

Company Registration No. 08486652 (England and Wales)

ADDISON LEE FINANCING LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

MONDAY



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ADDISON LEE FINANCING LIMITED

COMPANY INFORMATION

Directors	A K Boland S Gordon
Secretary	L Gage
Company number	08486652
Registered office	The Point, 37 North Wharf Road, London W2 1AF

ADDISON LEE FINANCING LIMITED

CONTENTS

	Page
Strategic report	4
<i>Directors' report</i>	5
Directors' responsibilities statement	6
Statement of income and retained earnings	7
Balance sheet	8
Notes to the accounts	9 - 16

ADDISON LEE FINANCING LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2018

The directors present their strategic report for Addison Lee Financing Limited for the year ended 31 August 2018.

Review of business

During the year the company engaged in its principal activity of a holding company.

The key financial and performance indicators during the year are as follows:

	2018 £'m	2017 £'m
Net interest payable	6.3	6.2

Net interest payable is consistent with the loans outstanding.

Events occurring after the reporting period

The directors are not aware of any significant events affecting the company which have occurred after the reporting period.

Principal risks and uncertainties

The principal risks and uncertainties facing the company include interest rate and liquidity risk.

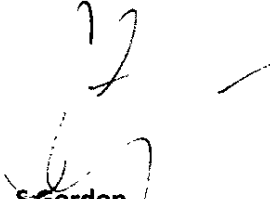
Interest rate risk

The company is exposed to interest rate risk on interest-bearing borrowings. Interest rate exposures are managed by the use of interest rate swaps, and by establishing similar terms between the company's borrowings and loans made to its subsidiaries.

Liquidity risk

The company manages its cash and borrowings in order in order to meet forecasted funding requirements.

On behalf of the board


S Gordon
Director

Date: 24 May 2019

ADDISON LEE FINANCING LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2018

The directors present their report and unaudited financial statements for the year ended 31 August 2018.

Principal activity

The principal activity of the company continued to be that of a holding company of a group of companies, the principal activities of which are principally the provision of ground transportation services.

Directors

The following directors have held office since 1 September 2017:

A K Boland	
S Gordon	(appointed 19 June 2018)
D G Stickland	(resigned on 19 June 2018)

Dividends

The directors do not recommend the payment of a dividend (2017: £nil).

Financial instruments

The company holds financial instruments relating to funding need of the company and fellow subsidiaries of Addison Lee Holdings Limited, a company incorporated in England and Wales. The financial instruments comprise of loan notes, bank borrowings and interest rate swap agreements

Other financial assets and liabilities comprise principally of loans to, and from, fellow subsidiaries of Addison Lee Holdings Limited

Events occurring after the reporting period

The directors are not aware of any significant events affecting the company which have occurred after the reporting period.

Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Therefore it has been determined that it is appropriate to prepare the financial statements on a going concern basis.

On behalf of the board



S Gordon
Director

Date: 24 May 2019

ADDISON LEE FINANCING LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 AUGUST 2018

The directors are responsible for preparing the strategic report, 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 Financial Reporting Standard FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

ADDISON LEE FINANCING LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	2018 £'000	2017 £'000
Net interest expense	2	(6,336)	(6,245)
Dividend income		31,371	-
Fair value gains	3	1,166	1,594
Profit on ordinary activities before taxation		26,201	(4,651)
Taxation	4	-	-
Profit for the financial year		26,201	(4,651)
Retained losses brought forward		(10,174)	(5,523)
Retained earnings/(losses) carried forward		16,027	(10,174)

All activities of the company are continuing.

There was no other comprehensive income other than the profit/(loss) for the year.

ADDISON LEE FINANCING LIMITED

BALANCE SHEET AS AT 31 AUGUST 2018



	Notes	2018 £'000	2017 £'000
Fixed assets			
Investments	5	<u>307,033</u>	<u>307,033</u>
		307,033	307,033
Current assets			
Debtors	6	45,353	99,143
Cash at bank		<u>-</u>	<u>23</u>
		45,353	99,166
Creditors			
Amounts falling due within one year	7	<u>(32,302)</u>	<u>(112,422)</u>
Net current liabilities		13,051	(13,256)
Total assets less current liabilities		320,084	293,777
Creditors			
Amounts falling due after more than one year	8	<u>(256,498)</u>	<u>(256,392)</u>
Net assets		63,586	37,385
Capital and reserves			
Called up share capital	9	476	476
Share premium	10	47,083	47,083
Profit and loss reserves		<u>16,027</u>	<u>(10,174)</u>
Total shareholders' funds		63,586	37,385

For the year ended 31 August 2018 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. Under this section Addison Lee Holdings Limited provides a parent guarantee for the company over its outstanding liabilities as at 31 August 2018 until they are satisfied in full.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of the accounts.

Approved by the Board and authorised for issue on 24 May 2019.



S Gordon
Director

ADDISON LEE FINANCING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

1. Accounting policies

Company information

Addison Lee Financing Limited is a company limited by shares incorporated in England and Wales. The registered office is located at The Point, 37 North Wharf Road, London W2 1AF.

Basis for preparation

The financial statements of Addison Lee Financing Limited were approved for issue by the Board of Directors on 24 May 2019.

The financial statements have been prepared in compliance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006.

The financial statements have been prepared on the historical convention except for the modification to a fair value basis for investment properties. The financial statements are prepared in British Pound Sterling and are rounded to the nearest thousand pounds (£'000).

Financial Reporting Standard 102 (FRS 102) allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholders.

The company has taken advantage of the following exemptions:

- the requirement to present a statement of cash flows and related notes
- financial instrument disclosures, including the categories of financial instruments, items of income, expenses, gains or losses relating to financial instruments, and exposure to and management of financial risks
- the requirement to disclose key management personnel compensation

Equivalent disclosures are included in the consolidated financial statements of Addison Lee Holdings Limited, a company incorporated in England and Wales, in which the company's financial statements for the year ended 31 August 2018 are consolidated.

The company has taken advantage of an exemption from disclosing transactions with wholly-owned subsidiaries undertakings of Addison Lee Holdings Limited.

Consolidated financial statements

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared consolidated financial statements and it is exempt from the requirement to do so under Section 400 of Companies Act 2006.

ADDISON LEE FINANCING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

1. Accounting policies (continued)

Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Therefore it has been determined that it is appropriate to prepare the financial statements on a going concern basis.

Fixed asset Investments

Interest in subsidiaries, associates and jointly control entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. Impairment losses or reversal of impairment losses are recognised in the profit and loss for the year.

Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. A financial asset or a financial liability is recognised when the company becomes a party to the contractual provisions of the instrument.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate that are receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss.

Basic financial assets and liabilities

Basic financial assets, which include trade debtors, trade creditors, bank loans and loans due to/from fellow group undertakings are initially measured at transaction price, and subsequently measured at amortised cost using the effective interest rate method.

Where an arrangement constitute a financing transaction, financial assets and financial liabilities are measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Cash and cash equivalent

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short term deposits with an original maturity date of three months or less.

Non-basic financial assets and liabilities

Non-basic financial instruments are measured at fair value through profit or loss.

Equity instruments

Equity instruments issued by the company are recorded at proceeds received, net of direct issue costs. Equity instruments is any contract that evidences a residual interest in assets of the company after deducting all of its liabilities.

ADDISON LEE FINANCING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

1. Accounting policies (continued)

Taxation

Taxation on the profit for the year represents the sum of current tax and deferred tax.

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences that have originated but have not reversed at the balance sheet date, where transactions or events have occurred at the date that will result in an obligation to pay more, or right to pay less or receive more tax.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is calculated on an undiscounted basis using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

2. Net interest expense

	2018 £'000	2017 £'000
Interest income from group companies	(6,937)	(6,780)
Interest expense on bank borrowings	12,114	11,367
Other interest expense	1,159	1,658
	<u>6,336</u>	<u>6,245</u>

3. Fair value gains

	2018 £'000	2017 £'000
Fair value gains on derivative financial instruments	1,166	1,594
	<u>1,166</u>	<u>1,594</u>

ADDISON LEE FINANCING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

4. Taxation

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and standard rate of tax as follows:

	2018 £'000	2017 £'000
Net (loss)/profit on ordinary activities before taxation	26,201	(4,651)
Expected tax(credit)/charge based on the standard rate of corporation tax in the UK of 19.0% (2017: 19.58%)	4,978	(911)
Group relief	982	911
Nontaxable dividend	(5,960)	-
Tax expense for the year	-	-

The Finance Act (No.2) 2015 and the FA 2016 included legislations to reduce the main rate of UK corporation tax from 19% from 1 April 2017, and to 17 % from 1 April 2020. As these reductions were enacted at the balance sheet date, the closing deferred tax balances have been calculated at the rates at which the temporary differences are expected to reverse.

5. Investments

	Shares in group undertakings £'000	Loans to group undertakings £'000	Total £'000
Cost or valuation			
At 1 September 2017 and 31 August 2018	47,558	259,475	307,033
Carrying amount			
At 31 August 2017 and 31 August 2018	47,558	259,475	307,033

ADDISON LEE FINANCING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

5. Investments (continued)

Details of the company's subsidiaries are as follows:

a) Subsidiary undertakings incorporated (and with place of business) in the England & Wales

Name of undertaking	Company registration number	Nature of business	% equity interest	
			2018	2017
<i>The Point, 37 North Wharf Road, London W2 1AF:</i>				
Addison Lee Limited	01205530	Private mini cab hire	100	100
Addison Lee Group Limited (1)	08486720	Holding company	100	100
Addison Lee Coaches Limited	05822489	Property investment	100	100
Addison Lee Services Limited	07305923	Administration services	100	100
Blueback Limited	06377529	Private mini cab hire	100	100
Eventech Limited	03229417	Rental of motor vehicles	100	100
Professional IT (Logistics) Limited	03806233	Software development	100	100
Seela Limited	08167525	Rental of motor vehicles	100	100
W1 Cars Limited	08048025	Private mini cab hire	100	100
<i>Registered office at Unit 1 Horton Road, West Drayton, Middlesex, UB7 8BQ:</i>				
Aptus Worldwide Limited	06325936	Provider of ground transportation	100	100
Bodycove Limited	03292923	Holding company	100	100
Project Tristar Limited	06434912	Provider of global chauffeur services	100	100
Tristar Cars Limited (4)	02263554	Provider of global chauffeur services	100	100
<i>Registered office at Frodsham Business Centre, Bridge Lane, Frodsham, Cheshire, WA6 7FZ:</i>				
Prestige Daily Rentals & Vehicle Solutions Limited	08933821	Provider of car rentals	100	100

b) Subsidiary undertakings incorporated (and with place of business) in the United States

Name of undertaking	Nature of business	% equity interest	
		2018	2017
Registered principal office: 90 McKee Drive, Mahwah, New Jersey 07430			
American Limousine LLC (3)	Provider of ground transportation	100	100
America Transportation Holdings LLC (3)	Provider of ground transportation	100	100
Flyte Line Transportation LLC (3)	Provider of ground transportation	100	100
Registered principal office: 16517-16521 Arminia Street, Van Nuys, California 91406			
ATH Transport LLC (3)	Provider of ground transportation	100	100
LA Motor Coach Company LLC (3)(5)	Provider of ground transportation	100	100
Registered principal office: 1440 39 th Street, Brooklyn, New York 11218			
Flyte Tyme San Francisco Inc. (3)(5)	Provider of ground transportation	100	100

ADDISON LEE FINANCING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

5. Investments (continued)

Name of undertaking	Nature of business	% equity interest	
		2018	2017
Registered agent office at Corporation Trust Centre, 1209 Orange Street, Wilmington, Delaware 19801:			
Addison Lee Inc.	Private mini cab hire	100	100
Flyte Tyme Holdings Inc. (3)(5)	Holding company	100	100
Tristar Chauffeur Management Inc.	Provider of global chauffeur services	100	100
Tristar US Group Inc. (5)	Holding company	100	100
Tristar Services (US) Inc.	Provider of global chauffeur services	100	100
Tristar Vehicles Leasing Inc. (5)	Owns & leases vehicles	100	100
Transportation Technology Services US Inc	Software development	100	-

c) Subsidiary undertakings incorporated in rest of the world

Name of undertaking	Country of incorporation and place of business	Nature of business	% equity interest	
			2018	2017

Registered offices at: Heritage Hall, Le Marchant Street, St Peter Port, Guernsey GY1 4JH

The Addison Lee Purpose Trust (2)	Guernsey	Purpose Trust	-	-
Addison Lee Insurance Limited	Guernsey	Insurance captive	100	100
Addison Lee Trustee Limited	Guernsey	Trustee company	100	100

Registered office at Suite 1901-02, 19th Floor, Lever Tech Centre, No. 69-71 King Yip Street, Kwun Tong, Kowloon, Hong Kong

Tristar Worldwide Asia Limited	Hong Kong	Provider of global chauffeur services	100	100
Tristar Asia Travel Limited	Hong Kong	Provider of global chauffeur services	100	100

- (1) The company holds an equity interest in this entity directly. Equity interest in other subsidiary undertakings are held indirectly.
- (2) Except for the interests in The Addison Lee Purpose Trust where the company is deemed to have control, all equity interest are held in ordinary shares.
- (3) The company acquired 100% of the share capital on 28 December 2016.
- (4) Tristar Cars Limited is in the process of being liquidated.
- (5) The entity has been merged with other US entities within the Group.

6. Debtors

	2018 £'000	2017 £'000
Amounts due from group undertakings	45,353	99,143
	<u>45,353</u>	<u>99,143</u>

ADDISON LEE FINANCING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

7. Creditors: amounts falling due within one year

	2018 £'000	2017 £'000
Bank loans and overdrafts	15,000	15,000
Amounts due to group undertakings	13,293	96,183
Derivative financial instruments	-	1,166
Accruals and deferred expenses	4,009	73
	<u>32,302</u>	<u>112,422</u>

Derivative financial instruments relates to interest rate swap agreements stated at fair value.

Bank loans and overdrafts are secured by a fixed and floating charge over the assets of the company, and other subsidiaries of Addison Lee Holdings Limited.

8. Creditors: amounts falling due after more than one after

	2018 £'000	2017 £'000
Bank loans and overdrafts	215,628	215,522
Other borrowings	<u>40,870</u>	<u>40,870</u>
	<u>256,498</u>	<u>256,392</u>
Other borrowings are made up of:		
Loan notes 4%	19,250	19,250
Loan notes 12%	<u>21,620</u>	<u>21,620</u>
	<u>40,870</u>	<u>40,870</u>

The loan notes are payable to the company's parent, Addison Lee Midco II Limited, and are due for repayment on 19 April 2025.

Derivative financial instruments relates to interest rate swap agreements stated at fair value.

Bank loans and overdrafts are secured by a fixed and floating charge over the assets of the company, and other subsidiaries of Addison Lee Holdings Limited.

9. Share capital

	2017 £'000	2016 £'000
Ordinary share capital		
Allotted, issued and fully paid		
47,558,269 Ordinary shares of 1p each	<u>476</u>	<u>476</u>

ADDISON LEE FINANCING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

10. Share premium account

	2018 £'000	2017 £'000
At beginning and end of year	<u>47,083</u>	<u>47,083</u>

11. Related parties

The company is exempt from disclosing related party transactions with other wholly-owned subsidiary undertakings of Addison Lee Holdings Limited.

There are no other material related party transactions requiring disclosure.

12. Controlling party

The immediate parent undertaking of the company is Addison Lee Midco II Limited, a company incorporated in England and Wales.

The directors regard the company's ultimate controlling parent entity to be Carlyle Europe Partners III LLP. The smallest and largest groups preparing consolidated financial statements that incorporate the financial statements of the company are headed by Addison Lee Midco II Limited and Addison Lee Holdings Limited respectively. Both companies are incorporated in England and Wales, and have their respective registered offices at The Point, 37 North Wharf Road, London W2 1AF.