Company Registration No. 12427320 (England & Wales)

Atlas Topco Limited
Annual Report and Financial Statements
For the period from 27 January 2020 to 31 August 2020

Directors	L Griffin P A Gallagher P B Suter S Lowrie J K Walden
Secretary	L Gage
Company number	12427320
Registered office	The Point, 37 North Wharf Road, London W2 1AF
Auditor	RSM UK Audit LLP Chartered Accountants 25 Farringdon Street London EC4A 4AB

Contents

The Directors present their strategic report on the Atlas Topco Limited group of companies ("the Group") for the period from 27 January 2020 to 31 August 2020.

Principal activities

During the period under review, the Group, which traded primarily as Addison Lee but also as Tristar, was engaged principally in ground transportation activities in the UK, including the provision of the following services:
- private-hire and managed vehicles;
- executive cars and chauffeuring;
- airport transfers;
- roadshow and event transportation;
- same day deliveries and courier; and
- rental to of motor vehicles to 3rd party private hire vehicle (PHV) and Courier drivers.

Addison Lee operates the largest wholly-owned fleet of private hire vehicles in London and is one of the largest single taxi fleets in the world with its iconic MPV vehicles. Lesser known perhaps, Addison Lee is the market leading same-day courier business in the capital with nearly 400 vans and 100 courier bikes in fleet. Addison Lee's technology continues to lead the market across both PHV and courier markets with many industry awards for innovation as well as the environmental impact of efficient despatch algorithms. In 2020, we introduced automated courier despatch across our passenger fleet which now means we have nearly 4000 vehicles available to keep London and London's goods moving efficiently. With this extra capacity, the Addison Lee Courier fleet has gone from strength to strength and continues to take market share and defy the lockdown in London with double digit year on year growth rates. New product introductions, including the same day timed-slot Addison Lee "Now" service available to all Addison Lee customers, continues to grow our market share as well as grow the market.

Incorporation, acquisition and funding structure

Atlas Topco Limited was incorporated on 27 January 2020 to facilitate the acquisition of Addison Lee Financing Limited and underlying operations including Addison Lee Limited, Eventech Limited and Project Tristar Limited, all previously owned by Addison Lee Midco II Limited.

The acquisition was completed on 23 March 2020 and as part of the financial restructuring the following:

- Atlas Topco Limited and Addison Lee Midco II Limited entered into a sale and purchase agreement pursuant to which Addison Lee Midco II Limited sold its shares in Addison Lee Financing Limited to Atlas Bidco Limited (a subsidiary of Atlas Topco, see note 15) for £1;

- Prior to acquisition, lenders unconditionally and irrevocably released and discharged £130.6m loans and £11.7m unpaid accrued interest in respect of the debt, in exchange for shares in Atlas Topco Limited, the new ultimate parent company;

- Lenders issued £36m of new loans to Addison Lee Financing Limited;

- A subset of lenders issued £8.5m of new debt to Addison Lee Payments Limited secured by Addison Lee Group Limited subsidiary company business receivables which was used to repay the existing third party receivables finance facility;

- L Griffin subscribed for £5m Priority Shares in Atlas Topco Limited;

Details of the provisional fair values to the Group of the acquisition are explained in note 27.

The acquisition represents an exciting new chapter for the business to build on Addison Lee's 45-year heritage and retain its position as London's most trusted private hire, chauffeur and same day courier service. The Group is confident that its business model supported by a renewed focus on valued customers, providing an unrivalled earning opportunity for London's best private hire and courier drivers, technology leadership and a relentless drive for efficiency, including the transition to an all-electric fleet will ensure its long-term success and profitable growth.

Business Review

The Directors consider the Group's key financial performance indicators to be those that communicate the financial performance and strength of the Group as a whole, as follows (see note 3 for more details of alternative performance measures):

	2020*
	£'000
Revenue	52,225
Gross profit	7,502
Gross profit margin	14.4%
Adjusted EBITDA	(9,406)
CFADs	(7,044)

*No comparatives have been presented being the first period of trade, which covers the period from incorporation on 27 January 2020 to 31 August 2020. It should also be noted that the trading commenced on 23 March 2020. Despite unprecedented disruption in the market and wider UK economy, the Group has achieved its broader strategic goals, delivered EBITDA ahead of plan (which was approved in June 2020 in light of Covid-19), and maintained sound financial disciplines. The foundations for future success based on management's ground transport and courier experience, customer focus and cost discipline have been laid.

The Group's financial results have been severely impacted by the UK-wide measures taken to control the spread of Covid-19 since March 2020, including the initial period of 'lockdown' and the ongoing restrictions on mobility. Trading is heavily impacted, particularly by the effective closure of many London offices and restricted flows of workers across the capital, but also to due to ongoing restrictions on hospitality and leisure as well as the reduction in passenger volumes across all London airports.

On a positive note, the crisis has demonstrated the resilience of our business model, our markets, and indeed our people, with major customers welcoming the new management team back to the business with many renewed commitments to our ongoing partnerships. Through this period of unprecedented challenge the Group has successfully restructured to focus on its core strengths in prioritising relationships and exceptional levels of service in its Core London market. Throughout the entire period of lockdown, the Group maintained its full service to the customers and communities that depend on Addison Lee for the safe transport of workers, families and goods across the capital.

Response to Covid-19

From 23 March 2020, the Group launched aggressive efforts to mitigate the impact of Covid-19 and delivered over £25m of cash savings through to August 2020. Significant operating cost reductions and cost savings initiatives were taken as follows:

- Nearly 800 Full Time Employees (FTEs) furloughed;
- Thorough review of third party supplier spends with over £4m of annual savings;
- Contractual payment holidays obtained based on force majeure for key service contracts;
- Deferral of VAT, PAYE and National Insurance payments using Government Covid-19 initiatives;
- Non-essential capex stopped;
- Vehicle lease payments deferred over 3-6 months;
- Fleet reductions to reduce the fixed cost in line with trading outlook subject to contractual operating lease commitments;
- Property lease holidays and deferrals were obtained with the support of Government guidelines on commercial rents; and
- Closure and liquidation of Tristar operations in Hong Kong.

In June 2020, the Group developed its 4-year Business Plan based on its best estimate of the trajectory of recovery, albeit in a time of unprecedented uncertainty. By the end of July 2020, the Group completed its redundancy programme which resulted in 620 FTEs comprised of chauffeurs and support staff exiting the business through various organisational restructuring initiatives, including the successful integration of Tristar operations into Addison Lee.

The Covid-19 restricted trading environment had a significant impact on the operating cash flow of the business to support management's incoming strategy and restructuring plan implementation which necessitated an increase in liquidity and reduction in financing costs in order to ensure the Group would be able to meet its ongoing commitments. To support the delivery of this 4-year Business Plan the Group's lenders and shareholders agreed to invest more capital and restructure the existing debt as follows:

- Subordination of Term Loan B through the removal of covenants until Term Loan A has been repaid in full, and the reduction in interest rate to 1.5% PIK over the entire 7 year term;
- Increase liquidity through a £10m increase in the Term Loan A facility and £10m of new equity in Atlas Topco Limited by shareholders and;
- Deferral and restructuring of Term A covenants to reflect short and medium term trading uncertainty.

As at 31 August 2020, the Group had the following sources of funding:

	Maturity date	Facility	Drawn
SFA – Term A	March 2023	£46.0m	£46.0m
SFA – Term B	March 2027	£100.0m	£100.0m
Receivable finance facility	December 2020*	£8.5m	£8.5m

*On 22 December 2020, the £8.5m receivable finance facility was extended for the period of 21 months to 22 September 2022.

Outlook

Given the reduction in our fixed cost base, work on which continues, the Group delivered an unaudited operating profit for the 5 months ended January 2021 of £1,042,000 at the level of Adjusted EBITDA. While the recovery in the wider UK economy and any further measures in relation to Covid-19 are beyond management's control, our aim is to extend our market leadership in all of our core London markets. We have secured the necessary liquidity to thrive, even in the midst of unprecedented uncertainty, and are poised for the exit from this restrictive trading environment. The Group's business model, including the ownership and maintenance of our premium fleet of vehicles, ensures that we are able to maintain the highest levels of hygiene and safety – including the industry-leading introduction of transparent screens and in-car personal protective equipment to support the safety of, not only our valued customers, but our equally valued drivers.

Principal Risks and Uncertainties

Covid-19 pandemic

The Covid-19 pandemic, the associated lockdown and the closure of our business significantly impacted our financial performance in the period ended 31 August 2020. Colleagues, customers, drivers and suppliers have all experienced significant disruption with numerous personal and operational challenges arising. The pandemic and the social and macroeconomic impact it wrought represented a significant risk for the Group, on top of the restructuring challenges facing the new management team. In the initial response phase to Covid-19, the priority was to safeguard the health and wellbeing of colleagues, drivers and customers, and to mitigate the softness in trading volume. Management's incoming restructuring plans were expedited and extended to protect liquidity in light of the Covid-19 environment. We imposed tighter control over liquidity, which informed our decisions on a series of measures, including the furloughing of colleagues and negotiating payment terms with suppliers, as well as deferral of vehicle finance payments and fleet structuring. Resilience will remain central to the Group's risk management approach throughout 2021 and beyond; however, we have invested considerably to position the business for the easing and removal of lockdown restrictions and the flexible low-fixed cost operating model is structured so as to support financial performance and value creation.

Competitive environment

The ground transportation and courier markets are highly competitive. There is a risk that a changing industry and advances in technology means that competitors with different business models may arise. The Group continues to invest in customer experience and technology innovations fundamental to our competitive advantage in order to mitigate these risks and to continue to deliver exceptional value to our customers.

Legislative risks

All but a small number of specialist lorry drivers engaged by the Group in the UK are now self-employed. Actions have been brought against the Group by a small number of individuals claiming worker status, with potential impacts including on minimum wage, holiday pay and entitlement to participate in a stakeholder pension. Addison Lee is contesting those claims and in the currently uncertain legal and political environment around this matter, continues to monitor the progress of all these cases, studies by other parties, such as the Taylor Report issued in July 2017, and initiatives taken by the Government. We continue to evolve the terms of engagement we offer in order to provide unrivalled earning opportunity for self-employed drivers, chauffeurs and couriers while preserving for them the flexibility which allows us to attract and retain the best PHV and delivery drivers in the business. On 19 February 2021 the Supreme Court ruled that a small number of Uber's ride hailing drivers should be classified as "workers" and we will review this judgement to ensure we remain in compliance with the law.

Funding and liquidity risk

The Group's operations are financed by a combination of equity, lease arrangements, receivable finance and long-term bank borrowings. The Group maintains appropriate committed borrowing facilities to meet its forecasted funding requirements.

Interest rate risk

The Group monitors its exposure to interest rates in light of the Group's debt exposure, consideration of the macroeconomic environment and sensitivity to potential interest rate rises. The Group avoids the use of derivatives or other financial instruments in circumstances when the outcome would effectively be largely dependent upon speculation on future rate movements.

Credit risk

As a standard policy, all customers who wish to trade on credit terms are subject to credit verification procedures. Trade receivables and amounts owed by drivers are reviewed on a regular basis. Credit terms are also reviewed and adjusted to manage credit related risks.

Sustainability

Managing our business in a sustainable manner remains a key element of our culture and strategy. Addison Lee's automated dispatch technology has won many awards for its impact on reducing the carbon footprint of the fleet through the efficient allocation of vehicles that minimises mileage. Over the last 3 years we have continued to upgrade the fleet to ensure ULEZ compliance and to minimise the NOx emissions in pursuit of cleaner air in London. From April 2019, Addison Lee invested in 1,200 Volkswagen Sharans, an investment of £41 million, to supplement our Euro 6 Ford Galaxy fleet with the aim to further reduce the fleet's NOx emissions. We are committed to fully migrating our core London fleet to wholly-electric drive trains by 2025 and are in discussions with major manufacturers to select the right models to support our premium ground transport select and executive offerings.

Streamlined Energy and Carbon Reporting disclosure

	Period from 27 Jan to 31 August 2020
Emissions resulting from the purchase of electricity, heat, steam or cooling by the Group for its own use (location based)/ tCO2e	111.7
tCO2e per million £ turnover	2.1
tCO2e per FTE	0.1
Energy consumption used to calculate above emissions /kWh	479,145
Estimated emissions from the mileage covered by our fleet (tCO2e)	2,795

Section 172 statement

Section 172 of The Companies Act 2006 states that a Director of a company must act in the way it considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole. In doing so a Director of a company must have regard (amongst other matters) to:-

a. The likely consequences of any decision in the long term;
b. The interests of the company's employees;
c. The need to foster the company's business relationships with suppliers, customers and others;
d. The impact of the company's operations on the community and the environment;
e. The desirability of the company maintaining a reputation for high standards of business conduct; and
f. The need to act fairly as between members of the company.

The Directors have received guidance from the Company Secretary to support the performance of their statutory duties.

The Board reviewed its current approach to corporate governance and decision making, engagement with stakeholders and the Company's impact on the environment. The following summarizes how the company's Board fulfils its duties under Section 172.

Decision Making

The Board fulfils its duties to act in good faith to promote the success of the Company through the implementation of its strategy. The Board's governing objective is to maximise long-term value for shareholders through the creation of sustainable competitive advantage in the premium ground transport and same day courier markets in London.

In order to achieve this, the Board believes the following underpinning principles are core to everything we do:

i) We will be simple to do business with;
ii) We will lead the industry on safety, reliability, comfort, consistency, luxury and sustainability;
iii) We will be honest, do business with integrity and keep our promises to customers, drivers, suppliers and stakeholders;
iv) We will be easy to access across all channels with best-in-class user experiences;
v) We will strive to provide the best earning opportunity for Addison Lee's amazing self-employed passenger and courier drivers and to maintain and enhance the flexibility our drivers demand;
vi) We will innovate across technology, service delivery, branding, operations and our support functions to maintain and extend our competitive leadership in London;
vii) We will focus on operational excellence as a means to deliver great value to our customers and top quartile risk adjusted returns to our shareholders - simply because it's the right thing to do.

The Board regularly reviews key strategic, operational and organisational decisions assessing them against the above criteria and adherence to the Company strategy. Examples of Board decision making during the period include:

- The development and preparation of different Covid-19 impact scenarios, including a continuous review of the Group's liquidity to ensure the Group maintains adequate liquidity to manage current economic volatility;

- The review of the company's operating model to ensure that it remains compliant, economically adaptable to uncertain trading outcomes and continues to deliver operating efficiency as well as enhanced service delivery to our valued customers; and

- Investment in our key channels to market including a major refresh to the App as well as an upgrading of our telephony platform to both enhance service / user experience as well as reduce costs.

Employee Engagement

Our workforce is our most valuable asset. The Board requires all staff to attend training and prepare team action plans focused on improving customer and stakeholder interactions. The Group invests in training, coaching, and skills acquisition. Personal development of our employees is a key pillar of the Group's strategy. We aim to be a responsible employer in our approach to the pay and benefits of employees. The health, safety and wellbeing of our employees is one of the primary considerations in the way we do business. Examples of the Board's engagement with employees during the period include:

- Online Employee Surveys in order to help in assessment of employees' concerns and aspirations;

- Quarterly town hall meetings, where the company's Directors present and are available to answer any questions; and

- Initiating and enabling employees to feedback about the day to day running of the business and ask questions about strategy and planning for the business.

Our Human Resources function has been reviewed and reorganised to ensure it is able to continually deliver an efficient and consistent service to our employees.

Business Relationships

The Board engages with a variety of stakeholders, including customers, regulators, and suppliers, to inform and enable balanced decisions that incorporate multiple viewpoints, in keeping with the Group's Strategy. In making decisions the Board considers the viewpoints and perspectives of the various stakeholders as well as the importance of maintaining the Group's integrity, brand and reputation. Examples of the Board's engagement with stakeholders during 2020 include:

- Regular customer service performance updates and feedback from Customer Service surveys to assist in decision making regarding customer focused initiatives;

- Regular engagement with key corporate and business customers to better understand their requirements and how we can better serve their needs in line with the Group strategy; and

- Regular engagement with regulators, government and industry bodies as the leading premium ground transport and same day courier business to support the mobility requirements of London's businesses and population, in particular to ensure that we provide a safe transport solution to Londoners as demonstrated by our industry-first initiative to introduce screens and PPE in every standard car in our fleet.

Community and Environment

The Group has sustainability and environmental care firmly embedded in its very fabric and this is core to our Group strategy. The Group strives to be the most sustainable premium provider of scale ground transport services in London. Sustainability runs through all aspects of our business, from energy-saving technologies in our offices and depots, commitments to paper-less working wherever possible, recycling facilities in every location, consideration of environmental impact in key purchase and operational decisions including in sourcing polices including the Group's 4000 vehicle fleet.

We take our responsibility as a key mobility provider in London very seriously and give back in key areas where we can. In 2020, we supported the NHS with over £100,000 in free and subsidised journeys for key workers to get them to work safely in the Covid lockdown. We provided £20,000 to Centrepoint, the charity for homeless young people in London, to provide additional rooms at Christmas in this most unsettling of times. And finally, we provided subsidised journeys to vulnerable people to get to and from vaccination centres in London to support the government's vaccine roll-out. We are committed to London as its success is our success.

Culture and values

The Group's culture is characterised by clear accountability, pace (of decision-making and implementation), responsiveness, mutual respect, alignment to our strategy and vision and integrity. Lawful conduct and fair competition are integral to all the Group's business activities and an important condition for maintaining a reputation for high standards of business conduct securing long term success. The Group is focused on people, with customers, drivers and staff being at the heart of the business. The Group embraces meritocracy, diversity, inclusion, flexibility, sustainability and continuous improvement. The Group has a customer-centric philosophy with transparent, fair and simple processes. The Board and senior management have taken active steps to drive cultural change and to ensure the corporate strategy, customer-orientation principles and Group values are embraced across the organisation.

On behalf of the board

P B Suter
Director

Date: 17 March 2021

The Directors present their annual report and financial statements for the period from 27 January to 31 August 2020.

Directors

The Directors who held office during the period and up to the date of signature of the financial statements were as follows:

M H Filer (appointed on 27 January 2020, resigned on 17 March 2020)
L.D.C Corporate Director No.1 Limited (appointed on 27 January 2020, resigned on 17 March 2020)
L.D.C Corporate Director No.2 Limited (appointed on 27 January 2020, resigned on 17 March 2020)

L Griffin (appointed on 17 March 2020)
P A Gallagher (appointed on 23 March 2020)
P B Suter (appointed on 23 March 2020)
S Lowrie (appointed on 1 September 2020)
J K Walden (appointed on 1 September 2020)

The Company has granted an indemnity to its Directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in Section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the Directors' report.

Results and Dividends

The results for the period are set out on page 14 and there is a commentary on those results in the strategic report.

The Directors do not recommend payment of a dividend.

Financial Instruments

The Group holds financial instruments (see note 18) relating to its funding needs that comprise bank loans. Other financial assets and liabilities, such as trade receivables, trade payables and lease liabilities arise directly from the Group's operations, including from acquisition of vehicles. The Group monitors value and performance of certain debt instruments held by Addison Lee Insurance Limited and The Addison Lee Purpose Trust on a fair value basis.

Research and Development

Research and development activities continues to be undertaken in relation to booking, allocation, customer management and communications systems in order to improve and enhance both the customer experience and delivery of services.

Disabled Persons

The Group's policy is not to discriminate on grounds of disability and disabled workers are considered for all those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

Employee Involvement

The Group's policy is to consult and discuss with employees on matters likely to affect employees' interests. Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Group's performance.

Going Concern

As part of the adoption of the going concern basis, the Group has considered the Group's cash flow, liquidity and business activities, as well as the uncertainty caused by the government's handling of the Covid-19 outbreak. As part of the review and the potential impact of the Covid-19 restrictions on the Group's cash flows and liquidity over the period to 31 March 2022, based on the June 2020 board approved business plan multiple downside scenarios were prepared. Under each scenario, mitigating actions within management control are available as they are 1) government sponsored reliefs, 2) variable in nature or 3) relate to discretionary spend and investment. The mitigating factors considered include entering time-to-pay arrangements with HMRC on deferred VAT, reduced staff costs, maintenance and marketing spend, fleet reductions, variable operations costs, as well as reducing all non-essential and non-committed capital expenditure. The Group's forecasts, taking into account the Board's future expectations of the Group's performance, indicate that there is sufficient liquidity and the Group will continue to operate within the covenants attached to the Senior Finance Agreement (SFA). Considering the principal and emerging risks discussed in the strategic report, the Directors have a reasonable expectation that the Group and the Parent Company have adequate resources to continue in operation and meet all liabilities as they fall due for a period of at least 12 months from the date of approval of the financial statements. Thus, the Group and the Parent Company continue to adopt the going concern basis in preparing the consolidated financial statements.

Auditor

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the Company and Group is unaware. Additionally, the Directors individually have taken all the necessary steps that they ought to have taken as Directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the Company and Group is aware of that information. Words and phrases used in this confirmation should be interpreted in accordance with section 418 of the Companies Act 2006.

In accordance with section 485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting to appoint RSM UK Audit LLP as auditor of the Company.

Strategic Report

Disclosures in respect of financial instrument risks, post balance sheet events, future developments, certain employment disclosures, business relationships and carbon reporting disclosures are set out in the Strategic Report.

On behalf of the Board

P B Suter
Director

Date: 17 March 2021

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 period. Under that law the Directors have prepared the Group financial statements (consolidated financial statements) in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and have elected to prepare the Company financial statements in accordance with United Kingdom Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 the 'Reduced Disclosure Framework'. The group financial statements are required by law and international accounting standards in conformity with the requirements of the Companies Act 2006 to present fairly the financial position and performance of the group. The Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation. 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 Group and of the profit or loss of the Group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently; and
- make judgements and accounting estimates that are reasonable and prudent; and
- for the Group's financial statements, state whether international accounting standards in conformity with the requirements of the Companies Act 2006; and
- for the Company's financial statements, 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 Group and the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Opinion

We have audited the financial statements of Atlas Topco Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 31 August 2020 which comprise the consolidated income statement, the consolidated statement of financial position, the consolidated statement of changes in equity, consolidated cash flow statement, company statement of financial position, company statement of changes in equity and notes to the consolidated and company financial statements, including significant accounting policies.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and International Accounting Standards in conformity with the requirements of the Companies Act 2006. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards including FRS 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 group's and of the parent company's affairs as at 31 August 2020 and of the group's loss for the period then ended;
- the group financial statements have been properly prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements 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 group and parent 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 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 the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 set out on page 10, 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 group's and the parent 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 parent 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, we:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the group and parent company operate in and how the group and parent company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are International Accounting Standards in conformity with the requirements of the Companies Act 2006 for the group financial statements, United Kingdom Generally Accepted Accounting Practice for the parent company financial statements and the requirements of the Companies Act 2006 for the group and parent company financial statements. We performed audit procedures to detect non-compliance which may have a material impact on the financial statements which included reviewing financial statement disclosures and checking, where appropriate, to supporting documentation.

We identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing the appropriateness of a sample of journal entries and other adjustments, assessing whether the judgements made in making accounting estimates are indicative of a potential bias and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

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.

RSM UK Audit LLP

Richard Coates (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

17 March 2021

Atlas Topco Limited
Consolidated Income Statement
For the period from 27 January to 31 August 2020

	Notes	Period from 27 January to 31 August 2020 £'000
Revenue	5	**52,225**
Cost of sales		(44,723)
Gross profit		**7,502**
Distribution costs		(3,707)
Administrative expenses		(22,157)
Exceptional items	7	(14,661)
Operating loss		**(33,023)**
Share of profit of associate	16	214
Finance costs	11	(7,055)
Loss before taxation		**(39,864)**
Tax charge	12	(4)
Loss for the period		**(39,868)**

All operations for the financial period except for Hong Kong are continuing. Hong Kong operations were not considered to be material to the Group results. Loss for the period is attributable to the equity holders of the parent company.

There is no other comprehensive income other than that presented in the income statement above.

Non-GAAP measure: Adjusted EBITDA

Operating loss	**(33,023)**
Add back:	
Exceptional items (note 7)	14,661
Depreciation of property, plant and equipment (note 13)	8,199
Amortisation of intangible assets (note 14)	6,537
Loss on disposal of property, plant and equipment	924
Loss on liquidation of subsidiary	157
EBITDA	(2,545)
Less:	
Vehicle lease costs	(6,861)
Adjusted EBITDA	**(9,406)**

For further details see note 3 alternative performance measures.

Atlas Topco Limited
Consolidated Statement of Financial Position
As at 31 August 2020

	Notes	2020 £'000
Assets:		
Non-current assets		
Property, plant and equipment	13	39,160
Intangible assets	14	105,391
Investment in associate	16	897
		145,448
Current assets		
Inventories	17	191
Trade and other receivables	18 (c)	19,390
Financial assets	18 (a)	11,840
Income tax receivable		390
Cash and cash equivalents	18 (b)	48,287
		80,098
Total assets		**225,546**
Liabilities:		
Current liabilities		
Trade and other payables	18 (d)	(39,041)
Interest-bearing loans and borrowings	18 (e)	(11,665)
Right of use liabilities	19	(15,515)
		(66,221)
Non-current liabilities		
Interest-bearing loans and borrowings	18 (e)	(111,510)
Provisions	21	(11,016)
Right of use liabilities	19	(24,667)
		(147,193)
Total liabilities		**(213,414)**
Net assets		**12,132**

Atlas Topco Limited
Consolidated Statement of Financial Position
As at 31 August 2020

	Notes	2020 £'000
Equity		
Share capital	22	11
Share premium		9,994
Retained profit		2,127
Total shareholders' funds		**12,132**

The financial statements were approved by the board of Directors on 17 March 2021 and were signed on its behalf by:

P B Suter
Director

	Notes	Issued share capital	Share premium	Retained (losses) /profit	Total
		£'000	£'000	£'000	£'000
At 27 January 2020		-	-	-	-
Loss for the period				(39,868)	(39,868)
Gain on modification of terms of debt instrument	18 (e)			41,995	41,995
Total comprehensive income for the period				2,127	2,127
Issue of share capital	22	11	9,994		10,005
At 31 August 2020		**11**	**9,994**	**2,127**	**12,132**

Atlas Topco Limited
Consolidated Cash Flow Statement
For the period ended 31 August 2020

	Note	2020 £'000
Loss for the period		**(39,868)**
Adjustment for:		
Tax charge		4
Depreciation of property, plant and equipment		8,199
Amortisation of intangible assets		6,537
Share of profit of associate		(214)
Net finance cost		7,055
Loss on liquidation of subsidiary		157
Loss on disposal of property, plant and equipment		603
Decrease in inventories		31
Decrease in trade and other receivables		6,613
Increase in trade and other payables		10,718
Increase in provisions		1,363
Cash generated from operations		**1,198**
Interest paid		(318)
Net cash flows from operating activities		**880**
Investing activities		
Purchase of property, plant and equipment and intangible assets		(964)
Cash acquired on business combination		8,432
Acquisition of financial assets		(1,969)
Net cash flows from investing activities		**5,499**
Financing activities		
Proceeds from borrowings - external		54,500
Proceeds from issue of priority shares		5,000
Proceeds from issue of ordinary shares		10,005
Repayment of borrowings - external		(24,500)
Repayment of lease liabilities		(3,097)
Net cash flows from financing activities		**41,908**
Net increase in cash and cash equivalents		**48,287**
Cash and cash equivalents at beginning of period		-
Cash and cash equivalents at end of period	18(b)	**48,287**

1. Corporate information

The consolidated financial statements of Atlas Topco Limited (the Company) and its subsidiaries (collectively, "the Group") for the period from 27 January to 31 August 2020 were authorised for issue by the Board of Directors on 17 March 2021. Atlas Topco Limited ("the Company" or "the parent") is a limited company incorporated in England and Wales. The registered office is located at The Point, 37 North Wharf Road, London W2 1AF.

The Group is principally engaged in the provision of ground transportation activities including private-hire and managed vehicles, executive cars and chauffeuring services, airport transfers, coaches hire, transportation for events and deliveries and courier services, and the ownership and rental to third parties of motor vehicles.

The list of subsidiaries held within the Group structure is provided in note 15. Information on other related party relationships of the Group is provided in note 24.

2. Significant accounting policies

a) Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) in conformity with the requirements of the Companies Act 2006.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value. The principal accounting policies adopted are set out below. These policies have been consistently applied except where noted.

The consolidated financial statements are presented in British Pound Sterling and all values are rounded to the nearest thousand pounds (£'000), except when otherwise indicated.

The preparation of the consolidated financial statements in conformity with IFRS requires the use of certain significant accounting judgements, estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement and complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

b) Going concern

As part of the adoption of the going concern basis, the Group has considered the Group's cash flow, liquidity and business activities, as well as the uncertainty caused by the government's handling of the Covid-19 outbreak. As part of the review and the potential impact of the Covid-19 restrictions on the Group's cash flows and liquidity over the period to 31 March 2022, based on the June 2020 board approved business plan multiple downside scenarios were prepared. Under each scenario, mitigating actions within management control are available as they are 1) government sponsored reliefs, 2) variable in nature or 3) relate to discretionary spend and investment. The mitigating factors considered include entering time-to-pay arrangements with HMRC on deferred VAT, reduced staff costs, maintenance and marketing spend, fleet reductions, variable operations costs, as well as reducing all non-essential and non-committed capital expenditure. The Group's forecasts, taking into account the Board's future expectations of the Group's performance, indicate that there is sufficient liquidity and the Group will continue to operate within the covenants attached to the Senior Finance Agreement (SFA). Considering the principal and emerging risks discussed in the strategic report, the Directors have a reasonable expectation that the Group and the Parent Company have adequate resources to continue in operation and meet all liabilities as they fall due for a period of at least 12 months from the date of approval of the financial statements. Thus, the Group and the Parent Company continue to adopt the going concern basis in preparing the consolidated financial statements.

c) Basis of consolidation

The Group's consolidated financial statements comprise the financial statements of Atlas Topco Limited and its subsidiaries presented as a single economic entity.

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- contractual arrangements with the other vote holders of the investee;
- rights arising from other contractual arrangements; and
- the Group's voting rights and potential voting rights.

The Group reassesses whether or not it controls an entity if facts and circumstances indicated that there are changes to one or more of the three elements of control above. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Where there is a loss of control of a subsidiary, the Group derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between group members are eliminated on consolidation. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

d) Business combinations

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. On the acquisition of a subsidiary, fair values reflecting conditions at the date of acquisition are attributed to the identifiable separable assets, liabilities and contingent liabilities acquired. Where the total consideration is different to the fair value of the identifiable separable assets, liabilities and contingent liabilities acquired, the difference is treated as purchase goodwill and capitalised, or a bargain purchase gain and recognised in the income statement. Contingent payments are remeasured at fair value through the income statement. All transaction costs are recognised in the income statement as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

e) Revenue recognition

Revenue from contracts with customers is recognised consistent with the transfer of promised services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services.

Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on an allocation of the transaction price to each performance obligation.

The transaction price is measured at the fair value of the consideration received or receivable, excluding sales taxes.

The Group operates two different business arrangements for its "Accounts" and "Non-accounts" business. The Group is deemed to be the principal for accounting purposes under both arrangements, as explained below:

Account
Revenue from "Account" business arises from customers who are registered and hold an account with one of the Group companies. The Group establishes prices and contracts directly with these customers to provide services including private-hire and courier deliveries. The responsibility for delivering on the performance obligations ultimately remains with the Group.

The Group has concluded that it is the principal in all of its revenue from this arrangement since it is the primary obligor in all these arrangements. Revenue is recognised when the service has been provided.

Non-account
Non-account revenues relate to bookings by individuals or businesses who do not hold an account with the Company or one of its subsidiary companies. Under this arrangement the individuals or businesses contract directly with a private-hire or courier driver, and the Group receives a booking fee from drivers in return for allocating the job.

Under IFRS 15 *Revenue from Contracts with Customers*, the Group has concluded that, for accounting purposes, it is the principal in all of its revenues from the non-account arrangement and has recognised the full value of the service rather than the booking fee. Revenue is recognised when the service has been provided.

Other revenue streams
Revenue from the rental of vehicles to drivers and associated motor reimbursement services, advertising services and other ancillary and related services is recognised on a time apportioned basis.

Insurance premium income
Under the annual basis of accounting, premium written comprises the premiums due on contracts entered into during a financial period, regardless of whether such amounts may relate in whole or in part to a later financial period, exclusive of taxes levied on premiums.

f) Finance income and expense

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate. The effective interest rate is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

Interest income and expense are included in finance income and expense in the income statement.

g) Income tax

Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Deferred tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

h) Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	Over the unexpired term of the lease
Fixtures, fittings and equipment	Up to 3 years
Motor vehicles	Up to 4 years
Right-of-use lease assets	Over the lease term

i) Right-of-use assets

Leases are recognised as right-of-use assets and a corresponding liability at the date at which the leased asset was available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. The right-of-use asset's cost comprises the initial amount of the lease liability, adjusted for as applicable, any lease payments made at or before the commencement date net of any lease incentives received, and any initial direct costs incurred.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

j) Goodwill

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Goodwill is assigned an indefinite useful economic life. Impairment reviews are performed annually, or more frequently if events or changes in circumstances indicate that the carrying value may not be recoverable. Impairment losses recognised on goodwill are not reversed in subsequent periods.

k) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs and intellectual property, are not capitalised and the related expenditure is reflected in the income statement in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the income statement in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or within a cash-generating unit. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Research costs are expensed as incurred. Software and IT development expenditures incurred on an individual project are capitalised as an intangible asset when the group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the asset and the ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when the asset is available for use by the business. It is amortised over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

Where computer software is not an integral part of a related item of computer hardware, the software is recognised as an intangible asset. Computer software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software as intended by management.

The intangibles held by the Group and the useful lives over which they are amortised are as follows:

Software and IT development	Straight line basis, up to 3 years
Patents	Straight line basis over 5 years
Brands and intellectual property	Straight line basis over 10 years

l) Impairment of goodwill, intangible assets and property, plant and equipment

Goodwill, intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and when circumstances indicate that the carrying value may have suffered an impaired loss. If any such indication exists, or when annual impairment testing for an asset is required, the recoverable amount of the asset is estimated, and compared to the carrying amount, in order to determine the extent of the impairment loss. Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs of disposal and its value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

If the recoverable amount of an asset or a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to other comprehensive income. For such properties, the impairment is recognised in other comprehensive income up to the amount of any previous revaluation.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss be recognised for the asset or cash-generating unit in prior periods. As reversal of an impairment loss is recognised as income in the reporting period. Impairment losses recognised in respect of goodwill are not reversed in subsequent periods.

m) Associates

An associated undertaking is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. Subsequent measurement presented in the consolidated financial statements includes the Group's share of the post-acquisition reserves of the associate less dividends received and provision for impairment.

Profit and loss arising from transactions between the Group and its associates are recognised only to the extent of unrelated investors' interest in the associate. The Group's share in the associate's profits and losses resulting from these transactions is eliminated against the carrying value of the associate.

n) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost consists of all costs of purchase, costs of conversion, and other costs incurred in bringing each product to its present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less any further costs expected to be incurred in the sale process.

o) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial instruments are recognised in the Group's statement of financial position when the Group becomes party to the contractual provisions of the instrument. Financial assets are accounted for at the trade date.

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Assets that are managed on a fair value basis in accordance with management policies, are measured at fair value through profit and loss.

Trade and other receivables
Trade and other receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one period or less or in the normal operating cycle of the business if longer, they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivable are initially recognised at fair value and do not carry any interest and are stated at nominal value as reduced by appropriate allowances for estimated irrecoverable amount.

The group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and deemed deposits, and other short-term highly liquid investments with an original maturity of three months or less, which are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Financial liabilities and equity instruments
Financial liabilities and equity instruments are initially recognised at fair value and classified according to the substance of the contractual agreement entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are measured at the proceeds received, net of direct issued costs.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference in the respective carrying amounts is recognised in the income statement.

Borrowings
Interest-bearing loans and overdrafts are initially recognised at fair value, which equates to proceeds less issue costs at inception. Subsequent to initial recognition, borrowings are measured at amortised cost, using the effective interest rate method. Any differences between the proceeds, net of transaction costs, and the amount due on settlement is recognised in the income statement over the term of the borrowings.

p) Foreign currency translation

Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Sterling which is the Company's functional and the Group's presentation currency.

Transactions in foreign currencies
Transactions denominated in foreign currencies within each entity in the Group are translated into functional currency at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies, which are held at the period end are translated into the functional currency at the exchange rate as at the balance sheet date. Exchange differences on monetary items are recognised in the income statement in the period in which they arise, except where these exchange differences form part of a net investment in overseas subsidiaries of the Group, in which case such differences are taken directly to the foreign currency translation reserve.

Translation of the results of overseas businesses
The results of overseas subsidiaries are translated into the Group's presentation currency of British Pound Sterling each month at the average exchange rate for the month. The average exchange rate is used, as it is considered to approximate the actual exchange rates on the date of the transactions. The assets and liabilities of such undertakings are translated at the period end exchange rates. Differences arising on the retranslation of the opening net investment in subsidiary companies, and on the translation of their results, are taken directly to the foreign currency translation reserve.

q) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

r) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the obligation can be reliably estimated.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is determined by discounting the expected future cash flows at an appropriate pre-tax discount rate.

s) Employee benefits

The expected costs of accumulating paid absences are recognised as an expense in the income statement when the employees render services that increase their entitlement to future paid absences. In the case of non-accumulating paid absences, costs are recognised as an expense in the income statement when the absences occur.

t) Post-retirement benefits

The Group contributes to various defined contribution schemes for the benefit of its employees. Contributions payable are charged to the income statement as an expense as they fall due.

u) Government grants – furlough scheme

Government grants relating to costs including furlough are deferred and recognised in profit or loss over the period necessary to match with the costs that they are intended to compensate. They are also presented with the costs with which they are matched.

v) Addison Lee Purpose Trust

The consolidated financial statements incorporate the results of the Addison Lee Purpose Trust, an entity controlled by the Group.

The Trust has been established exclusively for the purpose of providing benefits to drivers ("Contributors"), in connection with contracts with one or more Group entities, by making funds available out of a Trust Fund for the payment or reimbursement of costs, expenses or other losses incurred by or for the benefit of Contributors in the course of driving pursuant to, or in connection with, contracts between Contributors and any one or more of the Group entities identified in the Trust instruments.

Contributions receivable are accounted for on an accruals basis. Motor reimbursements paid relate to payments made in respect of a self-insured reimbursement agreement between Group Entities and motor insurers which provides for the reimbursement to each fronting insurer the deductible payable under the relevant motor insurance cover provided by each fronting insurer to Contributors and Group Entities ("Reimbursement Agreements"). Provision for motor reimbursements comprises the estimated deductible element of the cost of motor claims which have been incurred but not yet paid on behalf of the insurer at the Statement of Financial Position date, whether reported to insurers or not, based on information provided by insureds, insurers, and loss adjusters and on previous loss experience. The deductible element will be liable to be reimbursed under the Reimbursement Agreements as and when the underlying claim costs are paid. Revenue represents contributions receivable less motor reimbursements paid and provisions made for motor reimbursements.

Certain of the Trust's investments, cash and cash equivalents and accrued investment income are subject to security interest agreements in favour of third parties (see note 18 (a) and (b)). Certain investments held by the Trust are managed on a fair value basis.

w) Addison Lee Insurance Limited

The consolidated financial statements incorporate the financial statements of a wholly owned subsidiary, Addison Lee Insurance Limited, whose principal activity is that of an insurance captive. Addison Lee Insurance Limited is registered with the appropriate regulatory authorities in Guernsey to engage in insurance contracts.

Revenue
Premium income is recognised as premium written less unearned premiums. Premium written comprises the premiums due on contracts entered into during a financial period, regardless of whether such amounts may relate in whole or in part to a later financial period, exclusive of taxes levied on premiums. Unearned premiums represent the proportion of premiums written which is estimated to be earned in future financial period, computed separately for each insurance contract using the daily pro-rata method. Premium income net of claims incurred are recognised as insurance income in the consolidated income statement.

Claims outstanding and incurred but not reported reserve (IBNR)
Claims outstanding comprise provisions for the estimated cost of settling all claims incurred up to, but not paid at, the balance sheet date whether reported or not, together with the relevant claims settlement expenses.

Provisions for claims are based on the best estimate of the present value of liabilities based on the information currently available to the Group. The methods used, and estimates made, are continually reviewed and any resulting adjustments are reported in the income statement in the financial period in which they are made. IBNR reserves are initially provided to the expected loss ratio of 100%, and kept under review and revised on an on-going basis in accordance with projected losses for that particular period.

x) New Accounting Standards and Interpretations not yet mandatory or early adopted

Accounting Standards that have recently been issued or amended but are not yet mandatory, have not been early adopted by the group. These standards are not expected to have a material impact on the group.

3. Alternative performance measures

The Directors assess the performance of the Group using a variety of alternative performance measures to provide additional useful information to the members and stakeholders of the Group. These measures principally highlight underlying trends and performance, or function as key performance indicators. These measures are not defined under IFRS and therefore termed 'non-GAAP measures'. Non-GAAP measures are not designed to be a substitute for, or superior to, IFRS measures, and may not be directly comparable to performance measures used by other entities.

The non-GAAP measures used are as follows:

a) Exceptional items
The Directors consider transactions to be disclosed as exceptional items if individually or, if of a similar type, in aggregate, are one-off and non-recurring in nature or they are of sufficient size that failure to separately disclose their impact would misrepresent the underlying trading performance of the Group. Further details are provided in note 7 to the consolidated financial statements.

b) Adjusted EBITDA
Adjusted EBITDA is a measure of the underlying operating profit after the cost of vehicle depreciation and lease financing costs, which are fundamentally operating costs of the business. The measure excludes exceptional costs, interest, tax, depreciation, amortisation, loss on disposal of property, plant and equipment, loss on disposal of subsidiary and is net of vehicle lease costs. Further details are provided in the consolidated income statement on page 14.

Adjusted EBITDA is defined in the Senior Facility Agreement under which a consortium of banks provide credit facilities to the Group, and is therefore a key indicator of the Group's operating profitability.

c) CFADS
Cash Flow Available for Debt Service (CFADS) is a measure of how much cash is available from operations after other cash outflows to service debt obligations. It is calculated as EBITDA net of working capital, exceptional costs and non-vehicle capital expenditure, less vehicle and non-vehicle lease costs. Further details are provided in note 8 to the consolidated financial statements.

4. Judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources.

The key assumptions concerning the future, and other key sources of estimation of uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial period are disclosed below. The judgement used by management in the application of the Group's accounting policies in respect of these key areas of estimation are considered to be most significant.

- The Group is required to measure all assets and liabilities acquired as part of a business combination at fair value. The determination of those fair value of those assets requires judgement. The valuation of current and financial assets and liabilities is not a key source of estimation uncertainty. However, the valuation of non-current assets and liabilities is dependent on, and sensitive to, long-term forecasts of related cash flows and discount rates applied. These are in turn dependent on long-term forecasts of the performance of the business. As such the valuation of these assets and liabilities is considered a key source of judgement.

- Due to the uncertainties associated with Covid-19 as at the date of acquisition, the directors have not been able to ascertain a reliable fair value for a customer relationships intangible asset and thus this has not been separately recognised from goodwill. This is also a key judgement associated with business combination accounting.

- Software development expenditure is capitalised in accordance with the Group's accounting policy. Initial capitalisation of costs is based on management's judgement that technical and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised management makes assumptions regarding the expected future cash generation of the assets, discount rates to be applied and the expected period of benefits.

- The Group is required to estimate the cost of settling all motor insurance claims incurred up to, but not paid at, the balance sheet date whether reported or not, which is considered a key source of judgement. Provisions for claims are based upon the information currently available to the Directors, and subsequent information and events may show that the ultimate liability is less than, or in excess of, the amount provided.

- The classification of items as exceptional requires significant judgement to determine whether items are part of normal operating activities. Further details are set out in note 7.

- The Group is required to test goodwill and other intangible assets with indefinite useful lives annually by determining the recoverable amount of each cash-generating unit (CGU) from value-in-use calculations, which are based on cash flow projections derived from the most recent budgets and long-term plans. In carrying out this test, management makes assumptions on projected future cash flows, long term growth rates and discount rates applied to future cash flows.

- The Group is required to assess the recoverability of deferred tax assets in line with future trading and the availability of taxable profits, which is dependent on the long-term forecast and performance of the business. No deferred tax asset has been recognised as at 31 August 2020 due to the trading uncertainties associated with COVID-19. No deferred tax liabilities have been recognised in respect of the £32.0m intangible assets identified as part of the business combination accounting or otherwise as the directors believe that there are excess unrecognised deferred tax assets which would offset the reversal of these liabilities.

- On 25 August 2020, the terms of £100m of bank debt were amended to reduce the loan interest rate from 8%, which was agreed on acquisition on 23 March 2020, down to 1.5%. IFRS requires this modification to be accounted for as a derecognition of the original £100m loan and recognition of a new £100m loan at fair value. The fair value of the new loan has been estimated using a discount rate of 10% per annum, resulting in a gain of £42.0m. As this is a transaction with the group's investors, this gain is recognised directly in equity.

5. Revenue

An analysis of the Group's revenue from commencement of trading to 31 August 2020 is as follows:

	For the period 27 January to 31 August 2020 £'000
Private car services, delivery and courier service:	
Account	30,291
Non-Account	12,781
Insurance and reimbursement policies	2,791
Rental of motor vehicles	6,362
	52,225

	For the period 27 January to 31 August 2020 £'000
Revenue analysed by geographical market	
United Kingdom	52,215
Hong Kong	10
	52,225

6. Loss for the period

	For the period 27 January to 31 August 2020 £'000
Loss for the period has been arrived at after charging:	
Auditors remuneration (note 9)	150
Amortisation charge (note 14)	6,537
Depreciation charge (note 13)	8,199
Exceptional items (note 7)	14,661
Loss on liquidation of a subsidiary	157
Loss on disposal of fixed assets (motor vehicles)	924

7. Exceptional items

	For the period 27 January to 31 August 2020 £'000
Acquisition costs (1)	9,171
Refinancing costs (2)	351
Restructuring (3)	5,139
	14,661

Exceptional items are amounts arising that materially affect the Group's results. These include major one-off restructuring costs and costs relating to acquisition.

(1) This relates to professional costs incurred in the acquisition of Addison Lee Financing Limited and its subsidiaries (see note 26)
(2) This includes costs of technical and legal advice relating to debt refinancing in August 2020.
(3) This relates principally to the restructuring of the business resulting from the impact of Covid-19.

8. Alternative performance measures

	For the period 27 January to 31 August 2020 £000
EBITDA	**(2,545)**
Working capital movement	18,725
Exceptional items (note 7)	(14,661)
Purchase of property, plant and equipment and intangible assets	(964)
Vehicle lease costs	(6,861)
Other lease costs	(738)
CFADs	**(7,044)**

9. Auditors remuneration

	For the period 27 January to 31 August 2020 £'000
Fees payable to the Group's auditor for:	
Audit of the Group financial statements	150
	150

All the UK subsidiaries as set out in note 15 (a), are exempt from the requirements of the Companies Act relating to the audit of individual statutory accounts under section 479a of the Companies Act 2006.

10. Employees

The average monthly number of persons including Directors employed by the Group during the period was:

(a) Employee numbers

	For the period 27 January to 31 August 2020 Number
Administration	285
Distribution	770
	1,055

(b) Employment costs

	For the period 27 January to 31 August 2020 £'000
Wages and salaries	10,718
Social security costs	1,209
Pension costs - defined contribution schemes	171
	12,098

Wages and salaries are shown net of grants relating to the Government's furlough scheme in the period 27 January 2020 to 31 August 2020 of £6,533,000. Included in wages and salaries, £3,904,000 was recognised as exceptional costs (see note 7).

11. Finance costs

	For the period 27 January to 31 August 2020 £'000
Finance costs	
Interest on bank borrowings	(5,566)
Interest payable on priority shares	(313)
Finance charges payable on hire purchase and finance lease liabilities	(82)
Finance charges payable on operating lease liabilities	(969)
Other finance costs	(125)
	(7,055)

12. Tax charge

	For the period 27 January to 31 August 2020 £'000
Recognised in the income statement	
Current income tax:	
UK corporation tax on profits for the current period	(4)
	(4)
Tax charge reported in the income statement	**(4)**

UK income tax is calculated at 19.00% of the assessable profit for the period. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

Tax charge for the period can be reconciled to accounting loss as follows:

	2020 £'000
Accounting loss before income tax	(39,864)
Income tax credit at rates prevailing in the UK of 19.00%	7,574
Expenses not deductible	(1,937)
Effects of overseas tax rate changes	(4)
Deferred tax not recognised	(5,637)
Tax charge reported in the income statement	(4)

13. Property, Plant and equipment

	Lease-hold land and buildings	Fixtures, fittings and equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000
Cost				
Acquired on business combination	15,464	2,006	29,953	47,423
Additions	-	46	817	863
Disposals	(4)	(660)	(5,627)	(6,291)
Disposal of subsidiary	-	(37)	(75)	(112)
At 31 August 2020	**15,460**	**1,355**	**25,068**	**41,883**
Depreciation				
Depreciation charge for the period	792	695	6,712	8,199
In respect of disposals	(2)	(660)	(4,784)	(5,446)
Disposal of subsidiary	-	-	(30)	(30)
At 31 August 2020	**790**	**35**	**1,898**	**2,723**
Net book value				
At 31 August 2020	**14,670**	**1,320**	**23,170**	**39,160**

Right-of-use assets
Included within property, plant and machinery are right-of-use assets, which consist of assets arising from operating lease arrangements accounted for under IFRS 16, finance lease agreements and hire purchase agreements:

	Lease-hold land and buildings	Motor vehicles	Total
	£'000	£'000	£'000
Acquired on business combination	12,373	29,779	42,152
Additions	-	817	817
Depreciation charge for the period	(661)	(6,682)	(7,343)
Lease completion/net disposals	-	(843)	(843)
Carrying value at 31 August 2020	**11,712**	**23,071**	**34,783**

Interest expense on lease liabilities is detailed in note 11.

14. Intangible assets

	Goodwill	Brands and intellectual property	Software and IT developme -nt	Patents	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
Acquired on business combination	57,019	31,973	21,901	129	111,022
Additions	-	-	914	-	914
Disposals	-	-	(936)	-	(936)
At 31 August 2020	57,019	31,973	21,879	129	111,000
Amortisation					
Amortisation charge for the period	-	1,332	5,168	37	6,537
Disposals	-	-	(928)	-	(928)
At 31 August 2020	-	1,332	4,240	37	5,609
Net book value					
At 31 August 2020	57,019	30,641	17,639	92	105,391

The Group tests goodwill and other intangible assets with indefinite useful lives annually, or more frequently if circumstances indicate that the carrying amounts may have suffered an impaired loss.

The Group has one CGU (UK operations) for the financial period ended 31 August 2020.

The Group has determined the recoverable amount of each cash-generating unit (CGU) from value-in-use calculations. The value-in-use calculations are based on cash flow projections derived from the most recent plans for the next three years as approved by management with a terminal growth rate from year four. The resultant cash flows are discounted using a pre-tax discount rate appropriate for the relevant cash-generating unit.

Goodwill acquired in business combinations is allocated at acquisition, or subsequent reorganisation, to the CGU that is expected to benefit from the business combination.

The carrying amounts of goodwill and intangible assets, with indefinite useful lives, net of Goodwill impairment are as follows:

As at 31 August 2020	UK operations	Total
	£'000	£'000
Goodwill	57,019	57,019
Other intangibles	-	-
	57,019	57,019
Discount rates applied to future cash flows	*11.0%*	

Key assumptions used in value-in-use calculations and sensitivity to changes in assumptions

Projected future cash flows
Sales volumes and growth rates for the next four years are derived from management estimates for the business in which the CGU operates.

Growth rates used for periods beyond those covered by management's detailed plans
Growth rates are derived from management estimates, which take into account the long-term nature of the industry and long-term growth in gross domestic product of the territories in which the CGU operates. For the purpose of impairment testing a conservative approach has been used based on a growth rate of 2.0% growth per annum.

Discount rates applied to future cash flows
Discount rates reflect current market assessments of the time value of money and the risks specific to the CGU and represent the return that investors would require for an investment with cash flows and risk profile equivalent to those of the CGU.

The Group's pre-tax weighted average costs of capital (WACC) has been used as the basis for determining the discount rates to be applied.

Sensitivity analysis
The Group has undertaken sensitivity testing on its calculations and concluded that no reasonably foreseeable change in key assumptions used in the impairment calculations would result in a significant impairment charge being recognised in the consolidated financial statements.

15. Subsidiaries

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 2020
Registered office at The Point, 37 North Wharf Road, London W2 1AF:			
Atlas Holdco Limited (1)	12427439	Holding company	100
Addison Lee Payments Limited	11958940	Holding company	100
Atlas Bidco Limited	12427496	Holding company	100
Addison Lee Limited	01205530	Private mini cab hire	100
Addison Lee Financing Limited	08486652	Holding company	100
Addison Lee Group Limited	08486720	Holding company	100
Addison Lee Services Limited	07305923	Administration services	100
Blueback Limited	06377529	Private mini cab hire	100
Eventech Limited	03229417	Rental of motor vehicles	100
Professional IT (Logistics) Limited	03806233	Software development	100
Seela Limited	08167525	Rental of motor vehicles	100
W1 Cars Limited	08048025	Private mini cab hire	100

Registered office at Unit 1 Horton Road, West Drayton, Middlesex, UB7 8BQ:

Aptus Worldwide Limited	06325936	Provider of ground transportation	100
Bodycove Limited	03292923	Holding company	100
Project Tristar Limited	06434912	Provider of global chauffeur	100

Registered office at Frodsham Business Centre, Bridge Lane, Frodsham, Cheshire, WA6 7FZ:

Prestige Daily Rentals & Vehicle Solutions Limited	08933821	Provider of car rentals	100

b) Subsidiary undertakings incorporated in rest of the world

Name of undertaking	Country of incorporation and place of business	Nature of business	% equity interest 2020
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
Addison Lee Trustee Limited	Guernsey	Trustee company	100
Registered office at Unit 703, Capital Centre, 151 Gloucester Road, Hong Kong.			
Tristar Worldwide Asia Limited (under liquidation)	Hong Kong	Provider of global chauffeur services	100

(1) The parent holds an equity interest directly in Atlas Holdco Limited. Equity interest in other subsidiary undertakings are held indirectly by the parent.
(2) Except for the interests in The Addison Lee Purpose Trust where the Group is deemed to have control, all equity interests are held in ordinary shares.

16. Investment in associate

Details of the associated undertaking is as follows:

Name of undertaking	Country of incorporation and place of business	Nature of business	Class of shareholding	% equity interest 2020
Haulmont Technology Limited	England & Wales	Software consultancy	Ordinary	30

Haulmont Technology Limited's services include assisting the Group in maintaining its primary booking and allocation platform.

	2020 £'000
Investment in associated undertakings	
Acquired on business combination	683
Share of post-acquisition profit	214
As at 31 August 2020	897

All of the operations of the associate were continuing during the period.

17. Inventories

	2020 £'000
Raw materials and consumables	191

Inventories held by the Group include, but are not limited to, spare automobile parts and repair equipment. The Group periodically reviews the value of items in inventory and writes off inventory based on its assessment of market circumstances and the general condition of the items.

18. Financial assets and financial liabilities

An overview of all financial instruments held by the Group is set out below, including details of each type of financial instrument, and the basis used to determine the fair value of the instruments, including judgements and estimation of uncertainty of fair value hierarchy, as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities;
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (that is, derived from prices); and
Level 3: Inputs for the asset of liability that are not based on observable market data

The Group holds the following financial instruments:

Financial assets	Notes	Fair value hierarchy	Assets at fair value through the P&L	Financial assets at amortised cost	Total
			£'000	£'000	£'000
2020					
Certificates of deposits	(a)	Level 1	11,840	-	11,840
Cash and cash equivalents	(b)		-	48,287	48,287
Trade and other receivables	(c)		-	19,390	19,390
			11,840	67,677	79,517
Total current			11,840	67,677	79,517

Financial liabilities	Notes	Fair value hierarchy	Liabilities at fair value through the P&L	Financial liabilities at amortised cost	Total
			£'000	£'000	£'000
2020					
Trade and other payables	(d)		-	39,041	39,041
Interest-bearing loans and borrowings	(e)		-	123,175	123,175
Right of use liabilities	19		-	40,182	40,182
			-	202,398	202,398
Total current			-	66,221	66,221
Total non-current			-	136,177	136,177

a) Certificates of deposit

The Addison Lee Purpose Trust has appointed Ravenscroft Cash Management Limited ("RCML") to act as investment manager. Under the terms of a discretionary portfolio management agreement, RCML are permitted to invest in a balanced portfolio of securities and money market instruments within the following investment limitations.

- Deposits with approved institutions – maximum maturity 3 months;
- Certificates of deposit issued by approved institutions – maximum maturity 2 years
- Government securities and/or corporate bonds having a maximum maturity of 2 years and 1 year respectively where the issuer has a long-term credit rating no lower than AA by Standard and Poor's and/or Moody's Investors Service.

The Group's holdings in certificates of deposit form part of these portfolios. The Group manages these debt instruments on a fair-value basis in accordance with management policies, and also monitors the performance of the portfolio of investments on a fair value basis. These instruments are measured at fair value through profit and loss.

These instruments are highly liquid and are readily convertible into known amounts of cash, which may be subject to some risk of change in value on early conversion.

	2020 **£'000**
Certificates of deposit	11,840

Certain investments including certificates of deposit, cash and cash equivalents and accrued investment income of Addison Lee purpose Trust are subject to a security interest agreement in favour of the following party:

Security held in favour of:	**2020** **£'000**
Aviva Insurance Limited	147
QBE Insurance (Europe) Limited	9,624
	9,771

b) Cash and cash equivalents

	2020 **£'000**
Cash at bank	46,401
Cash - insurance entities	1,886
Cash and cash equivalents	48,287

Cash - insurance entities are monies held by Addison Lee Purpose Trust and Addison Lee Insurance Limited which are subject to security interest agreements in favour of Aviva Insurance Limited and QBE Insurance (Europe) Limited as disclosed above and below.

Certain cash and cash equivalents of Addison Lee Insurance Limited are subject to a security interest agreement in favour of the following party:

Security held in favour of:	**2020** **£'000**
Aviva Insurance Limited	797
	797

c) Trade and other receivables

	2020 **£'000**
Trade receivables	13,368
Allowance for expected credit losses	(2,438)
Net trade receivables	10,930
Other receivables, prepayments and accrued income	8,460
Total trade and other receivables	19,390

Trade receivables are non-interest bearing and are generally on terms of 30 days.

A loss of £157,000 has been recognised in the profit and loss account in respect of the expected credit losses for the period from 23 January 2020 to 31 August 2020.

Allowance for expected credit losses	**Total** **£'000**
Acquired on business combination	2,281
Additional provisions recognised in the period	157
As at 31 August 2020	2,438

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate 2020	**Carrying amount 2020**	**Allowance for expected credit losses 2020**
	%	**£'000**	**£'000**
Not overdue	0.6	6,162	(37)
0 to 3 months overdue	2.2	3,595	(79)
3 to 6 months overdue	32.8	1,202	(395)
Over 6 months overdue	80.0	2,409	(1,927)
Total		**13,368**	**(2,438)**

Classification as trade and other receivables, prepayments and accrued income

Trade receivables are amounts due from customers for services performed in the ordinary course of the business. Loans and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. If collection of the amounts is expected in one year or less, they are classified as current assets if not, they are presented as non-current assets. The trade receivables are generally due for settlement within 30 days and therefore are all classified as current.

Fair values of trade and other receivables

Due to short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.

Impairment and risk exposure

Information about the impairment of trade and other receivables, their credit quality and the Group's exposure to credit risk and interest rate risk can be found in note 20.

d) Trade and other payables

	2020 £'000
Trade payables	5,903
Payroll tax and other statutory liabilities	10,689
Other payables, accruals and deferred income	22,449
	39,041

Trade creditors are non-interest bearing and are normally settled within 30 to 45 days. Amounts due to Group undertakings are payable on demand and bear interest on commercial terms as assessed periodically by the Group. Other liabilities are non-interest bearing and have an average term of less than six months.

The carrying amounts of trade payables are assumed to be the same as their fair values, due to their short-term nature.

e) Borrowings

Borrowings are repayable as follows:

	Bank loans	Priority shares	Hire purchase/ finance lease obligations	Total
	£'000	£'000	£'000	£'000
2020				
Current	8,676	-	2,989	11,665
Between one and five years	46,005	-	2,187	48,192
After more than five years	58,005	5,313	-	63,318
Total borrowings	**112,686**	**5,313**	**5,176**	**123,175**
Current	8,676	-	2,989	11,665
Non-current	104,010	5,313	2,187	111,510

Bank loans

The Group has £46.0m borrowings that are payable in 22 March 2023 and £100.0m bank borrowings that are payable in 22 March 2027 and are secured over the assets of the Group. The interest rate ranges between 1.5% and 10%.

On 25 August 2020, the terms of £100m of bank debt were amended to reduce the loan interest rate from 8%, which was agreed on acquisition on 23 March 2020, down to 1.5%. IFRS requires this modification to be accounted for as a derecognition of the original £100m loan and recognition of a new £100m loan at fair value. The fair value of the new loan has been estimated using a discount rate of 10% per annum, resulting in a gain of £42m. As this is a transaction with the group's investors, this gain is recognised directly in equity. Interest will be recognised in profit and loss in future periods at 10% calculated on the book value of the bank loan so that loan increases to £100m (plus the accrued 1.5% per annum PIK interest) as at 22 March 2027.

Bank loans also includes £8.5m relating to a factoring loan payable 22 December 2020 (which was subsequently extended on 22 December 2020 to 22 September 2022, see note 26). The loan is secured over trade receivables of the Group.

Priority shares

L Griffin subscribed to £5m priority shares in Atlas Topco Limited. These accrue interest at 10% per annum. As there is no fixed redemption date for the priority shares, as they rank pari passu with the £100m debt referred to above, the priority shares are disclosed as due after more than five years.

Hire purchase/finance lease obligations

Assets acquired under hire purchase/finance lease contracts secured by the lessor's title to the leased assets.

Risk exposures

Details of the Group's exposure to risks arising from current and non-current borrowings are set out in note 20.

19. Right of use liabilities

Right of use liabilities relate to operating lease arrangements accounted for under IFRS 16, The liabilities relate primarily to vehicle and property leases. The maturity profile of right of use liabilities is shown in note 20. The corresponding assets are included in right-of-use assets disclosed in note 13.

20. Financial risk management

For the period ended 31 August 2020, Group's main exposures to financial risk have arisen due to:

- Credit risk resulting from the creditworthiness of both its customer base and of the banks which cash deposits have been placed.
- Interest rate and liquidity risk arising from the debt funding

Financial risks are managed in line with the objectives and processes laid down by the Group.

Foreign exchange – market risk
Foreign exchange risk is considered immaterial given the liquidation of Tristar Asia subsidiary at the end of the period

Currency exposures arising from strategic transactions such as acquisitions or loans to subsidiaries are reviewed and hedged on a case by case basis.

Interest rate – market risk
The Group's interest rate risk is not material as the Group's borrowings are at fixed interest rates.

Credit risk
Credit risk exists due to the possibility of the counterparty default between the date of asset recognition and date of settlement and arises on:

- Trade receivables owed by the Group's customers;
- Cash and cash equivalents deposited at banks; and
- Unsettled in the money derivative financial instruments

Trade credit risk is managed primarily by the Group's credit control staff members, who assess creditworthiness and allocate credit limits based on information available from independent credit reference agencies together with past and current collections experience. The customer base is well diversified and there is no significant concentration of risk.
Cash deposits are held only with high grade banks and financial institutions.

Impairment factors
The Group assesses annually whether there is any evidence of impairment based on whether any of the following indicators are present:

- Default event, or financial difficulties suggestive that a default event is probable
- Significant delinquency in payments for any other reason

Liquidity risk
The Group's main liquidity risk arises from the maturity of its borrowings. Management agrees an annual funding and liquidity plan as part of the Group's annual budget, designed to ensure that the Group maintains a prudent liquidity buffer at all times and cash flow forecasts are regularly monitored against plans and budgets.

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into groupings based on their contractual maturity dates:

	Within 1 year	Between 1 and 5 years	After 5 years	Total
	£'000	£'000	£'000	£'000
At 31 August 2020				
Trade and other payables	39,041	-	-	39,041
Interest-bearing loans and borrowings	11,665	53,505	58,005	123,175
	50,706	53,505	58,005	162,216

Maturities of right of use liabilities

	Within 1 year	Between 1 and 5 years	After 5 years	Total
	£'000	£'000	£'000	£'000
At 31 August 2020	15,515	18,742	5,925	40,182

21. Provisions

	Insurance	Onerous contract	Total
	£'000	£'000	£'000
Acquired on business combination	9,330	324	9,654
Credit for the period	-	(264)	(264)
Movements on insurance claims	1,626	-	1,626
As at 31 August 2020	10,956	60	11,016

The insurance provision is in respect of, Addison Lee Purpose Trust, whose activities are explained in the accounting policies in note 2(v) and Addison Lee Insurance Limited, whose activities are explained in the accounting policies in note 2(w).

22. Share capital

Allotted, called up and fully paid	**2020 £'000**
9,350,000,000 'A' ordinary shares of £0.000001 each	9
1,573,000,000 'B1' ordinary shares of £0.000001 each	2
50,050,000 'B2' ordinary shares of £0.000001 each	-
16,177,469 'B3' ordinary shares of £0.000001 each	-
1,456,876 'C1' ordinary shares of £0.000001 each	-
8,000,000 'C2' ordinary shares of £0.000001 each	-
	11

The company was incorporated on 27 January 2020 with one £1 issued ordinary share. This share was cancelled on 23 March 2020.

Ordinary shares issued

Class of ordinary shares	No. of shares issued on 23 March 2020	Shares issued £	No. of shares issued on 27 August 2020	Shares issued £	**Total no. of shares**	**Share capital £**
'A'	850,000,000	850	8,500,000,000	8,500	9,350,000,000	**9,350**
'B1'	143,000,000	143	1,430,000,000	1,430	1,573,000,000	**1,573**
'B2'	4,550,000	5	45,500,000	45	50,050,000	**50**
'B3'	1,470,679	1	14,706,790	15	16,177,469	**16**
'C1'	1,456,876	1	-	-	1,456,876	**1**
'C2'	8,000,000	8	-	-	8,000,000	**8**
	1,049,427,555	**1,008**	**9,990,206,790**	**9,990**	**11,039,634,345**	**10,998**

Ordinary share rights

Dividend and distribution rights noted below are pursuant to the articles of association.

Class of ordinary shares	Voting rights	Dividend rights	Distribution rights	Redeemable
'A'	Full	After priority shares, 'C1' and 'C2'	After priority shares, 'C1' and 'C2'	No
'B1'	Full	After priority shares, 'C1' and 'C2'	After priority shares, 'C1' and 'C2'	No
'B2'	May have[1]	After priority shares, 'C1' and 'C2'	After priority shares, 'C1' and 'C2'	No
'B3'	None	After priority shares, 'C1' and 'C2'	After priority shares, 'C1' and 'C2'	No
'C1'	None[2]	Pari passu with priority shares	Pari passu with priority shares	No
'C2'	None[2]	Pari passu with priority shares	Pari passu with priority shares	No

[1]Pursuant to the articles of association.
[2]Except for in respect of a variation in class rights of the shares.

Share premium

Of the 8,500,000 ordinary 'A' shares issued on 27 August 2020, 6,375,000,000 were issued for £10,000,000 giving rise to a share premium of £9,993,625.

In addition to the share premium account disclosed on the face of the consolidated statement of financial position, there is a further share premium account of £130.6m which principally arose on shares issued to extinguish pre-acquisition debt. This premium is not recognised in the financial statements as in accordance with IFRS, the issue of shares has been accounted for at fair value

Priority shares

On 23 March 2020, the company issued 5,000,000 priority shares for cash consideration of £5,000,000. Priority shares have no voting rights, except for in respect of a variation of class rights of the shares. Dividend and distribution rights are pari passu with 'C1' and 'C2' ordinary shares. Priority shares are redeemable at the option of the company.

Priority shares are shown as part of borrowings, see note 18 (e).

23. Capital commitments

As at 31 August 2020 there are no amounts contracted for but not provided in the financial statements.

24. Related party transactions

The following are transactions with related parties engaged by the Group during the period and the balances outstanding at the balance sheet date:

Transactions with associated undertaking:

	2020 £'000
Haulmont Technology Limited	
Sales to the Group	(553)
Balance payable by the Group	(126)

Transactions with Directors:

	2020 £'000
Priority shares - L Griffin	
Principal balance	(5,000)
Interest accrued	(313)

Compensation of key management personnel of the Group

The key management of the Group are the Directors.

	For the period 27 January to 31 August 2020 £'000
Directors emoluments	498
Post-employment benefit	11
	509

Post-employment benefits relate to contributions to defined contribution schemes.

Remuneration disclosed above includes the following amounts paid to the highest paid Director as follows:

	For the period 27 January to 31 August 2020 £'000
Total emoluments (excluding pension contributions)	209
Pension contributions	-
	209

25. Controlling party

At the balance sheet date, the ultimate parent undertaking and controlling party was Cheyne European Strategic Value Credit S.a.r.l 3, a company incorporated in Luxembourg. The largest and smallest group preparing consolidated financial statements that incorporates the financial statements of the Company is headed by Atlas Topco Limited, a company incorporated in England and Wales. The consolidated financial statements of the Group are available publicly and may be obtained from the Company Secretary, at The Point, 37 North Wharf Road, London W2 1AF.

26. Events after the Balance Sheet Date

On 22 December 2020, the Group amended, renewed and extended the £8.5m receivable financing agreement for the period of 21 months ending 22 September 2022. Apart from extension of the termination date all other terms remained unchanged.

27. Business combinations

On 23 March 2020 the Group completed a business combination and acquired the net assets and liabilities of Addison Lee Financing Limited and its subsidiaries, and Addison Lee Payments Limited, for cash consideration of £1.

The table sets out the provisional fair values to the Group in respect of the business combination:

Recognised amounts of identifiable assets acquired and liabilities assumed:

	Fair value £'000
Property, plant and equipment	47,423
Intangible assets	22,030
Other non-current assets	683
Current assets excluding cash	36,592
Current liabilities	(22,981)
Net borrowings	(124,500)
Other non-current liabilities	(9,835)
Hire purchase/ finance lease obligations	(5,785)
Right of use liabilities	(41,051)
Net identifiable liabilities acquired	(97,424)
Cash acquired in Addison Lee Financing Group	8,432
Intangible assets – Brands	17,527
Intangible assets – Intellectual Property	14,446
Goodwill arising on acquisition	57,019

The goodwill represents access to customers and suppliers, brand awareness, synergies within the operating model and economies of scale expected from incorporating the operations of the acquired operations within the Group.

Atlas Topco Limited
Company Statement of Financial Position
As at 31 August 2020

	Notes	2020 £'000
Current assets		
Debtors	4	15,318
		15,318
Creditors:		
Amounts falling due after one year	5	(5,313)
		(5,313)
Net assets		**10,005**
Capital and reserves		
Called up share capital	6	11
Share premium account		9,994
Total shareholder's funds		**10,005**

Parent Company Statement of Profit and Loss for the Period from 27 January to 31 August 2020

No profit and loss account is presented for Atlas Topco Limited as permitted under section 408 of the Companies Act 2006. The parent company's profit for the period from 27 January to 31 August 2020 is £nil.

The financial statements were approved by the board of Directors on 17 March 2021 and signed on its behalf by:

P B Suter
Director

Company Registration No. 12427320

Atlas Topco Limited
Company Statement of Changes in Equity
As at 31 August 2020

	Issued share capital	Share premium	Retained profit	Total
	£'000	£'000	£'000	£'000
Profit for the period			-	-
Total comprehensive profit for the period			-	-
Issue of share capital	11	9,994		10,005
At 31 August 2020	**11**	**9,994**	**-**	**10,005**

1. Authorisation of financial statements and statement of compliance with FRS101

The parent company financial statements of Atlas Topco Limited (the "company") for the period ended 31 August 2020 were authorised for issue by the board of Directors on 17 March 2021, and the balance sheet was signed on the board's behalf by P Suter. Atlas Topco Limited is a private company incorporated and domiciled in the United Kingdom.

These financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006. FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in the standard which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Companies Act 2006.

The financial statements are prepared under the historical cost convention. The Directors have taken advantage of the exemption available under section 408 of the Companies Act 2006 and not presented an income statement or a statement of comprehensive income for the Company.

The accounting policies of the Company follow the Group policies which are set out on pages 19 to 29 of the consolidated financial statements. The financial statements are prepared in British Pound Sterling and are rounded to the nearest thousand pounds (£000).

2. Accounting policies

Basis of preparation

The accounting policies which follow have been applied in preparation of the financial statements for the period. The Company has taken advantage of the following disclosure exemptions under FRS 101:

- The requirements of paragraphs 62 B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS3 *Business Combinations*
- The requirements of IFRS 7 *Financial Instruments: Disclosures*
- The requirement of paragraph 91-99 of IFRS 13 Fair Value Measurement
- The requirement in paragraph 38 of IAS 1 *Presentation of Financial Statements* to present comparative information in respect of Paragraph 79(a)(iv) of IAS 1;
- The requirements of paragraphs 10(d), 10(f) and 134-136 of IAS 1 *Presentation of Financial Statements*
- The requirements of IAS 7 *Statement of Cash Flows*
- The requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*
- The requirements of paragraph 17 of IAS 24 *Related Party Disclosures*
- The requirements in IAS 24 *Related Party Disclosures* to disclose related parties transactions entire into between two or more members of the Group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member (Group)
- The requirements of paragraph 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 *Impairment of Assets*

Judgements and key sources of estimation uncertainty

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

3. Employees

The company did not engage any employees and did not incur any employment related costs during the period.

4. Debtors

	2020 £'000
Amounts due from group undertakings	15,318
	15,318

5. Creditors: amounts falling due after one year

	2020 £'000
Priority shares	5,313
	5,313

The above figure includes £313k interest accrued. Further details are disclosed in note 18 (e) to the consolidated financial statements.

6. Share capital

Allotted, called up and fully paid	2020 £'000
9,350,000,000 'A' ordinary shares of £0.000001 each	9
1,573,000,000 'B1' ordinary shares of £0.000001 each	2
50,050,000 'B2' ordinary shares of £0.000001 each	-
16,177,469 'B3' ordinary shares of £0.000001 each	-
1,456,876 'C1' ordinary shares of £0.000001 each	-
8,000,000 'C2' ordinary shares of £0.000001 each	-
	11

Details of share issues in the period and share rights are set out in note 22 to the consolidated financial statements.

7. Related party transactions

The Company has taken advantage of exemptions not to disclose transactions with entities wholly owned by the group headed by Atlas Topco Limited.

Key management

The key management of the Company are its Directors. No Director received any emoluments in relation to services provided to the Company. See note 24 in the consolidated financial statements.

8. Controlling parties

At the balance sheet date, the ultimate parent undertaking and controlling party was Cheyne European Strategic Value Credit S.a.r.l 3, a company incorporated in Luxembourg. The largest and smallest group preparing consolidated financial statements that incorporates the financial statements of the Company is headed by Atlas Topco Limited, a company incorporated in England and Wales.