

Griffin Bidco Limited

Annual Report and Financial Statements

Year Ended

31 December 2019

Company Number 06969512

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Griffin Bidco Limited

Report and financial statements for the year ended 31 December 2019

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Directors

A J Waller (resigned on 19-03-2020)
I C Sinderson

Secretaries

M K Beacher
Oakwood Corporate Secretary Limited

Registered office

Space One, 1 Beadon Road, London, W6 0EA

Company number

06969512

Auditors

BDO LLP, 3 Hardman Street, Manchester, M3 3AT

Griffin Bidco Limited

Strategic report for the year ended 31 December 2019

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

Principal activities

The company is a wholly owned subsidiary of ATPI Holdings (Jersey) Limited.

Griffin Bidco Limited principal activity is that of an intermediate holding company.

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

Strategy and objectives

Griffin Bidco Limited is a holding company and the directors of the business intend for this company to remain as such going forward. The company's vision is aligned to that of its ultimate parent company, ATPI Holdings (Jersey) Limited. Together the group's vision is to be the number one travel and events provider of choice for international businesses looking for sector expertise, high-touch service and innovative technology.

The Group, through a combination of international locations, network partnerships and its own pioneering management information technology, provides its clients with sector expertise, global coverage of offices and access to innovative technologies. The group is sector focussed into its core markets of expertise, as set out below:

- ATPI Corporate Travel – To be the leading specialist in travel management for mid-market multinationals where travel is critical to the business.
- ATPI Marine and Energy – To build on our specialist leadership in travel management for the global shipping, energy and resources industries.
- ATPI Corporate Events – To be the obvious specialist partner for companies needing corporate event management tailored for their target groups.
- ATPI Sports Events – To be the leading specialist provider of hospitality programmes, travel and events logistics for the international sports domain.
- Direct ATPI – To be the obvious specialist partner for multinational organisations requiring access to a global network that supports their travellers and business.

In order to maintain our vision and objectives, we are committed to investing in innovative technology and we continue to invest in providing the highest level of service for corporate travel, specialist sector travel and logistics and full service event management, together with additional services such as duty of care consultancy and arrangement of passports and visas.

Principal risks and uncertainties

Financial risk

The company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk.

The company's objective is to manage recoverability of its investments.

Cash flow and liquidity risk: the company's cash flow and liquidity risk is principally affected by the combination of interest service costs and dividend income from its subsidiary investments. The directors manage these on a group-wide basis and closely monitor the underlying performance of the Group, to ensure that the company has sufficient cash to settle obligations as they arise.

The company's financial assets and liabilities are predominantly subject to variable interest rates. The interest rate risk on the company's financial liabilities are partially mitigated by the natural hedging of the company's financial assets that are also interest bearing.

Griffin Bidco Limited

Strategic report for the year ended 31 December 2019 (*continued*)

Principal risks and uncertainties (*continued*)

Financial risk (continued)

As noted in the Going Concern accounting policy in note 2 in the financial statements the directors have obtained a support letter from its ultimate parent company to ensure they can meet their financial obligations as they fall due.

Credit risk: the company's principal financial assets are investments with exposure spread over a number of subsidiaries. The ongoing funding of subsidiaries is managed on a central basis for the ATPi Group.

Covid-19:

The outbreak of Covid-19 disease in the early months of 2020 resulted in a number of Governments imposing restrictions on the movement of people within and across borders. As a travel management business a restriction on travel will have an impact on trade, the effects of which are discussed in note 2 of the accounts. The risk to the business is that Governments impose and maintain these restrictions for a prolonged period of time. Although the directors have considered this risk, they do not anticipate travel restrictions to be a long term safety measure. The company will continue to monitor the emerging situation and directors will take corrective actions as and when required.

Review of the year and key performance indicators

The company financial statements presented herein are prepared in Pounds Sterling. The company financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") as issued by the Financial Reporting Council.

The company generated an operating loss of £25 during the year ended 31 December 2019 (2018 – Operating profit of £36,951) with a loss after tax of £41,550 (2018 – profit after tax of £214,117). The decrease in profit after tax is mainly driven by the decrease in dividends from shares in group undertakings.

The balance sheet shows total net assets of £76,300,201 at 31 December 2019 (2018 - £76,360,025).

As a holding company, the directors do not consider that further KPIs are necessary for an understanding of the company's performance. Further details concerning the performance and position of the company's subsidiary undertakings are included in their respective financial statements.

Future outlook

The future uncertainties facing the business include the UK's departure from the European Union and the effects to trade of the COVID-19 pandemic.

Further commentary on both events is available in note 2 of the accounts.

Inevitably, there will be an adverse impact on the business from COVID-19, although the extent is not yet clear. The Directors are taking all steps to protect our people and mitigate the risk to the business and have a reasonable expectation that the Group should be able to operate within its current facility and meet its covenant tests.

Approval

This strategic report was approved by order of the Board on 07 August 2020



I C Sinderson
Director

Griffin Bidco Limited

Directors' report for the year ended 31 December 2019

The directors present their annual report together with the audited financial statements for the year ended 31 December 2019.

Matters included within strategic report

In accordance with s414(C) (11) of the Companies Act, included in the Strategic Report is information relating to financial risk management (included within principal risks and uncertainties) and future developments (within future outlook) which would otherwise be required by Schedule 7 of the 'large and medium sized companies and groups (accounts and reports) regulation 2008' to be contained in a Director's Report.

Going concern

After making enquiries, and on the basis outlined in note 2 to the financial statements, the directors have a *reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future*. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Financial risk management objectives and policies

Principal financial risk management objectives and policies have been included with the Strategic Report in accordance with s414(C) of the Companies Act 2006.

Dividends

The directors proposed and paid an interim dividend of £0.00164 (2018 - £nil) per ordinary share totalling £101,374 (2018 - £nil).

Directors

The directors that served during the year and thereafter were as follows:

A J Waller
I C Sinderson

Directors indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report. The Directors and Officers Indemnity policy is in the name of the ultimate parent company and covers the directors of the all respective companies within the group below the ultimate parent company, including this company.

Griffin Bidco Limited

Directors' report for the year ended 31 December 2019 (*continued*)

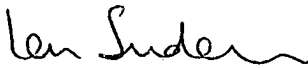
Auditors

Deloitte LLP resigned as auditors of the company during the year and BDO LLP were appointed as auditors of the company by the directors. BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the next annual general meeting.

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

Approval

This directors' report was approved on behalf of the Board on 07 August 2020



I C Sinderson
Director.

Griffin Bidco Limited

Directors' responsibilities statement for the year ended 31 December 2019

The directors are responsible for preparing the the strategic report, the directors' 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 FRS 101 "Reduced Disclosure Framework". 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Griffin Bidco Limited

Independent auditor's report

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF GRIFFIN BIDCO LIMITED

Opinion

We have audited the financial statements of Griffin Bidco Limited ("the Company") for the year ended 31 December 2019 which comprise Profit and Loss Account, Balance Sheet, Statement of Changes in Equity and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 2 to the financial statements, which indicates the current climate and the potential effects of COVID-19 on the ability of the company to continue as a going concern. As stated in note 2, these events or conditions indicate that a material uncertainty exists which may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

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

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

Griffin Bidco Limited

Independent auditor's report (*continued*)

we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and Directors' report.

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

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

Responsibilities of Directors

As explained more fully in the Directors Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

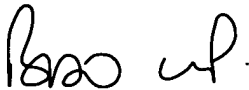
<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Griffin Bidco Limited

Independent auditor's report (*continued*)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stuart Wood (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Manchester, UK
10 August 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Griffin Bidco Limited

Profit and loss account for the year ended 31 December 2019

	Note	2019 £	2018 £
Turnover	4	-	-
Administrative (expenses)/income		(25)	36,951
Operating profit		(25)	36,951
Income from shares in group undertakings	6	101,374	336,733
Finance income	7	-	-
Finance costs	7	(82,197)	(179,545)
Profit before tax	5	19,152	194,139
Taxation	8	22,398	19,978
Profit for the year		41,550	214,117

All amounts relate to continuing activities. There has been no other comprehensive income or expenses in the current and prior years other than the profit reported above. Consequently, a separate statement of comprehensive income has not been presented.

The notes on pages 14 to 24 form part of these financial statements.

Griffin Bidco Limited

Balance sheet at 31 December 2019

Company number 06969512	Note	2019 £	2018 £
Fixed assets			
Investments in subsidiaries	10	81,002,712	81,002,712
Current assets			
Debtors: due within one year	11	916,257	2,262,359
		<u>81,918,969</u>	<u>83,265,071</u>
Creditors: amounts falling due within one year	12	(5,618,768)	(6,905,046)
Net current liabilities		<u>(4,702,511)</u>	<u>(4,642,687)</u>
Net assets		<u>76,300,201</u>	<u>76,360,025</u>
Capital and reserves			
Called-up share capital	14	61,839,861	61,839,861
Profit and loss account		<u>14,460,340</u>	<u>14,520,164</u>
Shareholder's funds		<u>76,300,201</u>	<u>76,360,025</u>

The financial statements were approved by the Board of Directors and authorised for issue on 07 August 2020



I C Sinderson
Director

The notes on pages 14 to 24 form part of these financial statements.

Griffin Bidco Limited

Statement of changes in equity for the year ended 31 December 2019

	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 January 2018	61,839,861	14,306,047	76,145,908
Profit and total comprehensive income for the year	-	214,117	214,117
Dividend paid	-	-	-
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2018	61,839,861	14,520,164	76,360,025
Profit and total comprehensive income for the year	-	41,550	41,550
Dividend paid (note 9)	-	(101,374)	(101,374)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2019	61,839,861	14,460,340	76,300,201
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The notes on pages 14 to 24 form part of these financial statements.

Griffin Bidco Limited

Notes forming part of the financial statements for the year ended 31 December 2019 (*continued*)

1 General information

Griffin Bidco Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act and registered in England and Wales. The address of the registered office is given in the contents page. The nature of the company's operations and its principal activities are set out in the Strategic Report on pages 1 and 2.

2 Accounting policies

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

Basis of accounting

The company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' as issued by the Financial Reporting Council. Accordingly, these financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'.

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

These financial statements are separate financial statements. The company is exempt from the preparation of consolidated financial statements, because it is included in the group financial statements of ATPI Holdings (Jersey) Limited. Details of the parent in whose consolidated financial statements the company is included are shown in note 16 of the financial statements.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to presentation of a cash-flow statement, financial instruments, standards not yet effective and related party transactions. Where required, equivalent disclosures are given in the group financial statements of ATPI Holdings (Jersey) Limited. The group financial statements of ATPI Holdings (Jersey) Limited are available to the public and can be obtained as set out in note 16 to the financial statements.

Going concern

The directors' make a combined assessment on going concern with respect to the Group and the company as the forecasts and range of possible scenarios on the financial position have been assessed as such, with considerations to the principal risks and uncertainties as set out in Strategic Report.

The company is profit making but in a net current liabilities position, therefore the directors have considered whether this company will continue to be a going concern in future. The company has obtained a letter of support from ATPI Holdings (Jersey) Limited and the directors have assessed whether the company can provide support based on the local going concern assessment performed, and have deemed there to be no issues in respect of this and thus see this company as continuing as a going concern in the future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

The company is party to the banking arrangements of the ATPI Holdings (Jersey) Limited Group (the 'Group'). Therefore, the directors of the company have considered the assumptions and conclusions of Group's management in making their assessment of going concern on a Group basis and are cognisant of the following disclosure which appears in the financial statements of the Group for the year ended 31 December 2019:

"The Group has bank loans of £93,723,000 excluding overdrafts as at 31 December 2019 (2018 - £95,666,000) which are subject to covenant restrictions. Of this, £4,000,000 is due within one year and the remainder is not repayable until 30 June 2021. The group's revolving credit facilities of £36,700,000, are committed until 30 June 2021. In light of the maturity of its existing bank loans, the directors are considering a number of available options for the longer term financing of the Group beyond 2021.

Griffin Bidco Limited

Notes forming part of the financial statements for the year ended 31 December 2019 (*continued*)

2 Accounting policies (*continued*)

Going concern (continued)

The board has considered and debated a range of substantial possible scenarios on the Group's operations, financial position and forecasts covering a period of at least the next 12 months to June 2021. These take into account sensitivity analysis and stress testing performed on the forecasts to assess the impact of Covid-19 including restrictions on travel and the resulting impact on revenue and cash flows together with mitigating actions taken including cost reductions and utilising government assistance programmes. Taking into account reasonable possible changes in trading performance along with other mitigating factors available to them, the Directors have a reasonable expectation that the Group should be able to operate within its current facility and to satisfy any upcoming covenant conditions. In the event an adverse scenarios from Covid-19 were to impact the Group's ability to meet a future covenant condition, management believe an amendment would be agreed with lenders and that existing facilities would remain available. If a covenant condition were to be breached, the bank loans and facilities may be repayable on demand in which case the Group would need alternative funding.

After review of the forecasts along with mitigating factors available to them, the Directors have a reasonable expectation that the Group and Company have adequate resources to continue in operational existence and to satisfy any upcoming covenant conditions in the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis in preparing the annual report and financial statements. However, the Directors acknowledge that at the date of approval of these financial statements, there is a material uncertainty over the potential future impact of COVID-19 on the travel industry and potential adverse scenarios could affect the Group's ability to meet future covenants and re-finance its bank loan and facilities, which may cast significant doubt about the Group's and Company's ability to continue as a going concern and therefore they may be unable to realise their assets and discharge their liabilities in the normal course of business. The financial statements do not include the adjustments that would result if the Group and Company were unable to continue as a going concern."

Post balance sheet events

On the 29 March 2018, the United Kingdom invoked Article 50 of the Treaty of Lisbon, beginning the process of withdrawing from the European Union. On the 31 January 2020, the UK officially left the European Union beginning an 11 month transition period in which to agree exit terms. At present, there remains some uncertainty as to the exact terms of the United Kingdom's departure from the European Union, with the UK bound by existing EU relations and legislation until such time as terms are formally agreed or the transition period deadline of 31 December is reached, whichever comes earlier. Although this creates a variety of uncertainties, the company is not expecting the withdrawal to notably impact the business at this time, although the ongoing effect on the business will only become clear once negotiations have finalised.

On 7 January 2020, The World Health Organisation (WHO) announced the discovery of a virus known as COVID-19. The virus originated in China and as at 11 March 2020, had spread to 90 countries globally and was characterised as a pandemic by the WHO. The efforts of national governments to contain the virus include measures such as restricting the movements of people, issuing advice against travel to certain regions and prohibiting certain business activities. There is expected to be some short term disruption to business whilst government restrictions are in situ, the directors have taken decisive actions to mitigate against the effect of any reduced volume of trade on financial performance and liquidity. The directors expect the impact and extent of any business disruption to be short term and business critical travel to return to normalised levels quickly after government restrictions are lifted. Inevitably, there will be an adverse impact on the business as a result of COVID-19, although the extent is not yet clear. However, taking account of reasonably possible changes in trading performance along with other mitigating factors available to them, the directors have a reasonable expectation that the Group should be able to operate within its current facility and meet its covenant tests.

Investments

Investments in subsidiaries are shown at cost less provision for impairment.

Griffin Bidco Limited

Notes forming part of the financial statements for the year ended 31 December 2019 (*continued*)

2 Accounting policies (*continued*)

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

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

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

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

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

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

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Foreign currencies

The financial statements are presented in pounds sterling, which is the currency of the primary economic environment in which the company operates (its functional currency).

Transactions in foreign currencies are initially recorded by the company at the functional currency rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date.

All differences are taken to the profit and loss account.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Griffin Bidco Limited

Notes forming part of the financial statements for the year ended 31 December 2019 (*continued*)

2 Accounting policies (*continued*)

Cash and cash equivalents

Cash and cash equivalents includes bank balances and deposits with original maturities of 90 days or less. Bank overdrafts, where there is no right of set-off, are shown as borrowings within current liabilities.

Financial instruments

Financial instruments are recorded initially at fair value net of issue costs incurred. Subsequent measurement depends on the designation of the instrument as noted below.

All recognised financial assets and liabilities that are within the scope of IFRS 9 are required to be measured subsequently at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model. The expected credit loss model requires the Company to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

Specifically, IFRS 9 requires the Company to recognise a loss allowance for expected credit losses on:

- (1) Debt investments measured subsequently at amortised cost or at FVTOCI;
- (2) Lease receivables;
- (3) Trade receivables and contract assets; and
- (4) Financial guarantee contracts to which the impairment requirements of IFRS 9 apply.

In particular, IFRS 9 requires the Company to measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses (ECL) if the credit risk on that financial instrument has increased significantly since initial recognition, or if the financial instrument is a purchased or originated credit impaired financial asset.

However, if the credit risk on a financial instrument has not increased significantly since initial recognition (except for a purchased or originated credit impaired financial asset), the Company is required to measure the loss allowance for that financial instrument at an amount equal to 12 months ECL. IFRS 9 also requires a simplified approach for measuring the loss allowance at an amount equal to lifetime ECL for trade receivables, contract assets and lease receivables in certain circumstances.

The company applies a simplified approach and recognises lifetime ECL on trade and other receivables, all bank balances have been deemed to have a low credit risk at each reporting date as they are held with reputable institutions.

The directors have concluded that it would require undue cost and effort to determine the credit risk of each loan on their respective dates of initial recognition. These loans are also assessed to have credit risk other than low. Accordingly, the Company recognises lifetime ECL for these loans until they are derecognised.

Financial assets

The company classifies its financial assets as either at fair value through profit or loss or amortised cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Griffin Bidco Limited

Notes forming part of the financial statements for the year ended 31 December 2019 (*continued*)

2 Accounting policies (*continued*)

Financial assets (continued)

At fair value through profit or loss – Financial instruments at fair value through profit or loss are financial instruments held for trading. A financial instrument is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Financial instruments in this category are classified as current assets or liabilities.

Amortised cost – Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except where expected maturity is greater than 12 months after the balance sheet date which are classified as non-current assets. The company's loans and receivables comprise trade and other debtors and cash and cash equivalent assets in the Balance Sheet.

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the company commits to purchase or sell the asset. Investments are initially recognised at fair value for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the profit and loss account. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred, the company no longer has control of the asset, and the company has transferred substantially all risks and rewards of ownership. Loans and receivables are carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are presented in the profit and loss account in the period in which they arise. Trade debtors are recognised initially at fair value with subsequent provision for impairment, which is calculated under the ECL model as discussed above.

Financial liabilities

The company classifies its financial liabilities as either at fair value through profit or loss or amortised cost. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings are held at amortised cost and are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.. Exchange movements on long term foreign currency borrowings are taken to reserves to the extent that the borrowing is in the functional currency of the obligor and to the Income statement to the extent they are not.

Net finance costs are recognised as an expense in the year in which they are incurred. Debt issue costs are amortised proportionally over the anticipated life of the relevant debt facility using the effective interest method.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. A financial liability is a contractual obligation to deliver cash or another financial asset to a third party.

Griffin Bidco Limited

Notes forming part of the financial statements for the year ended 31 December 2019 (continued)

3 Critical accounting judgements and key sources of estimates and uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The principal management judgement made in preparation of these financial statements is:

- The assessment of the impairment of investments at each balance sheet date (see note 10). This process depends on the preparation of estimates of future cash flows expected to be generated by the investment.
- Determining whether investments are impaired requires an estimation of the value in use of the cash-generating unit. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. The carrying amount of investments at the balance sheet date was £81.0m (2018 - £81.0m). No impairment has been identified following the value in use calculation.

There are no estimates made which require evaluation.

4 Turnover

No management charges were received in the current year (2018 - £nil).

5 Profit before taxation

In the current year the auditor's remuneration for the audit of the company's financial statements of £2,000 is borne by an intermediate parent company and is not recharged (2018 - £10,815). No non-audit fees were incurred in either the current year or prior year. During the year there were no employees. No services have been provided to this company by the directors and so no remuneration has been paid to the directors by the company in the current year or prior year. All emoluments have been borne by the ultimate parent company and have not been recharged (2018 - same).

6 Income from shares in group undertakings

	2019 £	2018 £
Dividend receipts from Griffin Global Group Limited	101,374	336,733

7 Finance costs

	2019 £	2018 £
Finance costs		
Interest on bank overdrafts and loans	(75,921)	(67,544)
Exchange rate losses	(6,276)	(112,001)
	<u>(82,197)</u>	<u>(179,545)</u>
Net finance costs	<u>(82,197)</u>	<u>(179,545)</u>

Griffin Bidco Limited

Notes forming part of the financial statements for the year ended 31 December 2019 (continued)

8 Taxation

The tax credit comprises:

	2019 £	2018 £
<i>Corporation tax</i>		
UK corporation tax	(15,622)	(27,093)
Adjustments in respect of previous years	(7,031)	7,115
	<u>(22,653)</u>	<u>(19,978)</u>
Deferred tax	255	-
Effect of changes in tax rates	-	-
	<u></u>	<u></u>
Total tax credit on profit	<u>(22,398)</u>	<u>(19,978)</u>

Corporation tax is calculated at 19% (2018 – 19%) of the estimated taxable profit for the year.

The credit for the year can be reconciled to the profit in the profit and loss account as follows:

	2019 £	2018 £
Profit before tax	19,152	194,139
	<u></u>	<u></u>
Tax on profit on ordinary activities at standard UK corporation tax rate of 19 % (2018 – 19%)	3,639	36,886
Effects of:		
Income not taxable	(19,261)	(63,979)
Deferred Tax	255	-
Effect of other tax rates	-	-
Adjustments to tax charge in respect of previous years	(7,031)	7,115
	<u></u>	<u></u>
Total tax credit for the year	<u>(22,398)</u>	<u>(19,978)</u>

The standard rate of tax applied to the reported profit is 19%. The applicable tax rate changed from 20% to 19% from 1 April 2017 following the enactment of Finance Act (No 2) 2015. Following the enactment of Finance Act 2020 in March 2020, the standard rate of corporation tax will remain at 19%, effective from 1 April 2020 onwards. The rates are ratified within Finance Act 2020, which received Royal Assent in March 2020. Deferred tax has been calculated using these rates based on the timing of when each individual deferred tax balance is expected to reverse in the future.

9 Dividends on equity shares

	2019 £	2018 £
Amounts recognised as distributions to equity holders in the year:		
Interim dividend of £0.00164 (2018 - £nil) per share	101,374	-
	<u></u>	<u></u>

Griffin Bidco Limited

Notes forming part of the financial statements for the year ended 31 December 2019 (*continued*)

10 Investment in subsidiaries

Subsidiary undertakings

	£
<i>Cost</i>	
At 1 January 2019 and 31 December 2019	81,002,712
<i>Provisions for impairment</i>	
At 1 January 2019 and 31 December 2019	-
<i>Net book value</i>	
At 31 December 2018 and 31 December 2019	81,002,712

Details of the company's direct and indirect interests at 31 December 2019 are as follows. Unless otherwise indicated, all ownership interests are in the ordinary share capital of the investee.

Name of interest	Country of incorporation	Principal activity	Proportion of ownership interest %
Griffin Global Group Limited	UK	Holding company	100%
ATPI Cyprus Ltd	Cyprus	Travel services	100%
Griffin Holdings (Cyprus) Limited	Cyprus	Holding company	100%
Griffin Marine Travel Limited	UK	Travel services	100%
Griffin Marine Travel (Cyprus) Limited	Cyprus	Holding company	100%
APTI Greece Marine Travel S.A.	Greece	Travel services	85.71%
Griffin Sierra Travel Inc.	Philippines	Travel services	100%
ATPI India Pvt Limited	India	Travel services	76.89%
ATPI Travel (Hong Kong) Limited	Hong Kong	Travel services	100%
ATPI (Singapore) Pte Limited	Singapore	Travel services	100%
Griffin Americas Inc.	U.S.A	Holding company	100%
GTS e Services Private Limited	India	Travel services	100%
ATPI South Africa (Pty) Ltd	South Africa	Travel services	90%
Global Transportation Group LLC	U.S.A	Travel services	100%
Griffin Marine Travel Brasil S/A	Brazil	Travel services	100%
ATPI Logistics Pte Limited	Singapore	Travel services	100%
Griffin Rinck Travel SARL	France	Travel services	100%
ATPI (Malaysia) SDN BHD	Malaysia	Travel services	100%
Griffin Travel Canada ULC	Canada	Travel services	100%
Griffin Marine Travel Italy srl	Italy	Travel services	50%
Griffin Partner Travel AS	Norway	Travel services	50%
Shamrock Marine Holdings Ltd	Cyprus	Holding company	50%
Griffin Marine Travel SIA	Latvia	Travel services	29.5%
ATPI Travel LLC	UAE	Travel services	49%

The investments in subsidiaries are all stated at cost less provision for impairment. All investments bar Griffin Global Group Limited are held indirectly.

The registered offices for each jurisdiction are detailed in note 17. Where undertakings in the same jurisdiction have individual addresses, these are also detailed.

Griffin Bidco Limited

Notes forming part of the financial statements for the year ended 31 December 2019 (continued)

11 Debtors – due within one year

Debtors disclosed below are classified as loans and receivables and are therefore measured at amortised cost. The directors consider that the carrying amount is approximately equal to their fair value.

	2019 £	2018 £
Amounts owed by other group undertakings	899,471	2,233,849
Group Relief receivable	15,623	27,093
Deferred taxation asset (note 13)	1,163	1,418
	<u>916,257</u>	<u>2,262,359</u>

Intercompany balances arising from trading items are due within 30 days following invoice. There is no interest payable on these unsecured balances. Other short term intercompany balances are unsecured and repayable on demand and interest is charged at 4.25% above the base rate.

12 Creditors: amounts falling due within one year

	2019 £	2018 £
Overdraft	4,725,917	4,649,640
Amounts owed to group undertakings	886,386	2,248,616
Accruals and deferred income	6,465	6,791
	<u>5,618,768</u>	<u>6,905,046</u>

The directors consider that the carrying amount is approximates to their fair value.

Intercompany balances arising from trading items are due within 30 days following invoice. There is no interest payable on these unsecured balances. Other short term intercompany loans are unsecured and repayable on demand and interest is charged at 4.25% above the base rate. Overdraft is interest bearing, secured and repayable on demand.

Griffin Bidco Limited

Notes forming part of the financial statements for the year ended 31 December 2019 (*continued*)

13 Deferred tax

Deferred tax is provided as follows:

	Accelerated tax depreciation £
At 1 January 2018	1,418
Effect of change in tax rate - profit or loss	-
	<hr/>
At 31 December 2018	1,418
Effect of change in tax rate - profit or loss	(255)
	<hr/>
At 31 December 2019	1,163
	<hr/>

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2019 £	2018 £
Deferred tax assets	1,163	1,418
	<hr/>	<hr/>

14 Share capital and reserves

	2018 £	2017 £
<i>Allotted and fully paid</i>		
61,839,861 (2018 - 61,839,861) ordinary shares of £1 each	61,839,861	61,839,861
	<hr/>	<hr/>

The ordinary shares have equal voting rights and equal rights to any dividend declared.

Reserves

All reserves are as stated in the statement of changes in equity.

15 Related party transactions

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to related party transactions between wholly-owned member companies of the ATPI Holdings (Jersey) Limited group. Related party balances are disclosed in the accounts of ATPI Holdings (Jersey) Limited.

No services have been provided to this entity by the directors and so no remuneration has been paid to the directors by the company in the current year (2018 - £nil). All emoluments have been borne by the ultimate parent company and have not been recharged in the current year (2018 - same).

Griffin Bidco Limited

Notes forming part of the financial statements for the year ended 31 December 2019 (continued)

16 Controlling party

The parent undertaking is Griffin Global Holdco Limited, which is registered in the United Kingdom. In the opinion of the directors, the company's ultimate controlling party is Intermediate Capital Group plc, a company incorporated in the United Kingdom. The ultimate parent undertaking of the largest and smallest group, which includes the company and for which group financial statements are prepared, is ATPI Holdings (Jersey) Limited, a company registered in Jersey registered office Ogier House, The Esplanade, St Helier, Jersey, JE4 9WG. The non-statutory financial statements of ATPI Holdings (Jersey) Limited are publicly available from Space One, 1 Beadon Road, London, W6 0EA.

17 Registered offices of undertakings

Jurisdiction	Registered Office
UK	Space One, 1 Beadon Road, London, W6 0EA
France	22 Boulevard D'aguillon, 06600 Antibes
Norway	Fridtjof Nansens plass 8, 0160 Oslo
Greece	320 Syngrou Avenue, 17673 Kallithea
Philippines	3rd Floor BA Lepanto Building, 8747 Paseo De Roxas, Makati – 1200, Manila
Singapore	10 Anson Road, #34-04 International Plaza, Singapore 079903
India	ATPI India PVT Ltd 4/42 Der Deutsche Parkz, Subhash Nagar Rd, Bhandup (W), Mumbai 400078, India GTS e Services Pvt Ltd 4/42 Der Deutsche Parkz, Subhash Nagar Rd, Bhandup (W), Mumbai 400078, India
Hong Kong	36-03 Citicorp Centre 18 Whitfield Road
Cyprus	Sea Chefs House, Ground Floor, 2 Kosta Katselli Street, Agios Athanasios, CY-3116, Limassol Shamrock Marine Holdings Limited Prodromou, 30, Floor 1, Engomi 2406, Nicosia
Canada	Griffin Travel Canada ULC 1500, 10665 Jasper Avenue, Edmonton, Alberta, T5J 3S9
South Africa	ATPI South Africa (Pty) Ltd Suite 2A, 2 Rydall Vale Office Park, La Lucia Ridge Office Estates, 4051 Durban, South Africa ATPI Africa (Pty) Ltd Suite 2A, 2 Rydall Vale Office Park, La Lucia Ridge Office Estates, 4051 Durban, South Africa
Malaysia	No. 3B—9-3A, Plaza Sentral, Kuala Lumpur Sentral, 50470 Kuala Lumpur, Malaysia
USA	Griffin Americas Inc. 1013, Centre Road, Wilmington Delaware, 19805 Global Transportation Group LLC 2211 Norfolk Street, Suite 300, Houston, Texas 77098
UAE	1st Floor 105 to 107, Bay Square Building No. 10, Business Bay, Marasi Drive Street, Za'abeel, Dubai
Latvia	Tērbatas iela 28—4, Rīga, LV-1011
Italy	Bridge Ponto Morosini Francesco 41/9, Genoa (Ge) 16126
China	Room 103, Shenggunanxiang Dongcheng District, 100029 Beijing, China
Brazil	Av. Nilo Pecanha 50 Cj. 310, Rio De Janeiro