

Ansko Transport Ltd
Annual report and consolidated financial statements
for the year ended 31 December 2019
Registered number: 05932965



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Strategic Report

The Directors present their Strategic Report of Ansco Transport Ltd (the 'Company') and the Group for the year ended 31 December 2019.

Review of the business

The Group's principal activity is that of passenger transport services on the River Thames. There were no changes to the Group's principal activities from the previous year and there was no restructuring or reorganisation of the business.

Key Performance Indicators

The Company had no change in the key performance indicators for the business given the nature of the Company as a holding entity for the operating subsidiary, Collins River Enterprises Limited ("CRE").

The Group considers the key performance indicators for the business to be Revenue, Gross profit and EBITDA (earnings before interest, tax, depreciation and amortisation). Revenue and Gross Profit has increased by 6% and 2% respectively.

The Gross profit margin is 35% (2018: 37%). The Gross profit margin decrease is predominantly due to increased staff costs due to the high cost of overtime in the peak periods. A Strategic Workforce Plan was implemented in the latter part of the year increasing Fleet headcount across all levels; aiming to significantly reduce overtime requirements going forward, provide operational and training resilience and reduce uncertainty in Fleet staff costs. In addition higher fuel costs were incurred in 2019 following the expiry of a 36 month fixed price fuel deal on 30th June 2018.

Adjusted EBITDA is calculated by adjusting operating profit from continuing operations and excludes the impact of depreciation. Operating expense increases in 2019 can be attributed to higher utilities costs and investment in Marketing/PR.

Revenue principally comprises of ticket sales (82%) with other significant contributions to revenue including Naming Rights Partner income, on-board Catering revenue, Cruise Tenders and Private Charter sales.

Revenue in respect of ticket sales increased by 9% year on year largely due to both increased passenger numbers (2%) and improvement in yield (7%).

	2019 £000	2018 £000	% change
Revenue	28,248	26,663	+6%
Gross profit	10,006	9,814	+2%
Adjusted EBITDA	5,106	5,319	(4)%

The Group has net assets of £10,175,000 as at 31 December 2019 (2018: net assets of £8,612,000).

Principal risks and uncertainties

The principal risk to the Group is that a significant fall in passenger numbers may result in a material drop in revenues. An outbreak of disease or similar public health threat, or fear of such an event, that affects travel demand, travel behaviour, or travel restrictions could have a material adverse impact on the Group's business, financial condition and operating results. In addition, outbreaks of disease could result in increased government restrictions and regulation, including quarantines of our personnel or an inability to access facilities or our vessels, which could adversely affect our operations.

In December 2019, a novel strain of coronavirus (COVID-19) was reported in Wuhan, China. On 11 March 2020, the World Health Organisation (WHO) officially declared COVID-19, the disease caused by novel coronavirus, a pandemic. The government has also implemented social distancing, quarantine requirements and travel restrictions in connection with the COVID-19 outbreak which in turn has impacted passenger demand for our services. As a result, the company fully suspended its operations on 27 March 2020 and resumed with a reduced timetable on 15 June. The Company ceased operations again on 5 November following the introduction of a further month-long National Lockdown and resumed operations on 3 December only to stop once again on 21 December to comply with local, and subsequently national, restrictions. These periods of closure, along with travel advice and restrictions have resulted in an estimated 72% reduction of the full year budgeted revenue for 2020. Prior to the second lockdown, the Company was experiencing growing demand for our services which we expect to continue into 2021 once the latest restrictions are lifted.

Strategic Report (continued)

Principal risks and uncertainties (continued)

The extent of the impact of COVID-19 on the Group's operational and financial performance will depend on future developments, including the duration and spread of the outbreak and related travel advisories and restrictions and the impact of COVID-19 on overall demand for public transport, all of which are highly uncertain and cannot be predicted. If demand on the company's services were to remain at these levels for an extended period our results of operations for full year 2020 would be materially adversely affected.

The Group has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 31 December 2019 have not been adjusted to reflect their impact. Additionally, the Group is committed to significant operating costs particularly in respect of fuel and labour costs. The Directors will endeavour to mitigate the risks associated with such finite resources, through utilising any Government monetary and fiscal interventions available (such as the Coronavirus job retention scheme ('CJRS') and flexible furlough) and operating a reduced timetable.

Ansco Arena Limited, a fellow subsidiary in The Anschutz Corporation has provided the Company with an undertaking that, for at least 12 months from the date of approval of these financial statements, it will provide financial support to ensure that the Group is able to meet its current and future obligations. The financial statements have been prepared on the going concern basis which the Directors believe to be appropriate for the reasons outlined in Note 2.

Section 172 statement

In accordance with section 172 of the Companies Act 2006 each of our directors acts in the way that he or she considers, in good faith, would most likely promote the success of the Group for the benefit of its members as a whole.

This section 172 statement, which is reported for the first time, includes considering the interest of other stakeholders which will have an impact on the long-term success of the Group and explains how the Directors:

- have engaged with employees, suppliers, customers and others; and
- have had regard to employee interests, the need to foster the Group's business relationships with suppliers and customers.

The section 172 statement focuses on matters of strategic importance to the Group, and the level of information disclosed is consistent with the size and the complexity of the business.

The Directors are aware of the short-term and medium-term challenges of the industry in terms of risks surround COVID-19 and constantly evolving consumer tastes for transport. As such all decisions are made with the intention of supporting a long-term strategy of maintaining a consistent and diverse customer base and growing gross contribution across the Group.

The Directors recognise that employees are fundamental and core to our business and delivery of our strategic ambitions. The success of our business depends on attracting, retaining and motivating employees. From ensuring that we remain a responsible employer, from pay and benefits to our health, safety and workplace environment, the Directors factor the implications of decisions on employees and the wider workforce, where relevant and feasible.

Delivering our strategy requires strong mutually beneficial relationships with suppliers, customers, government agencies, and partners. The Group seeks the promotion and application of certain general principles in such relationships. The ability to promote these principles effectively is an important factor in the decision to enter into or remain in such relationships.

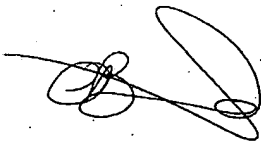
The impact of the Group's operations on the community and the environment is inherent in our strategic decision making with a continual focus to reduce the Group's carbon footprint and contribute to the local communities where we operate. This is very notable in the Group's industry-leading corporate sustainability program, AEG IEARTH, and also partnering with local charities and community organisations such as MQ, Nordoff Robbins, The Brit School, and the Music Venue Trust.

Strategic Report (continued)

Section 172 statement (continued)

The Directors recognise that the Group maintaining a reputation for high standards of business conduct sets the Group apart when dealing with stakeholders and aims to always consider this in long and short term decision making. After weighing up all relevant factors, the Directors consider which course of action best enables delivery of our strategy through the long-term, taking into consideration the impact on stakeholders. In doing so, our Directors act fairly as between the Group's members but are not required to balance the Group's interest with those of other stakeholders, and this can sometimes mean that certain stakeholder interests may not be fully aligned.

On behalf of the board,



G. Brind
Director

The O2
Peninsula Square
London, UK
SE10 0DX

18 January 2021

Directors' report

The Directors present their annual report and audited consolidated financial statements for the year ended 31 December 2019.

Results and dividends

The profit for the financial year after taxation amounted to £1,563,000 (2018: £2,192,000). No dividends were paid or proposed during the year (2018: £nil).

Financial risk management

The Group's financial risk profile is deemed low and is managed as follows:

Liquidity risk - the Group's ability to meet short term obligations is robust given the majority of revenue is converted into cash on the sale of tickets. The Group generates positive cash flows through its operating activities, although there is also access to additional funding via an intercompany facility. The Group manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense.

Market risk - When appropriate and beneficial to do so, the Group will enter into a fixed price fuel deal to fix the fuel price at a specific monthly volume for a fixed period. Following expiry of the previous 36 month fixed price fuel deal in June 2018, the Group entered into a new forward contract for 12 months commencing May 2020.

Credit risk - the Group's exposure to credit risk is limited to ticket sales made by third parties, the terms of which are secured under contracts and represent less than 1% of total revenue. Insurance risk is low due to global group arrangements with a significant provider. Trade debtors are individually insignificant and Private Charter sales are payable in advance.

Subsequent Events

Since 31 December 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Governments and central banks have responded with monetary and fiscal interventions to stabilise economic conditions. The Group ceased operations on 27 March 2020 and remobilised on 15 June with a reduced timetable, enhanced safety measures in place and agile working practices utilising the flexible furlough scheme. Utilisation of the Coronavirus job retention scheme has led to £3.2m being claimed in the March to November 2020 period. In addition, the workforce have agreed a 20% reduction in pay and hours until 31 March 2021 and a restructuring plan was fully implemented by the end of November 2020.

The Group has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 31 December 2019 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses still remains unclear at this time. However, it is clear at this time of signing that the impact on the financial position and results of the Group for 2020 are significantly adverse. The Group has detailed its ongoing financial support in the Strategic Report (see page 3 'Principal Risks and Uncertainties').

Future Prospects

Effective August 2020 our new partner is Uber. The "Uber Boat by Thames Clippers" partnership formally commenced on 3rd August 2020. The partnership will increase the number of people travelling safely through the city by boat, particularly as commuters begin to start returning to work in larger numbers in the Autumn. We have joined forces with Uber, who also pride themselves on safety, reliability and comfort and the partnership will allow us to link the two travel modes of river and road, providing Londoners and visitors with even more options to commute, visit, explore and enjoy our city by river. Technology has been introduced to allow an Uber user to purchase river travel tickets in advance through the Uber app and then use QR technology to board the boats. This is huge news for us as a brand, not only to align with such a big player in terms of London transport, but also as it provides incredible opportunities for our commuters and visitors. We will be responsible for operating the boats and Uber will use its app to drive additional passengers onto our services.

Additionally in 2020 we signed a Commercial Agreement with Barking Riverside Limited to expand our RBL route east to Barking Riverside with services expected to commence in Q4 2021 for a 15 year term. Barking Riverside is located along the banks of the River Thames, covering 443 acres and will include 10,800 new homes.

Diversification into parcel delivery is secured with a one year trial with DHL which commenced in August 2020. The DHL logistics trial operation will support parcels transported from Heathrow airport by e-vehicle to Wandsworth, where the Thames Clippers operated vessel picks up and delivers to Bankside pier. Last mile delivery is by e-bike.

Directors' report *(continued)*

Payment of creditors

It is the policy of the Group to agree terms of payment when orders for goods and services are placed and pay in accordance with those terms. Trade creditor days, based on the ratio of amounts which were owed to trade creditors at the year end to the aggregate of the amounts invoiced by trade creditors during the year, were 12 days (2018: 27 days).

Directors

The directors who served the Company during the year and up to the date of the report were as follows:

S McGuigan
A Hill
P Reeve
T Miserendino (resigned on 01 January 2019)
G Brind (appointed 01 January 2019)
J Langford (appointed 01 January 2019)

The Group purchased and maintained, throughout the year and up to the date of approval of these financial statements, Directors' and officers' liability insurance in respect of itself and its Directors.

Employment involvement

The Group adopts and promotes a framework of employee consultation and shared information. Staff representation meetings are held regularly between senior management and employees to facilitate and share new ideas and information.

On a quarterly basis, management briefs employees on our operational and financial results through various channels, including team meetings, face-to-face gatherings and emails from the Chief Executive Officer. The majority of Employees are eligible for a bonus based on departmental KPI's, which are tracked and communicated throughout the year.

Employee Opportunities

The Group believes that the diverse nature of its workforce brings a richness and fullness to the commuters, tourists and patrons of its services, as well as to London. The Group is fully committed to the elimination of unlawful and unfair discrimination and this has been reflected in a formal Diversity Policy.

There is also a clear and robust Recruitment and Selection Policy that identifies the mandatory procedures to adhere to that aim to ensure a full, fair and transparent process is followed when recruiting new staff. The Group has a policy to promote opportunities for disabled persons within the workforce through both a full and fair consideration process at the application stage and through continued support for those already in employment. The Group is committed to providing and encouraging continued training and career progression for all employees. We offer long term careers on varying career paths with nationally recognised qualifications, much of which is delivered internally by our highly skilled team.

Directors' report (*continued*)

Statement of directors' responsibilities in respect of the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group and company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). 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 group and company and of the profit or loss of the group and company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved: the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the group and company's auditors are unaware; and far as the director is aware, there is no relevant audit information of which the group and company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group and company's auditors are aware of that information. have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group and company's auditors are aware of that information.

On behalf of the board



G. Brind
Director

The O2
Peninsula Square
London, UK
SE10 0DX

18 January 2021

Independent auditors' report to the members of Ansco Transport Ltd

Report on the audit of the financial statements

Opinion

In our opinion, Ansco Transport Ltd.'s group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2019 and of the group's profit and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and consolidated financial statements (the "Annual Report"), which comprise: the Consolidated and Company Balance Sheets as at 31 December 2019; the Consolidated Profit and Loss Account and Consolidated Statement of Comprehensive Income, the Consolidated Cash Flow Statement, and the Consolidated and Company Statements of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

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

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's and company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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.

Other required reporting

Companies Act 2006 exception reporting

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 by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Alex Lazarus (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

20 January 2021

Consolidated Profit and Loss Account For the year ended 31 December 2019

	Note	2019 £000	2018 £000
Revenue	3	28,248	26,663
Cost of sales		(18,242)	(16,849)
Gross profit		10,006	9,814
Administrative expenses		(8,047)	(6,997)
Operating profit	4	1,959	2,817
Finance costs	7	(59)	(62)
Profit before taxation		1,900	2,755
Tax on profit	8	(337)	(563)
Profit for the financial year		1,563	2,192
Profit attributable to:			
Owners of the parent		1,485	2,083
Non-controlling interests		78	109
		1,563	2,192

All of the activities of the Group are classed as continuing.

Consolidated Statement of Comprehensive Income For the year ended 31 December 2019

	2019 £000	2018 £000
Profit for the financial year	1,563	2,192
Total comprehensive income for the year	1,563	2,192
Total comprehensive income attributable to:		
Owners of the parent	1,485	2,083
Non-controlling interests	78	109
	1,563	2,192

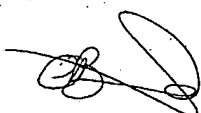
The notes on pages 17 to 31 form part of these financial statements.

Consolidated Balance Sheet At 31 December 2019

	Note	2019 £000	2019 £000	2018 £000	2018 £000
Fixed assets					
Property, plant and equipment	10		37,781		35,576
Current assets					
Inventories	11	256		238	
Debtors	12	2,859		2,680	
Cash at bank and in hand		1,643		2,986	
		<u>4,758</u>		<u>5,904</u>	
Creditors: Amounts falling due within one year	13	<u>(22,542)</u>		<u>(23,897)</u>	
Net current liabilities			<u>(17,784)</u>		<u>(17,993)</u>
Total assets less current liabilities			<u>19,997</u>		<u>17,583</u>
Creditors: Amounts falling due after more than one year	14		<u>(7,718)</u>		<u>(6,848)</u>
Deferred taxation	15		<u>(2,104)</u>		<u>(2,123)</u>
Net assets			<u><u>10,175</u></u>		<u><u>8,612</u></u>
Capital and reserves					
Called up share capital	17		-		-
Revaluation reserve			2,129		2,224
Retained earnings			7,067		5,487
Equity attributable to owners of the parent			<u><u>9,196</u></u>		<u><u>7,711</u></u>
Non-controlling interest			<u>979</u>		<u>901</u>
Total equity			<u><u>10,175</u></u>		<u><u>8,612</u></u>

The notes on pages 17 to 31 form part of these financial statements.

The financial statements on pages 11 to 31 were approved by the board of Directors on 18 January 2021 and were signed on its behalf by:



G. Brind
Director

Company Registration Number: 05932965


Company Balance Sheet At 31 December 2019

	Note	2019 £000	2018 £000
Fixed assets			
Investments	9	14,739	14,739
Current assets			
Debtors (including £7,538k (2018: £6,242k) due after more than one year)	12	8,626	6,926
Cash at bank and in hand		75	79
		<u>8,701</u>	<u>7,005</u>
Creditors: amounts falling due within one year	13	<u>(20,179)</u>	<u>(18,652)</u>
Net current liabilities		<u>(11,478)</u>	<u>(11,647)</u>
Total assets less current liabilities		<u>3,261</u>	<u>3,092</u>
Net assets		<u>3,261</u>	<u>3,092</u>
Capital and reserves			
Called up share capital	17	-	-
Retained earnings		<u>3,261</u>	<u>3,092</u>
Total shareholders' funds		<u>3,261</u>	<u>3,092</u>

As permitted by Section 408 of the *Companies Act 2006*, the Company's Statement of Comprehensive Income has not been included in these financial statements. The Company made a profit for the financial year of £169,000 (2018: £176,000).

The notes on pages 17 to 31 form part of these financial statements.

These financial statements on pages 11 to 31 were approved by the board of directors on 18 January 2021 and were signed on its behalf by:



G. Brind
Director

Company Registration Number: 05932965

Consolidated Statement of Changes in Equity

For the year ended 31 December 2019

	Called-up share capital £000	Revaluation reserve £000	Retained earnings £000	Non-controlling interest £000	Total shareholders' funds £000
Balance as at 1 January 2018	-	2,319	3,309	792	6,420
Profit for the financial year	-	-	2,083	109	2,192
Depreciation on revalued assets	-	(95)	95	-	-
Total comprehensive income for the year	-	(95)	2,178	109	2,192
Balance as at 31 December 2018	-	2,224	5,487	901	8,612
Profit for the financial year	-	-	1,485	78	1,563
Depreciation on revalued assets	-	(95)	95	-	-
Total comprehensive income for the year	-	(95)	1,580	78	1,563
Balance as at 31 December 2019	-	2,129	7,067	979	10,175

The notes on pages 17 to 31 form part of these financial statements.

Company Statement of Changes in Equity

For the year ended 31 December 2019

	Called-up share capital £000	Retained earnings £000	Total shareholders' funds £000
Balance at 1 January 2018	-	2,916	2,916
Profit for the financial year	-	176	176
Total comprehensive income	-	176	176
Balance at 31 December 2018	-	3,092	3,092
Profit for the financial year	-	169	169
Total comprehensive income	-	169	169
Balance at 31 December 2019	-	3,261	3,261

The notes on pages 17 to 31 form part of these financial statements.

Consolidated Cash Flow Statement For the year ended 31 December 2019

Reconciliation of profit after taxation to operating cash flows	2019 £000	2018 £000
Cash flows from operating activities		
Profit after taxation	1,563	2,192
<i>Adjustments for:</i>		
Taxation	337	562
Depreciation	3,147	2,502
Finance cost	59	61
(Increase) / decrease in inventories	(18)	1
(Increase) / decrease in debtors	(179)	(243)
(Decrease) / increase in creditors	(2,619)	920
Tax paid	(519)	(834)
Net cash inflow from operating activities	1,771	5,161
Cash flows from investing activities		
Purchase of tangible fixed assets	(5,352)	(6,126)
Net cash outflow used in investing activities	(5,352)	(6,126)
Cash flows from financing activities		
Increase in borrowings	2,238	2,776
Net cash generated from financing activities	2,238	2,776
Net (decrease) / increase in cash and cash equivalents	(1,343)	1,811
Cash and cash equivalents at 1 January	2,986	1,175
Cash and cash equivalents at 31 December	1,643	2,986

Notes to the financial statements

Year ended 31 December 2019

1 General information

Ansco Transport Ltd is a private company limited by shares incorporated in the United Kingdom and registered in England. The Group has one operating subsidiary, Collins River Enterprises Limited ("CRE"), which operates under the trading name of Thames Clippers. The Group's principal activity is that of passenger transport services on the River Thames. The Company's registered address is The O2, Peninsula Square, London, SE10 0DX, UK.

2 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standards 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The basis of preparation is the historical cost model as modified by the revaluation of all vessels and fair value of derivative financial instruments, and in accordance with the Companies Act 2006.

The financial statements have been prepared on the going concern basis which the Directors believe to be appropriate. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

The principal accounting policies, which have been applied consistently throughout the year, are listed out below.

Going concern

Notwithstanding net current liabilities of the Group of £17,784,000 (2018: £17,993,000) at 31 December 2019, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

Ansco Arena Limited, a fellow subsidiary in The Anschutz Corporation group has provided the Company with an undertaking that, for at least 12 months from the date of approval of these financial statements, it will provide financial support to ensure that the Company is able to meet its current and future obligations. Furthermore, the Directors are satisfied that the Company is able to meet its working capital liabilities by utilizing funds from the Government's Coronavirus job retention scheme and additional group funding as required where impacted by the outbreak of COVID-19 (see page 3 - Directors Report 'Subsequent Events').

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 December 2019.

In the Company financial statements, investments in subsidiaries are carried at cost less impairment. A subsidiary is an entity that is controlled by the parent. The results of the subsidiary undertakings are included in the Consolidated Profit and Loss Account from the date that control commences to the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Company has to take into consideration potential voting rights that are currently exercisable.

Under Section 408 of the Companies Act 2006, the Company is exempt from the requirement to present its own Profit and Loss Account. The Company's profit for the year to 31 December 2019 was £169,000 (2018: £176,000).

Notes to the financial statements (*continued*)

2 Accounting policies (*continued*)

The parent company is included in the consolidated financial statements, and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the parent company financial statements have been applied:

- No separate parent company Cash Flow Statement with related notes is included; and
- Key management personnel compensation; and
- From the financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29 as the information is provided in the consolidated financial statement disclosures.

Fixed assets and depreciation

Based on the annual review of the Group's tangible fixed assets in conjunction with the formal five yearly valuations of the vessels, depreciation is calculated on a straight-line basis to write down cost over their anticipated useful lives to their estimated residual value. Where parts of an item of PP&E have different useful lives the cost of the item is allocated on a reasonable basis among the parts and each part is depreciated separately. Vessels are componentized into hulls, engines and fixtures & fittings. Major overhaul expenditure is capitalized and amortized over the average expected life between major overhauls. All other costs relating to maintenance are expensed on consumption or as incurred respectively.

A full valuation of the vessels were performed by Maatsuyker, an external independent valuer on a boat by boat basis as at 31 December 2019.

Vessels - Hulls	-	Not depreciated
Vessels – Engines	-	10% straight-line
Vessels – Fixtures & Fittings	-	20% straight-line
Pier	-	10% straight-line
Plant and machinery (New Build Office)	-	16⅓% straight-line
Plant and machinery (Fixtures, fittings and equipment)	-	25% straight-line
Plant and machinery (Computer and IT equipment)	-	33⅓% straight-line

Assets under construction is an asset account in which the costs of constructing long-term assets are recorded. The account is reported on the Balance Sheet as part of the Group's property, plant and equipment. The costs are accumulated until the asset is placed into service and then transferred to the appropriate asset account. No depreciation is charged until the project is completed and the asset is placed into service.

Residual values are management's best estimate of the net realisable value of an asset at the end of its useful economic life. Assets are calculated by reference to their net carrying amounts. The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

At each reporting date the Group assesses whether there is an indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less cost to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Revaluation reserve

Valuations are updated where there is perceived to be a material change in value. Revaluation gains are recognised in the Statement of Comprehensive Income. Revaluation losses are recognised in the Statement of Comprehensive Income until the carrying amount reaches its depreciated historical cost; and thereafter, in the Profit and Loss account, unless the recoverable amount is greater than the revalued amount, in this case the loss is recognised in the Statement of Comprehensive Income. The Group applied the transitional arrangements of Section 35 of FRS 102 and used a previous valuation as the deemed cost for certain freehold properties (including vessels). The vessels are being depreciated from the valuation date. As the assets are depreciated or sold an appropriate transfer is made from the revaluation reserve to retained earnings.

Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on the first-in, first-out (FIFO) method. Cost includes the purchase price, including taxes and duties and transport and handling directly attributable to bringing the inventory to its present location and condition.

At the end of each reporting period inventories are assessed for impairment. If an item of inventory is impaired, the identified inventory is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the income statement. Where a reversal of the impairment is required the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the income statement.

Notes to the financial statements (*continued*)

2 Accounting policies (*continued*)

Cash and cash equivalents

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

Financial instruments

The Group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

i. Financial assets

Basic financial assets, including trade and other debtors and cash and cash equivalents, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired, the impairment loss is the difference between the carrying amount and the recoverable amount. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss. Financial assets are derecognised when the contractual rights to the cash flows from the asset are settled.

ii. Financial liabilities

Basic financial liabilities including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors are classified as current liabilities if payment is due within one year or less or if they are payable on demand. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measures at amortised cost using the effective interest method.

Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is provided, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen and not reversed as at the Balance Sheet dates. A net deferred tax asset is only recognised to the extent that it is probable to be recoverable against future taxable profits.

Deferred tax is recognised on revalued assets (vessels) only where at the Balance Sheet date there is a binding agreement to sell the revalued assets and the gain expected to arise on the sale of the assets has been recognised.

Notes to the financial statements (*continued*)

2 Accounting policies (*continued*)

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the Balance Sheet date. All differences are taken to the Profit and Loss account.

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the assets have been passed to the Company, are capitalised in the Balance Sheet and depreciated over their useful economic lives. The corresponding lease or hire purchase obligation is treated in the Balance Sheet as a liability.

The interest element of the rental obligation is charged to the Profit and Loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to the Profit and Loss account on a straight-line basis over the lease term.

Related Party Transactions

The Group discloses transactions with related parties which are not wholly owned within the Group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors separate disclosure is necessary to understand the effect of the transactions on the Group financial statements.

Revenue

Revenue represents the amounts receivable for timetabled services (including subsidy), Naming Rights Partner sponsorship, Private Charter, Cruise Tenders and Hospitality, net of Value Added Tax, all arising in the UK. Revenue is treated as a single income category.

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed by the Company and value added taxes.

Revenue is recognised at the point the service is provided. Where the service is provided over a period, revenue is recognised on a straight-line basis over that period. Where the consideration is deferred, the fair value of the consideration is measured as the present value of all future receipts using the imputed rate of interest.

The subsidy received is not directly linked to any costs incurred by the business hence the Directors consider it appropriate to present the subsidy received as revenue.

Pension schemes

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund.

Judgements in applying accounting policies 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. The nature of estimation means the actual outcomes could differ from those estimates. In the accounts, the valuations of fixed assets are the management's best estimate of the net realisable value at the end of their useful economic life. The Directors are of the belief that the values of the assets are not less than the amount included in the balance sheet.

Notes to the financial statements *(continued)*

3 Revenue

	2019 £000	2018 £000
Sale of goods & services	28,248	26,663

Revenue represents the amounts receivable for timetabled services (including subsidy), Naming Rights Partner, Private Charter, Cruise Tenders and Hospitality, net of Value Added Tax, all arising in the UK. Revenue is treated as a single income category

4 Operating profit

The Directors have presented the performance measure Adjusted EBITDA as they monitor this performance measure at Group level and they believe this measure is relevant to the understanding of the Group's financial performance. Adjusted EBITDA is calculated by adjusting operating profit from continuing operations to exclude the impact of depreciation and impairment losses. During the year, there were no impairment losses (2018: £nil).

	2019 £000	2018 £000
Operating profit	1,959	2,817
Depreciation	3,147	2,502
Adjusted EBITDA	5,106	5,319

	2019 £000	2018 £000
<i>Operating profit is stated after charging:</i>		
Depreciation of owned fixed assets	3,147	2,502
Total Operating lease rentals	243	248
Payroll costs	14,034	13,026

Auditors' remuneration:

Audit of these financial statements	2	2
Audit of subsidiaries financial statements	42	39

Notes to the financial statements *(continued)*

5 Remuneration of Directors

The Company did not pay any emoluments to the Directors during the year (2018: £nil). Their remuneration is borne by their employer, Anschutz Sports Holdings Ltd, who made no recharge to the Company. The Directors are also directors of a number of fellow group companies and it is not possible to make an accurate apportionment of their emoluments in respect of each company. Their emoluments are included in the aggregate of directors' emoluments disclosed in the financial statements of their employer.

6 Staff numbers and costs

The average monthly number of persons employed full time by the Group (including Directors) during the year, analysed by category, was as follows:

	Number of employees	
	2019 No.	2018 No.
Administration	31	26
Operations	280	265
Sales	4	4
	<u>315</u>	<u>295</u>

The aggregate payroll costs of these persons were as follows:

	2019 £000	2018 £000
Wages and salaries	12,361	11,583
Social security costs	1,151	1,058
Other pension costs	522	385
	<u>14,034</u>	<u>13,026</u>

The Company did not pay any staff costs during the year as the Company did not employ any staff (2018: £nil).

Notes to the financial statements *(continued)*

7 Finance costs

	2019 £000	2018 £000
On bank deposit account	59	62

8 Tax on profit

Analysis of the charge

	2019 £000	2018 £000
<i>UK Corporation tax</i>		
Current tax on income for the financial year	361	448
Adjustments to current tax for prior year periods	(6)	(18)
Total current tax charge	355	430
<i>Deferred tax</i>		
Origination of timing differences	(21)	146
Impact of change in tax rate	3	(13)
Total deferred tax (credit) / charge	(18)	133
Total tax charge	337	563

Notes to the financial statements (continued)

8 Tax on profit (continued)

Factors affecting the tax charge for the current financial year

The tax charge for the year is higher (2018: *higher*) than the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%). The differences are analysed in the reconciliation below.

Tax reconciliation

	2019 £000	2018 £000
Profit before taxation	1,900	2,755
Current tax charge of 19.00% (2018: 19.00%)	361	523
Effects of:		
Expenses not deductible for tax purposes	20	20
Unrecognised deferred tax	(39)	51
Adjustments to tax for prior year periods	(6)	(18)
Re-measurement of deferred tax – change in UK tax rate	1	(13)
Total tax charge	337	563

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016, and the UK deferred tax liability as at 31 December 2019 has been calculated based on this rate. The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020.

9 Investments

Company	2019 £000	2018 £000
Subsidiary undertaking		
Cost and Net book value At January and 31 December	14,739	14,739

The Directors believe that the carrying value of the investments is supported by their underlying net assets. The Company holds 95% (2018: 95%) of the ordinary shares of Collins River Enterprises Limited, a Company incorporated in the United Kingdom, as well as 100% of 100 preference shares. Collins River Enterprises Limited is trading and its registered address is The O₂, Peninsula Square, London SE10 0DX.

Notes to the financial statements (continued)

10 Property, plant and equipment

	Pier £000	Vessels £000	Plant and machinery £000	Assets under construction £000	Total £000
Cost or valuation					
At 1 January 2019	1,552	46,037	3,177	3,317	54,083
Additions	428	2,228	139	2,557	5,352
Transfers	-	3,928	-	(3,928)	-
At 31 December 2019	1,980	52,193	3,316	1,946	59,435
Accumulated Depreciation & Impairment losses					
At 1 January 2019	834	15,585	2,088	-	18,507
Charge for the year	124	2,650	373	-	3,147
At 31 December 2019	958	18,235	2,461	-	21,654
NET BOOK VALUE					
At 31 December 2019	1,022	33,958	855	1,946	37,781
At 31 December 2018	718	30,452	1,089	3,317	35,576

The Company applied the transitional arrangements of Section 35 of FRS 102 and used a previous valuation as the deemed cost for certain freehold properties (including vessels). The vessels are being depreciated from the valuation date. As the assets are depreciated or sold an appropriate transfer is made from the revaluation reserve to retained earnings.

Valuations are updated where there is perceived to be a material change in value. Revaluation gains are recognised in the Statement of Comprehensive Income. Revaluation losses are recognised in the Statement of Comprehensive Income until the carrying amount reaches its depreciated historical cost; and thereafter, in the Profit and Loss account, unless the recoverable amount is greater than the revalued amount, in this case the loss is recognised in the Statement of Comprehensive Income.

The Group applied the transitional arrangements of Section 35 of FRS 102 and used a previous valuation as the deemed cost for certain freehold properties (including vessels). The vessels are being depreciated from the valuation date. As the assets are depreciated or sold an appropriate transfer is made from the revaluation reserve to retained earnings.

Analysis of the vessels valued at the date of transition to FRS 102 using the deemed costs exemption:

	2019 £000	2018 £000
<i>Vessels:</i>		
Historical cost equivalent	32,076	31,928
Revaluation	(2,261)	(2,166)
Net book value	29,815	29,762

The vessels were last valued in December 2017 by an independent valuer using market-based evidence for similar vessels.

Notes to the financial statements (continued)

11 Inventories

	2019 Group £000	2018 Group £000	2019 Company £000	2018 Company £000
Engineering stock and fuel	220	189	-	-
Uniforms	15	21	-	-
Catering supplies - goods for resale	21	28	-	-
	<u>256</u>	<u>238</u>	<u>-</u>	<u>-</u>

12 Debtors

	2019 Group £000	2018 Group £000	2019 Company £000	2018 Company £000
Trade debtors	742	530	-	-
Amounts owed by group undertakings	850	847	8,617	6,917
Other debtors	715	372	-	-
Prepayments and accrued income	552	931	9	9
	<u>2,859</u>	<u>2,680</u>	<u>8,626</u>	<u>6,926</u>

Group amounts owed by group undertakings are interest free and repayable on demand. The Group had allowance for doubtful accounts in the amount of £27,000 at 31 December 2019 (2018: £30,000). Company amounts owed by group undertakings comprise of £7,538,753 (2018: £5,905,000) relating to loan notes following due more than one year and £1,078,500 (2018: £945,000) relating to cumulative preference share interest and the interest on the loan falling due within one year.

Included within the Company amounts owed by group undertakings is £8,617,000 and has preference shares that carry a fixed cumulative preferential dividend at the annual rate of 9%. The amount of accrued interest at 31 December 2019 amounted to £1,012,500 (2018: £945,000) and is included within amounts owed by group undertakings. In addition, long-term loan amounts owing by group undertakings attract an interest rate of 3.0% per annum above the Bank of Scotland base rate. Interest is only calculated on the principal amount of £5,864,000.

13 Creditors: amounts falling due within one year

	2019 Group £000	2018 Group £000	2019 Company £000	2018 Company £000
Trade creditors	524	1,160	-	-
Amounts owed to group undertakings	20,070	18,643	20,087	18,599
Other creditors	450	472	-	-
Corporation tax	101	264	84	47
Accruals and deferred income	1,397	3,358	8	6
	<u>22,542</u>	<u>23,897</u>	<u>20,179</u>	<u>18,652</u>

Amounts owed to group undertakings are interest free and repayable on demand.

Notes to the financial statements *(continued)*

14 Creditors: amounts falling due after more than one year

	2019 Group £000	2018 Group £000
Amounts owed to group undertakings	7,718	6,848
	<u>7,718</u>	<u>6,848</u>

Amounts owed to group undertakings are interest free and repayable on demand. Group creditors have indicated that they do not intend to seek repayment of the amounts due at the balance sheet date, for the period of at least 12 months from the date of approval of these financial statements.

15 Deferred taxation

	2019 £000	2018 £000
Deferred taxation	2,104	2,123

The amounts provided for deferred taxation at current rates are as follows:

	2019 Cumulative recognised £000	2018 Cumulative recognised £000
Excess of depreciation over capital allowances	2,117	2,138
Short term timing differences	(6)	(4)
Provisions disallowed	(4)	(9)
Tax losses	(3)	(2)
Deferred tax liability	<u>2,104</u>	<u>2,123</u>

The net deferred tax liability is expected to decrease in 2019 consistently, primarily due to the impact of timing differences between depreciation and capital allowances.

Notes to the financial statements *(continued)*

16 Financial instruments

Financial assets	2019 Group £000	2018 Group £000	2019 Company £000	2018 Company £000
Measured at fair value through profit or loss:				
Derivative financial assets	-	-	-	-
Measured at amortised cost				
Trade debtors	742	530	-	-
Amounts owed by group undertakings	850	847	8,617	6,917
Other debtors	715	372	-	-
Accrued income	106	238	9	9
Cash at bank and in hand	1,643	2,986	75	79
	4,056	4,973	8,701	7,005
Financial liabilities	2019 Group £000	2018 Group £000	2019 Company £000	2018 Company £000
Measured at amortised cost				
Trade creditors	524	1,160	-	-
Amounts owed to group undertakings (note 20)	20,070	18,643	20,087	18,599
Other creditors	450	472	8	-
Accruals	1,158	3,358	-	6
	22,202	23,633	20,095	18,605

Notes to the financial statements (*continued*)

17 Called up share capital

Group and Company

	2019	2018
	£	£
<i>Allotted, called up and fully paid</i>		
1 (2018: 1) Ordinary shares of £1	1	1

100 (2018: 100) Ordinary shares of £1 are authorised.

The company has only one class of ordinary shares which carry no right to fixed income and has the right to one vote on a show of hands and one vote per share held on a poll. Rights in respect of distributions and returns of capital are pro rata to the number of ordinary shares held. None of the ordinary shares are redeemable.

18 Contingent liabilities

From time to time, the Group is involved in various disputes in the ordinary course of business. Provision is made in the financial statements for all claims where the Directors consider costs are likely to be incurred.

19 Other financial commitments

Annual commitments under non-cancellable operating leases are as follows:

	2019 Land and buildings £000	2018 Land and buildings £000
Operating leases which expire:		
Within one year	210	199
Later than one year and not later than five years	540	504
Over five years	467	465
	<u>1,217</u>	<u>1,168</u>

The operating leases relate to the Company's subsidiary only.

20 Related party disclosures

During the year the following transactions have taken place between the Group and its related parties:

AEG Facilities LLC, a group Company

At 31 December 2019 the Company was owed £620 (2018: £620).

Goods and services purchased totalling £nil (2018: £nil).

Goods and services sold totalling £nil (2018: £nil).

Notes to the financial statements (*continued*)

20 Related party disclosures (*continued*)

Stockholm Live AB, a group Company

At 31 December 2019 the Company owed £5 (2018: £79).

Goods and services purchased totalling £nil (2018: £nil).

Goods and services sold totalling £nil (2018: £nil).

The SSE Arena Wembley, a group Company

At 31 December 2019 the Company owed £8,473 (2018: £1,896).

Goods and services purchased totalling £nil (2018: £nil).

Goods and services sold totalling £nil (2018: £nil).

21 Pension Scheme

The Group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Group and amounted to £522,000 (2018: £385,000).

The outstanding contributions payable at the end of the financial year amounted to £29,542 (2018: £21,564).

22 Ultimate parent undertaking

The immediate parent undertaking is Anschutz Entertainment Group Inc, a company incorporated in the United States of America. The ultimate parent undertaking and controlling party is The Anschutz Corporation, a company incorporated in the United States of America. The registered address of The Anschutz Corporation is 555 17th Street, Suite 2400, Denver, CO 80202-3941. The Anschutz Corporation is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 December 2019. The consolidated financial statements of The Anschutz Corporation are not available to the public.

Anschutz Entertainment Group Inc. is the parent undertaking of the smallest group of undertakings to consolidate these financial statements. The registered address of Anschutz Entertainment Group Inc. is 800 West Olympic Blvd. Suite 305, Los Angeles, CA 90015, United States of America. The consolidated financial statements of Anschutz Entertainment Group Inc. are not available to the public.

Notes to the financial statements *(continued)*

23 Subsequent events

The global outbreak of Coronavirus ("COVID-19") has developed rapidly in 2020 and is a key source of uncertainty for the Group and Company in the short term. At 31 December 2019 the emerging COVID-19 outbreak was largely restricted to China with a few contained cases reported around the world. The situation has changed significantly since then and on 22 March 2020 the Company announced the temporary closure of trading activities. This was in advance of the UK government's announcement on 23 March 2020 that businesses selling 'non-essential goods' will be closed immediately. The Group and Company did not reopen until UK government guidance stated it was legally permitted and safe to do so, but has been forced once again to cease its services amid the latest local and national restrictions.

Whether the impact of COVID-19 is an adjusting or non-adjusting post balance sheet event is a judgement which impacts its treatment in these financial statements. A post balance sheet event is adjusting if it provides more information about circumstances that existed at the year end. The Company has concluded that COVID-19 is a non-adjusting post balance sheet event at 31 December 2019 on the basis that at that date:

- The World Health Organisation had not declared a global health emergency;
- There was no significant spread of the virus outside of China; and
- There were no cases in the UK and no evidence that the virus was not contained in Europe at that stage.

Events such as the announcement or enactment of new measures to contain the virus or decisions taken by management are generally considered to be non-adjusting. As the Group and Company have deemed COVID-19 to be a non-adjusting subsequent event, no adjustments to estimates have been recorded in the Group or Company financial statements for the year ended 31 December 2019.