midlands, B46 1GA.

From 14 September 2017 the Directors consider the Company's ultimate parent undertaking and ultimate controlling party to be Eight Bar Partners HC, Inc. a corporation incorporated in Delaware, United States of America. Thomas Doster who is a director of Accident Exchange Limited, has a 100% shareholding in Eight Bar Partners HC, Inc.

22. Events after the balance sheet date

On 25 May 2017, the Company entered into a series of transactions to restructure the Automotive and Insurance Solutions Group Plc ("AISG") group. AISG was the Company's former immediate and ultimate parent company. The restructuring completed on 14 September 2017. The principal effects of these agreements were as follows:

Oops! (RRI) Limited ("OOPS"), at the time a fellow subsidiary of AISG, released the Company of its obligation to pay OOPS £3,222,319;

The Company acquired all of AISG's subsidiaries for a combined consideration of £7 which was settled by way of intercompany account;

An amount of £6,797,533 due to Arena Limited SPV, LLC ("Arena") from AISG was novated to the Company, the consideration being the creation of an obligation for AISG to pay the Company an equal amount;

An amount of £11,140,748 due to EBFI from AISG was novated to the Company, the consideration being the creation of an obligation for AISG to pay the Company an equal amount.

The Company issued 1 ordinary share of £1 to EBFI the consideration for which was a reduction in the amount due to EBFI from the Company of £1,140,748.

The right of the Company to receive £17,938,281 from AISG arising from the two novations described above was offset against an equal amount owed by the Company to AISG. Immediately after completion of the restructure the Company had no amounts payable to or receivable from AISG.

AISG sold the Company to Eight Bar Financial International S.A.R.L ("EBFI") for a consideration of £30 million;

The Company agreed that for a period of two years from the date of completion of the restructure it will meet the administrative costs of AISG. Such costs to include the costs of bookkeeping, registrar services, company secretarial services, audit services and any other services reasonably requested by AISG;

AISG novated all contracts relevant to the performance of the delivery of accident management and other solutions to the automotive and insurance related sector to the Company on or prior to 14 September 2017.