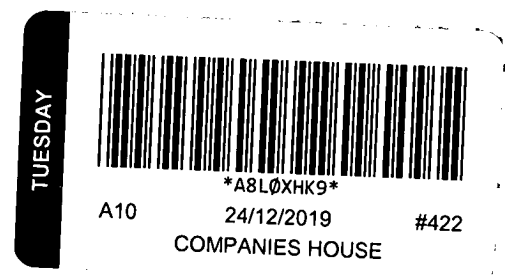


Company Registration No. 11525446 (England and Wales)

CITY TAXIS HOLDINGS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2019



CITY TAXIS HOLDINGS LIMITED

COMPANY INFORMATION

Directors	A Singh L R Yousaf	(Appointed 20 August 2018) (Appointed 24 October 2018)
Company number	11525446	
Registered office	1 Waterside Court 3 Bold Street Sheffield S9 2LR	
Auditor	BHP LLP 2 Rutland Park Sheffield S10 2PD	

CITY TAXI HOLDINGS LIMITED

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CITY TAXI HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE PERIOD ENDED 31 MARCH 2019

The directors present the strategic report for the Period ended 31 March 2019.

Fair review of the business

The principal activity of the group is that of a taxi and private hire operator.

The year has seen the group consolidate its position as the largest private hire taxi operator in South Yorkshire. Previous acquisitions in Barnsley and Chesterfield are now fully integrated. The group also purchased a taxi firm in Derby, further expanding the groups operating territory.

The Directors are happy to report another strong financial performance and are happy with the trading results, even though they do show a reduction in profit on the previous year. The main reasons for the reduction in profit is due to the associated costs of the various acquisitions that the business has undertaken.

The directors believe that the key performance indicators, which communicate the financial strength of the group are turnover, gross profit and operating profit:

- Turnover - £4.7m
- Gross profit - £2.6m
- Operating profit - £1.7m

The directors have considered the impact of these key performance indicators and remain pleased the group has established a solid base from where it can make further gains in the future.

The key risk for the group is competition in the face of improved technology from cloud based operators.

The group has also invested in the industry's latest cloud based telephony products to ensure that the business is now fully cloud based so in the event of network outages can now continue to function without the need of its HQ in Sheffield.

The groups investment into Riide Ltd is now starting to show rewards. The new customer booking App was launched in December 2017 and is already increasing the number of customers booking via App which in turn is increasing the groups overall automation and efficiency.

Development and performance

The group still continues to show a strong balance sheet, which the Directors hope to utilise to support even further acquisitions within South Yorkshire and Derbyshire.

The group intends to provide further investment into the Riide consumer App in order to increase overall automation figures and in turn improve the overall profit of the group.

On behalf of the board



A Singh
Director

19 December 2019

CITY TAXI HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 MARCH 2019

The directors present their annual report and financial statements for the Period ended 31 March 2019.

Principal activities

The company was incorporated on 20 August 2018 and commenced trading on 12 October 2018. The principal activity of the group is that of a taxi and private hire operator.

Directors

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

A Singh	(Appointed 20 August 2018)
L R Yousaf	(Appointed 24 October 2018)
I Singh	(Appointed 20 August 2018 and resigned 24 October 2018)

Results and dividends

The results for the Period are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

Auditor

BHP LLP were appointed auditor of the company and the group. In accordance with the company's articles, a resolution proposing that BHP LLP be reappointed as auditor of the group will be put at a General Meeting.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

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

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

Statement of disclosure to 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 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 is aware of that information.

CITY TAXI HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2019

On behalf of the board

A Singh
Director

A handwritten signature in black ink, appearing to be 'A Singh', written over a horizontal line.

19 December 2019

CITY TAXIS HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CITY TAXIS HOLDINGS LIMITED

Opinion

We have audited the financial statements of City Taxis Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the Period ended 31 March 2019 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (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 the parent company's affairs as at 31 March 2019 and of the group's loss for the Period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

CITY TAXIS HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CITY TAXIS HOLDINGS LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial Period 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 its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where 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, 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.

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.

CITY TAXI HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CITY TAXI HOLDINGS LIMITED

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.

BHP LLP

John Warner (Senior Statutory Auditor)
for and on behalf of

19 December 2019

Chartered Accountants
Statutory Auditor

CITY TAXI HOLDINGS LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31 MARCH 2019

	Notes	Period ended 31 March 2019 £
Turnover	3	4,669,219
Cost of sales		(2,058,570)
		<hr/>
Gross profit		2,610,649
Administrative expenses		(923,463)
		<hr/>
Operating profit	4	1,687,186
Amortisation of intangible fixed assets	8	(2,163,700)
Interest receivable and similar income	8	1,370
Interest payable and similar expenses	9	(50,512)
		<hr/>
Loss before taxation		(525,656)
Tax on loss	10	(313,673)
		<hr/>
Loss for the financial Period		<u>(839,329)</u>

(Loss)/profit for the financial Period is all attributable to the owners of the parent company.

CITY TAXI HOLDINGS LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2019

	Period ended 31 March 2019 £
Loss for the Period	(839,329)
Other comprehensive income	-
Total comprehensive income for the Period	(839,329)

Total comprehensive income for the Period is all attributable to the owners of the parent company.

CITY TAXI HOLDINGS LIMITED

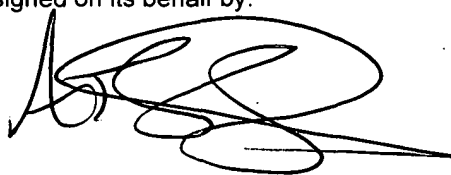
GROUP BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£
Fixed assets			
Goodwill	11	11,617,856	
Other intangible assets	11	4,467	
Total intangible assets		11,622,323	
Tangible assets	12	1,399,841	
Investments	13	31,720	
		13,053,884	
Current assets			
Debtors	16	1,600,570	
Cash at bank and in hand		931,113	
		2,531,683	
Creditors: amounts falling due within one year	17	(4,198,044)	
Net current liabilities			(1,666,361)
Total assets less current liabilities			11,387,523
Creditors: amounts falling due after more than one year	18		(5,507,898)
Provisions for liabilities	20		(14,700)
Net assets			5,864,925
Capital and reserves			
Called up share capital	22		320
Share premium account			5,197,162
Profit and loss reserves			(839,329)
Equity attributable to owners of the parent company			4,358,153
Non-controlling interests			1,506,772
			5,864,925

The financial statements were approved by the board of directors and authorised for issue on 19 December 2019 and are signed on its behalf by:

A Singh
Director



CITY TAXI HOLDINGS LIMITED

COMPANY BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£
Fixed assets			
Investments	13		10,876,395
Current assets			
Debtors	16	320	
Cash at bank and in hand		774	
		1,094	
Creditors: amounts falling due within one year	17	(6,060,670)	
Net current liabilities			(6,059,576)
Total assets less current liabilities			4,816,819
Creditors: amounts falling due after more than one year	18		(4,857,746)
Net liabilities			(40,927)
Capital and reserves			
Called up share capital	22		320
Profit and loss reserves			(41,247)
Total equity			(40,927)

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £41,247.

The financial statements were approved by the board of directors and authorised for issue on 19 December 2019 and are signed on its behalf by:

A Singh
Director



Company Registration No.

CITY TAXI HOLDINGS LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2019

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total controlling interest £	Non-controlling interest £	Total £
Period ended 31 March 2019:							
Loss and total comprehensive income for the period		-	-	(839,329)	(839,329)	-	(839,329)
Issue of share capital	22	320	5,197,162	-	5,197,482	-	5,197,482
Acquisition of subsidiary		-	-	-	-	1,506,772	1,506,772
Balance at 31 March 2019		<u>320</u>	<u>5,197,162</u>	<u>(839,329)</u>	<u>4,358,153</u>	<u>1,506,772</u>	<u>5,864,925</u>

CITY TAXIS HOLDINGS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2019

	Notes	Share capital £	Profit and loss reserves £	Total £
Period ended 31 March 2019:				
Loss and total comprehensive income for the period		-	(41,247)	(41,247)
Issue of share capital	22	320	-	320
Balance at 31 March 2019		<u>320</u>	<u>(41,247)</u>	<u>(40,927)</u>

CITY TAXIS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2019

1 Accounting policies

Company information

City Taxis Holdings Limited ("the company") is a private company limited by shares, registered in England and Wales. The registered office is 1 Waterside Court, 3 Bold Street, Sheffield, S9 2LR.

The group consists of City Taxis Holdings Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

The consolidated financial statements incorporate those of City Taxis Holdings Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 March 2019. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Steel City Holdings Limited has been included in the group financial statements using the purchase method of accounting. Accordingly, the group profit and loss account and statement of cash flows include the results and cash flows of Steel City Holdings Limited for the 6 month period from its acquisition on 12 October 2018. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

CITY TAXIS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates. In the group financial statements, associates are accounted for using the equity method.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Reporting period

The financial statements are prepared for the period to 31 March 2019 to bring them in line with the other group companies and incorporate all trade since commencement of trading on 12 October 2018.

1.5 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.6 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 4/5 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.7 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Amortisation 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:

Trademarks

10 years straight line

1.8 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

CITY TAXIS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

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:

Freehold land and buildings	
Fixtures and fittings	25% reducing balance
Equipment	25% straight line
Motor vehicles	25% reducing balance

Freehold land is not depreciated on the grounds that the depreciation charge and accumulated depreciation would be immaterial. This is due to the group having a policy and practice of regular maintenance and repair resulting in a high residual value. Maintenance and repair charges are recognised in the profit and loss account

1.9 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

CITY TAXIS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.10 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or 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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. 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 been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.11 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.12 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

CITY TAXIS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

CITY TAXIS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.13 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.14 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

CITY TAXIS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.15 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.16 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.17 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

2 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 estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

	2019 £
Turnover analysed by class of business	
Rendering of service	4,669,219
	<hr/>
	2019 £
Other significant revenue	
Interest income	1,370
	<hr/>

CITY TAXIS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2019

4 Operating loss

2019
£

Operating loss for the period is stated after charging:

Depreciation of owned tangible fixed assets	86,903
Amortisation of intangible assets	2,163,700
Operating lease charges	3,959

5 Auditor's remuneration

2019
£

Fees payable to the company's auditor and associates:

For audit services

Audit of the financial statements of the group and company	2,000
Audit of the financial statements of the company's subsidiaries	13,000
	15,000

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the Period was:

Group 2019 Number	Company 2019 Number
108	-

Their aggregate remuneration comprised:

	Group 2019 £	Company 2019 £
Wages and salaries	1,030,694	-
Social security costs	63,117	-
Pension costs	49,408	-
	1,143,219	-

CITY TAXIS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2019

7 Directors' remuneration

2019
£

Remuneration for qualifying services	40,365
Amounts receivable under long term incentive schemes	4,078
	<u>44,443</u>

8 Interest receivable and similar income

2019
£

Interest income	
Interest on bank deposits	1,370
	<u>1,370</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	1,370
	<u>1,370</u>

9 Interest payable and similar expenses

2019
£

Interest on financial liabilities measured at amortised cost:	
Interest on bank overdrafts and loans	50,512
	<u>50,512</u>

10 Taxation

2019
£

Current tax	
UK corporation tax on profits for the current period	315,919
Adjustments in respect of prior periods	(3,672)
	<u>312,247</u>
Total current tax	<u>312,247</u>
Deferred tax	
Origination and reversal of timing differences	1,426
	<u>1,426</u>
Total tax charge	<u>313,673</u>

CITY TAXIS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2019

10 Taxation

(Continued)

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

	2019 £
Loss before taxation	(525,656)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00%	(99,875)
Tax effect of expenses that are not deductible in determining taxable profit	404,210
Unutilised tax losses carried forward	7,837
Change in unrecognised deferred tax assets	5,173
Adjustments in respect of prior years	(3,672)
Taxation charge	313,673

11 Intangible fixed assets

Group	Goodwill £	Trademarks £	Total £
Cost			
At 20 August 2018	-	-	-
Additions	13,781,556	4,467	13,786,023
At 31 March 2019	13,781,556	4,467	13,786,023
Amortisation and impairment			
At 20 August 2018	-	-	-
Amortisation charged for the Period	2,163,700	-	2,163,700
At 31 March 2019	2,163,700	-	2,163,700
Carrying amount			
At 31 March 2019	11,617,856	4,467	11,622,323

The company had no intangible fixed assets at 31 March 2019.

CITY TAXIS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2019

12 Tangible fixed assets

Group	Freehold land and buildings £	Fixtures and fittings £	Equipment £	Motor vehicles £	Total £
Cost					
At 20 August 2018	-	-	-	-	-
Additions	1,001,898	86,618	385,348	12,880	1,486,744
At 31 March 2019	1,001,898	86,618	385,348	12,880	1,486,744
Depreciation and impairment					
At 20 August 2018	-	-	-	-	-
Depreciation charged in the Period	-	20,072	64,546	2,285	86,903
At 31 March 2019	-	20,072	64,546	2,285	86,903
Carrying amount					
At 31 March 2019	1,001,898	66,546	320,802	10,595	1,399,841

The company had no tangible fixed assets at 31 March 2019.

13 Fixed asset investments

	Notes	Group 2019 £	Company 2019 £
Investments in subsidiaries	14	-	10,876,395
Investments in associates		31,720	-
		31,720	10,876,395

Movements in fixed asset investments

Group	Shares in group undertakings and participating interests £
Cost or valuation	
At 20 August 2018	-
Additions	31,720
At 31 March 2019	31,720
Carrying amount	
At 31 March 2019	31,720

CITY TAXIS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2019

13 Fixed asset investments (Continued)

Movements in fixed asset investments Company

Shares in
group
undertakings
£

Cost or valuation

At 20 August 2018

Additions

-
10,876,395

At 31 March 2019

10,876,395

Carrying amount

At 31 March 2019

10,876,395

14 Subsidiaries

Details of the company's subsidiaries at 31 March 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Steel City Holdings Limited	England		Ordinary	89.11	
Northern Taxis Limited	England		Ordinary		89.11
Derby City Cars Limited	England		Ordinary		89.11
Club Taxis (UK) Limited	England		Ordinary		89.11

15 Financial instruments

	Group 2019 £	Company 2019 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	1,489,594	320
Carrying amount of financial liabilities		
Measured at amortised cost	8,655,924	10,918,416

CITY TAXIS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2019

16 Debtors

	Group 2019 £	Company 2019 £
Amounts falling due within one year:		
Trade debtors	995,079	-
Other debtors	497,221	320
Prepayments and accrued income	99,270	-
	<u>1,591,570</u>	<u>320</u>
Amounts falling due after more than one year:		
Deferred tax asset (note 20)	9,000	-
	<u>9,000</u>	<u>-</u>
Total debtors	<u>1,600,570</u>	<u>320</u>

17 Creditors: amounts falling due within one year

	Notes	Group 2019 £	Company 2019 £
Bank loans and overdrafts	19	921,987	860,250
Trade creditors		89,410	-
Amounts owed to group undertakings		-	3,402,998
Corporation tax payable		527,738	-
Other taxation and social security		522,280	-
Other creditors		2,044,162	1,756,205
Accruals and deferred income		92,467	41,217
		<u>4,198,044</u>	<u>6,060,670</u>

18 Creditors: amounts falling due after more than one year

	Notes	Group 2019 £	Company 2019 £
Bank loans and overdrafts	19	3,230,902	2,580,750
Other creditors		2,276,996	2,276,996
		<u>5,507,898</u>	<u>4,857,746</u>

CITY TAXIS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2019

19 Loans and overdrafts

	Group 2019 £	Company 2019 £
Bank loans	4,152,889	3,441,000
Payable within one year	921,987	860,250
Payable after one year	3,230,902	2,580,750

The long-term loans are secured by fixed charges over company and group.

20 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities 2019 £	Assets 2019 £
Group		
Accelerated capital allowances	14,700	9,000

The company has no deferred tax assets or liabilities.

	Group 2019 £	Company 2019 £
Movements in the Period:		
Liability at 20 August 2018	-	-
Charge to profit or loss	5,700	-
Liability at 31 March 2019	5,700	-

The deferred tax asset set out above is expected to reverse within 12 months and relates to the utilisation of tax losses against future expected profits of the same period. The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

21 Retirement benefit schemes

	2019 £
Defined contribution schemes	
Charge to profit or loss in respect of defined contribution schemes	49,408

CITY TAXIS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2019

21 Retirement benefit schemes

(Continued)

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

22 Share capital

Group and
company
2019
£

Ordinary share capital

Issued and fully paid

32,000 ordinary of 1p each

320

23 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2019 £	Company 2019 £
Within one year	23,744	-
Between two and five years	6,050	-
	<u>29,794</u>	<u>-</u>