

OS AA01

Statement of details of parent law and other
information for an overseas company



Companies House

✓ What this form is for
You may use this form to
accompany your accounts
disclosed under parent law.

✗ What this form is NOT for
You cannot use this form to
an alteration of manner of
with accounting requireme

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COMPANIES HOUSE

Part 1 Corporate company name

Corporate name of overseas company ① THE AUTOMOBILE ASSOCIATION LIMITED

UK establishment number B R 0 0 4 8 7 5

→ Filling in this form

Please complete in typescript or in bold black capitals.

All fields are mandatory unless specified or indicated by *

① This is the name of the company in its home state.

Part 2 Statement of details of parent law and other information for an overseas company

A1 Legislation

Please give the legislation under which the accounts have been prepared and, if applicable, the legislation under which the accounts have been audited.

Legislation ② COMPANIES (JERSEY) LAW 1991

② This means the relevant rules or legislation which regulates the preparation and, if applicable, the audit of accounts.

A2 Accounting principles

Accounts Have the accounts been prepared in accordance with a set of generally accepted accounting principles?

Please tick the appropriate box.

☐ No. Go to Section A3.

☒ Yes. Please enter the name of the organisation or other body which issued those principles below, and then go to Section A3.

③ Please insert the name of the appropriate accounting organisation or body.

Name of organisation or body ③ FINANCIAL REPORTING COUNCIL

A3 Accounts

Accounts Have the accounts been audited? Please tick the appropriate box.

☒ No. Go to Section A5.

☐ Yes. Go to Section A4.

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A4

Audited accounts

Audited accounts

Have the accounts been audited in accordance with a set of generally accepted auditing standards?

Please tick the appropriate box.

☐ **No.** Go to **Part 3 'Signature'**.

☐ **Yes.** Please enter the name of the organisation or other body which issued those standards below, and then go to **Part 3 'Signature'**.

① Please insert the name of the appropriate accounting organisation or body.

Name of organisation or body ①

A5

Unaudited accounts

Unaudited accounts

Is the company required to have its accounts audited?

Please tick the appropriate box.

☒ **No.**

☐ **Yes.**

Part 3

Signature

I am signing this form on behalf of the overseas company.

Signature

Signature

X**X**

This form may be signed by:
Director, Secretary, Permanent representative.

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Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **COMPANY SECRETARIAT**

Company name **THE AA**

Address **FANUM HOUSE**

BASING VIEW

Post town **BASINGSTOKE**

County/Region **HAMPSHIRE**

Postcode **R G 2 1 4 E A**

Country

DX

Telephone **07821842839**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register.
- ☐ You have completed all sections of the form, if appropriate.
- ☐ You have signed the form.



Important information

Please note that all this information will appear on the public record.



Where to send

You may return this form to any Companies House address:

England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Scotland:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

Northern Ireland:

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

THE AUTOMOBILE ASSOCIATION LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

Registered number: 00073356

THE AUTOMOBILE ASSOCIATION LIMITED
FOR THE YEAR ENDED 31 JANUARY 2020

DIRECTORS' REPORT

The directors present their annual report and financial statements of The Automobile Association Limited ("the Company") for the year ended 31 January 2020.

PRINCIPAL ACTIVITY, REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The Company is a wholly owned subsidiary of AA Corporation Limited.

The Company did not trade during the current or preceding year and has made neither profit nor loss, nor any other recognised gain or loss. Formerly, the principal activity of the Company was the management of onerous property transactions.

The directors believe that analysis using key performance indicators is not necessary or appropriate for an understanding of the development, performance or position of the Company.

The outbreak of COVID-19 has resulted in a pandemic causing significant disruption across the globe. The impact on society is reflected in business closures, restrictions on movement, home working and cancellations of sporting and other events. This has led to an economic downturn.

The recent volatility in financial markets is being monitored by management who have assessed that the Company remains in a robust position to continue to perform its primary activity. Due to the nature of the Company's services, it is not anticipated that COVID-19 will have a material financial impact at the time of writing.

RISK MANAGEMENT FRAMEWORK

The Company is part of the AA plc group which has developed an embedded enterprise risk management process that facilitates the identification, assessment, escalation and mitigation of the Company's risk exposure across every aspect and activity of the business. This framework enables the business to manage risk using predefined assessment criteria to ensure residual risk levels are in line with the Board's agreed risk appetite.

The principal risks have been grouped into the following categories:

COVID-19

The COVID-19 pandemic continues to have material impact within the UK and internationally. We continue to monitor our activities to ensure that the risks and issues posed by COVID-19 on the business are appropriately addressed and to mitigate the significant uncertainty ahead.

Financial Risk

The financial risks of the Company are managed centrally by the AA plc group treasury team taking into account the Company's position as part of the group with due consideration being given to the impact of transactions with other group entities.

The Company is an obligor of the financial indebtedness of the AA Intermediate Co Limited group which ringfences its debt within a whole business securitisation (WBS) structure. AA Intermediate Co Limited is a parent undertaking of the Company and part of the AA plc group. The viability and financial success of the Company is therefore tied to the viability and financial success of the AA Intermediate Co Limited group. No material uncertainties have been identified that would cast doubt over the financial success of the AA Intermediate Co Limited group. For more detail see the AA plc group's viability statement on page 37 of its annual report which discusses the assumptions which underpin this assessment.

Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk in relation to the intercompany balance due from a fellow subsidiary undertaking. The AA plc group monitors the recoverability of intercompany balances to ensure that there are sufficient resources to meet each counterparty's obligation.

THE AUTOMOBILE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1 Presentation of financial statements

The Automobile Association Limited is incorporated and domiciled in Jersey.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The financial statements are prepared in Sterling and are rounded to the nearest £0.1m.

2 Accounting policies

2.1 Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). The financial statements are prepared under the historical cost convention.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- IAS 1 paragraphs 10(d) and 10(f),
- IAS 1 paragraph 16 (statement of compliance with all IFRS),
- IAS 1 paragraph 38A (requirement for minimum of two primary statements, including cash flow statements),
- IAS 1 paragraph 111 (cash flow statement information),
- IAS 1 paragraphs 134-136 (capital management disclosures),
- IFRS 7 'Financial Instruments Disclosures',
- IAS 7 'Statement of cash flows',
- IAS 8 paragraphs 30 and 31 (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective),
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group,
- IFRS 13 'Fair Value Measurement',
- IAS 24 'Related party disclosures' (key management compensation).

The Company did not identify any new accounting standards coming into effect in the current year with a material impact on the financial statements.

THE AUTOMOBILE ASSOCIATION LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 JANUARY

	Share capital	Retained earnings	Capital contribution reserve	Total
	£m	£m	£m	£m
At 1 February 2018	0.1	1,288.5	72.9	1,361.5
Loss for the year	-	(0.1)	-	(0.1)
At 31 January 2019	0.1	1,288.4	72.9	1,361.4
Result for the year	-	-	-	-
At 31 January 2020	0.1	1,288.4	72.9	1,361.4

The accompanying notes are an integral part of this statement of changes in equity.

THE AUTOMOBILE ASSOCIATION LIMITED

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 JANUARY

	Notes	2020 £m	2019 £m
CURRENT ASSETS			
Trade and other receivables	4	<u>1,361.4</u>	<u>1,366.9</u>
TOTAL ASSETS		<u>1,361.4</u>	<u>1,366.9</u>
CURRENT LIABILITIES			
Trade and other payables	5	<u>-</u>	<u>(5.5)</u>
TOTAL LIABILITIES		<u>-</u>	<u>(5.5)</u>
NET ASSETS		<u>1,361.4</u>	<u>1,361.4</u>
EQUITY			
Called up share capital	6	0.1	0.1
Retained earnings		1,288.4	1,288.4
Capital contribution reserve		72.9	72.9
TOTAL EQUITY		<u>1,361.4</u>	<u>1,361.4</u>

These financial statements were approved by the board of directors and signed on its behalf by:



M NEVILLE
DIRECTOR
16 November 2020

The accompanying notes are an integral part of this statement of financial position.

THE AUTOMOBILE ASSOCIATION LIMITED

**INCOME STATEMENT
FOR THE YEAR ENDED 31 JANUARY**

	Notes	2020 £m	2019 £m
OPERATING COSTS			
Administrative expenses	3	-	(0.1)
RESULT/(LOSS) BEFORE TAXATION AND FOR THE FINANCIAL YEAR		<hr/> - <hr/>	<hr/> (0.1) <hr/>

There is no income and expenditure other than that passing through the income statement, therefore no separate statement of comprehensive income is presented.

The accompanying notes are an integral part of this income statement.

THE AUTOMOBILE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

2 Accounting policies (continued)

2.2 Critical accounting estimates and judgements

Management have exercised judgement in applying the Company's accounting policies and in making critical estimates. The principle judgements involving a higher degree of judgement and complexity, where the assumptions and estimates are significant to the financial statements relates to the assessment of credit loss allowances for intercompany receivables which requires judgement to assess the collectability of intercompany balances.

2.3 Significant accounting policies

Trade receivables and trade payables

Trade and other receivables

Trade and other receivables are amounts due from fellow subsidiary undertakings of the AA plc group. They are generally due for settlement on demand and are therefore all classified as current. They are recognised at fair value and are subsequently held at amortised cost. The Company applies the IFRS 9 simplified approach to measuring expected credit losses (ECLs) which uses a lifetime expected loss allowance for all receivables.

Trade and other payables

Trade and other payables are not interest bearing and are recognised at fair value and are subsequently held at amortised cost using the effective interest method.

3 ADMINISTRATIVE EXPENSES

	2020 £m	2019 £m
Onerous lease provision movement	-	(0.1)
	<u>-</u>	<u>(0.1)</u>

4 TRADE AND OTHER RECEIVABLES

	2020 £m	2019 £m
Amounts owed by group undertakings	1,360.9	1,366.4
Other receivables	0.5	0.5
	<u>1,361.4</u>	<u>1,366.9</u>

Amounts owed by group undertakings are unsecured, have no repayment terms and bear no interest.

5 TRADE AND OTHER PAYABLES

	2020 £m	2019 £m
Amounts owed to group undertakings	-	5.0
Corporation tax payable	-	0.5
	<u>-</u>	<u>5.5</u>

Amounts owed to group undertakings are unsecured, have no repayment terms and bear no interest.

THE AUTOMOBILE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

6 CALLED UP SHARE CAPITAL

	2020	2019
	£m	£m
Allotted, called up and fully paid		
50,000 (2019: 50,000) ordinary shares of £1 each	<u>0.1</u>	<u>0.1</u>

The Company has 50,000 authorised shares of £1 each.

7 GUARANTEES AND COMMITMENTS

Cross company guarantees

The Company, together with others in the group, is guarantor to the bank loans and bond debt of the AA Intermediate Co Limited group. At 31 January 2020, the principal outstanding on the AA Intermediate Co Limited group debt was £2,767.0m (2019: £2,769.8m).

8 ULTIMATE PARENT UNDERTAKING AND ULTIMATE CONTROLLING PARTY

The Company is a wholly owned subsidiary of AA Corporation Limited, a Company registered in the UK and a wholly owned indirect subsidiary of AA Intermediate Co Limited.

The parent of the smallest group to consolidate these financial statements is AA Intermediate Co Limited whose registered office is Fanum House, Basing View, Basingstoke, RG21 4EA. The ultimate controlling party and parent undertaking, which is also the parent of the largest group to consolidate these financial statements, is AA plc whose registered office is at Fanum House, Basing View, Basingstoke, RG21 4EA.

Copies of the consolidated AA plc and AA Intermediate Co Limited financial statements are available from the website www.theaapl.com/investors.