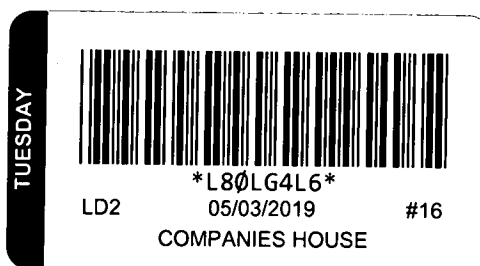


**AA GARAGE SERVICES LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2018**

**Registered number: 01013245**



**AA GARAGE SERVICES LIMITED**  
**FOR THE YEAR ENDED 31 JANUARY 2018**

**STRATEGIC REPORT**

The directors present their Annual Report and Financial Statements of AA Garage Services Limited ("the Company") for the year ended 31 January 2018.

**PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS**

The Company is a wholly owned subsidiary of Automobile Association Developments Limited.

The principal activities of the Company were those of a garage referral network and customer reminder service for vehicle MOT and servicing.

On the 25 April 2017, the Company acquired the trade and assets of Motoriety UK Limited for cash consideration of £20,004.

On 11 December 2017, the Company name changed from Automobile Association Travel Services Limited to AA Garage Services Limited.

As shown in the Company's income statement on page 7, the Company's revenue was £356k during the current year, whilst operating loss of the Company for the year was £683k (2017: £nil). After taxation, a loss of £565k (2017: £nil) has been transferred to reserves.

The statement of financial position on page 8 of the financial statements shows the Company's net liabilities position of £565k (2017: £nil).

For decision making and internal performance management, management's key performance metric is Earnings before interest, tax, exceptional items, depreciation and amortisation (Trading EBITDA). Trading EBITDA was £549k loss during the current year (2017: £nil).

**DIVIDENDS**

The Company has not paid a dividend in the year (2017: £nil).

**RISK MANAGEMENT FRAMEWORK**

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

The AA plc group has put in place rigorous procedures and controls designed to prevent significant risks to the business occurring or to mitigate their effects if they should occur. These controls are monitored by the Risk, Compliance and Internal Audit functions to ensure they are working effectively.

# AA GARAGE SERVICES LIMITED

FOR THE YEAR ENDED 31 JANUARY 2018

## STRATEGIC REPORT (continued)

The principal risks have been grouped into the following categories:

### *Financial Risk*

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

### *Credit Risk*

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. Due to the age of some of the outstanding debt, the directors have made an assessment of credit risk and written off debts that are no longer deemed recoverable. In addition, the directors have made the decision to utilise the AA Group's credit management team to assist in collection of other aged debts.

BY ORDER OF THE BOARD

*M.W. Strickland*

M W STRICKLAND  
DIRECTOR

*28 February* 2019

Registered Office:  
Fanum House  
Basing View  
Basingstoke  
Hampshire  
RG21 4EA

# **AA GARAGE SERVICES LIMITED**

**FOR THE YEAR ENDED 31 JANUARY 2018**

## **DIRECTORS' REPORT**

### **DIRECTORS**

The directors who held office during the year were as follows:

M F Millar	(Resigned 17 April 2018)
G Pritchard	
M Daly	(Appointed 7 July 2017)
M W Strickland	(Appointed 17 April 2018)

### **COMPANY SECRETARY**

C M Free	(Resigned 30 January 2019)
N Hoosen	(Appointed 30 January 2019)

### **DIRECTORS' INDEMNITY**

The Company maintains directors' and officers' liability insurance, which gives appropriate cover for any legal action brought against its directors and officers. The Company has also granted indemnities to its directors and officers against all losses and liabilities incurred in the discharge of their duties, to the extent permitted by law.

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Annual Report and 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 applicable laws and United Kingdom Accounting Standards (United Kingdom Generally accepted Accounting Policies) including FRS101 "Reduced Disclosure Framework". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

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

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

# AA GARAGE SERVICES LIMITED

FOR THE YEAR ENDED 31 JANUARY 2018

## DIRECTORS' REPORT (continued)

### GOING CONCERN

The Company's business activities and its exposure to financial risk and credit risk are described in the Strategic Report on pages 1-2.

The directors believe that the Company has adequate financial resources due to the available cash resources of the AA plc group which can be drawn upon. The directors believe that the Company is well placed to manage its business risks successfully using the risk management framework described in the Strategic Report and that the residual risks being taken by the Company are commensurate with its financial resources.

Due to the net liabilities position of the Company, the directors have obtained a letter of support from the parent undertaking, Automobile Association Developments Limited. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### DISCLOSURE OF INFORMATION TO AUDITOR

Each director has made enquiries of their fellow director and the Company's auditor and taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Relevant audit information is that information needed by the auditor in connection with preparing its report. So far as each director approving this report is aware, and based on the above steps, there is no relevant audit information of which the auditor is unaware.

Pursuant to the AA plc Group audit tender process in 2017, Ernst & Young LLP will resign as the Company's auditor following completion of their statutory and regulatory audits for the financial year ended 31 January 2018, and PricewaterhouseCoopers LLP will be appointed as auditor of the Company for the financial year ending 31 January 2019 in their place.

BY ORDER OF THE BOARD

*M.W. Strickland*

M W STRICKLAND  
DIRECTOR

*28 February* 2019

Registered Office:  
Fanum House  
Basing View  
Basingstoke  
Hampshire  
RG21 4EA

## Opinion

We have audited the financial statements of AA Garage Services Limited for the year ended 31 January 2018 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 16, 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 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 January 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. 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.

## 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 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 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.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AA GARAGE SERVICES LIMITED**

### **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 directors' report have been prepared in accordance with applicable legal requirements

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

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

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

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

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

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

### **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.

*Ernst & Young LLP*

**Neeta Ramudaram (Senior statutory auditor)**  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London

28 February 2019

# AA GARAGE SERVICES LIMITED

## INCOME STATEMENT FOR THE YEAR ENDED 31 JANUARY

	Notes	2018 £'000	2017 £'000
<b>REVENUE</b>	<b>3</b>	<b>356</b>	-
<b>COST OF SALES</b>		<b>(148)</b>	-
<b>GROSS PROFIT</b>		<b>208</b>	-
<b>OPERATING COSTS</b>			
Administrative expenses		<b>(891)</b>	-
<b>OPERATING LOSS</b>	<b>4</b>	<b>(683)</b>	-
<b>Trading EBITDA</b>		<b>(549)</b>	-
Depreciation		<b>(5)</b>	-
<b>OPERATING LOSS BEFORE EXCEPTIONAL ITEMS</b>		<b>(554)</b>	-
Exceptional operating items	<b>5</b>	<b>(129)</b>	-
<b>OPERATING LOSS</b>		<b>(683)</b>	-
<b>LOSS BEFORE TAX</b>		<b>(683)</b>	-
Tax credit	<b>9</b>	<b>118</b>	-
<b>LOSS FOR THE FINANCIAL YEAR</b>		<b>(565)</b>	-

All income and expenditure arises from continuing operations.

There are no gains and losses other than those passing through the income statement, therefore no separate statement of comprehensive income is presented.

The accompanying notes are an integral part of these financial statements.



# AA GARAGE SERVICES LIMITED

## STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY

	Notes	2018 £'000	2017 £'000
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	10	15	-
<b>CURRENT ASSETS</b>			
Trade and other receivables	11	132	-
Cash and cash equivalents		1	-
		<u>133</u>	<u>-</u>
<b>TOTAL ASSETS</b>		<u>148</u>	<u>-</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	<u>(713)</u>	<u>-</u>
<b>NET LIABILITIES</b>		<u>(565)</u>	<u>-</u>
<b>EQUITY</b>			
Called up share capital	14	1,380	1,380
Capital contribution		10,543	10,543
Retained earnings		<u>(12,488)</u>	<u>(11,923)</u>
<b>TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS</b>		<u>(565)</u>	<u>-</u>

Signed for and on behalf of the board of directors by:

*M.W. Strickland*

M W STRICKLAND  
DIRECTOR  
28 February 2019

The accompanying notes are an integral part of these financial statements.

# AA GARAGE SERVICES LIMITED

## STATEMENT OF CHANGES IN EQUITY

	Share capital	Capital Contribution Reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000
<b>At 31 January 2016</b>	1,380	-	(11,923)	(10,543)
Capital contribution	-	10,543	-	10,543
<b>At 31 January 2017</b>	<b>1,380</b>	<b>10,543</b>	<b>(11,923)</b>	<b>-</b>
Loss for the year	-	-	(565)	(565)
<b>At 31 January 2018</b>	<b>1,380</b>	<b>10,543</b>	<b>(12,488)</b>	<b>(565)</b>

The capital contribution relates to the forgiveness of amounts due to the parent undertaking in the year ended 31 January 2017.

# **AA GARAGE SERVICES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1 PRESENTATION OF FINANCIAL STATEMENTS**

On 11 December 2017, the Company name changed from Automobile Association Travel Services Limited to AA Garage Services Limited.

AA Garage Services Limited is incorporated and domiciled in England and Wales.

On the 25 April 2017, the Company acquired the trade and assets of Motoriety UK Limited for cash consideration of £20,004. See note 6.

The financial statements are prepared on a going concern basis following receipt of a letter of support from the parent undertaking, Automobile Association Developments Limited.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS101"). The financial statements are prepared under the historical cost convention.

The financial statements are prepared in Sterling and are rounded to the nearest £1,000.

### **2 ACCOUNTING POLICIES**

#### **2.1 Basis of preparation**

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 January 2018.

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

- IAS 1 paragraphs 10(d) and 10(f),
- IAS 1 paragraph 16 (statement of compliance with all IFRS),
- IAS 1 paragraph 38A (requirement for minimum of two primary statements, including cash flow statements),
- IAS 1 paragraph 111 (cash flow statement information),
- IAS 1 paragraphs 134-136 (capital management disclosures)
- IFRS 1 paragraphs 6 and 21,
- IAS 7 'Statement of cash flows',
- IAS 8 paragraphs 30 and 31,
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group,
- IAS 24 'Related party disclosures' (key management compensation)

#### **2.2 Critical accounting estimates and judgements**

The Company has £77k of accrued income that was unbilled as at 31 January 2018. This account balance has since been billed but not yet been recovered. Management exercise judgement in the assessment of the recoverability by applying a percentage determined based on historical experience of collectability of such balances.

Management also make estimates for some trading accruals which are evaluated continually based on historical experience and other factors. These estimates may differ to the actual results but are not significant.

#### **2.3 Significant accounting policies**

##### **a) Revenue recognition**

Revenue represents amounts receivable for goods and services provided, excluding value added tax and trade discounts. Revenue is recognised at point of delivery of goods or on provision of service.

# AA GARAGE SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 2.3 Significant accounting policies (continued)

#### b) Trade receivables and trade payables

Trade receivables and trade payables are not interest bearing and are recognised initially at fair value.

#### c) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Such costs include costs directly attributable to making the asset capable of operating as intended. Depreciation is provided on property, plant and equipment at rates calculated to write off the costs, less estimated residual value based on prices prevailing at date of acquisition of each asset evenly over its expected useful life as follows:

Plant and equipment	3 – 10 years
IT hardware	3 – 5 years

The carrying value of tangible fixed assets is reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

#### d) Exceptional items

Exceptional items are events or transactions that fall within the operating activities of the Company and which by virtue of their size or incidence have been disclosed in order to improve a reader's understanding of the financial statements.

#### e) Taxation

Tax on the profit or loss for the year comprises current and deferred tax.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

#### f) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with an original maturity less than three months.

# AA GARAGE SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 2.3 Significant accounting policies (continued)

#### g) Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. Acquisition costs incurred are expensed and included in administrative expenses.

Goodwill is initially measured at cost being the excess of the aggregate of the acquisition date fair value of the consideration transferred and the amount recognised for the non-controlling interest over the net identifiable amounts of the assets acquired and the liabilities assumed in exchange for the business combination.

### 3 REVENUE

All revenue arises from one class of business within the United Kingdom. Revenue by destination is not materially different from revenue by origin.

### 4 OPERATING LOSS

Operating loss is stated after charging:

	2018 £'000	2017 £'000
Depreciation of owned tangible fixed assets	5	-
Operating lease rentals:		
- Land & Buildings	44	-

The Company's auditor provided no other services to the Company other than the annual audit during either of the years under review. Audit fees for the years under review £5,000 (2017: £5,000) have been borne by another group company.

### 5 EXCEPTIONAL ITEMS

	2018 £'000	2017 £'000
Exceptional costs	129	-

Exceptional costs in the current year related to the acquisition of the trade and assets of Motoriety and business restructuring costs.

# AA GARAGE SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 6 BUSINESS COMBINATIONS

On 25 April 2017, the Company acquired the trade and assets of Motoriety UK Limited, which had gone into administration, for cash consideration of £20,004.

The fair values of the identifiable assets acquired, as at the date of acquisition were as follows. There were no liabilities acquired through this transaction.

	Fair value £'000
Equipment	20
Net assets	20
Goodwill arising on acquisition	-
	20
Discharged by:	
Cash (settled via intercompany)	20

These assets have been capitalised and are shown in note 10. There was no contingent consideration.

Transaction costs of £55,000 have been expensed and are included in administrative expenses. From the date of acquisition to 31 January 2018, the acquired business has contributed £356,000 of revenue and £565,000 loss after tax. If the combination had taken place at the beginning of the financial year, the loss of the company would have been approximately £753,000 and revenue would have been £475,000.

### 7 STAFF COSTS

Staff costs during the year were as follows:

	2018 £'000	2017 £'000
Wages and salaries	40	-
Social security costs	6	-
	46	-

Staff costs relate to those recharged from Automobile Association Developments Limited. The company had no employees throughout the year (2017: nil).

# AA GARAGE SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 8 DIRECTORS REMUNERATION

	2018 £'000	2017 £'000
Aggregate remuneration in respect of qualifying services	580	470
Compensation for loss of office	-	123
	<u>580</u>	<u>593</u>
The amounts paid in respect of the highest paid director were as follows:		
Remuneration	412	288
Accrued defined benefit pension	8	6
	<u>420</u>	<u>294</u>

All directors of the Company are also directors of the ultimate parent undertaking (AA plc) and/or fellow subsidiaries. These directors are remunerated by another company that is part of the AA plc group. As the directors do not believe that it is practicable to apportion this amount between their services as directors of the Company and their services as directors of the ultimate parent undertaking and fellow subsidiary companies, their full remuneration have been reflected in the disclosure above

### 9 TAX

The major components of the income tax credit are:

	2018 £'000	2017 £'000
<b>Current tax:</b>		
- Group relief receivable	(118)	-
<b>Total current tax credit</b>	<u>(118)</u>	<u>-</u>
<b>Total tax credit</b>	<u>(118)</u>	<u>-</u>

Reconciliation of tax credit to loss before tax multiplied by UK's corporation tax rate:

	2018 £'000	2017 £'000
Loss before tax	<u>(683)</u>	<u>-</u>
Tax at rate of 19.00%	(130)	-
Expenses not deductible for tax	12	-
Income tax credit reported in the income statement	<u>(118)</u>	<u>-</u>

# AA GARAGE SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 10 PROPERTY, PLANT AND EQUIPMENT

	Plant and equipment £'000	Total £'000
<b>Cost</b>		
At 1 February 2017	-	-
Additions on acquisition	20	20
<b>At 31 January 2018</b>	<b>20</b>	<b>20</b>
<b>Depreciation</b>		
At 1 February 2017	-	-
Charge for year	5	5
<b>At 31 January 2018</b>	<b>5</b>	<b>5</b>
<b>Net book value</b>		
<b>At 31 January 2018</b>	<b>15</b>	<b>15</b>
At 31 January 2017	-	-

### 11 TRADE AND OTHER RECEIVABLES

	2018 £'000	2017 £'000
<b>Amounts receivable within one year</b>		
Trade receivables	27	-
Other receivables	17	-
Prepayments and accrued income	88	-
	<b>132</b>	<b>-</b>

### 12 TRADE AND OTHER PAYABLES

	2018 £'000	2017 £'000
<b>Amounts payable within one year</b>		
Accruals and deferred income	99	-
Amounts owed to group undertakings	614	-
	<b>713</b>	<b>-</b>

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

### 13 RELATED PARTY TRANSACTIONS

During the year, the Company entered into related party transactions with its fellow group undertakings. The balances outstanding at the end of the financial year were:

	2018 £'000	2017 £'000
Owed to:		
AA Corporation Ltd	(614)	-



# AA GARAGE SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 14 CALLED UP SHARE CAPITAL

	2018 £'000	2017 £'000
Ordinary Shares of £1 each		
Issued, called up and fully paid	<u>1,380</u>	<u>1,380</u>

The voting rights of the holders of all ordinary shares are the same and all ordinary shares rank pari passu on a winding up.

### 15 GUARANTEES AND COMMITMENTS

#### Operating leases

Future minimum rentals payable under non-cancellable operating leases as at 31 January are as follows:

	Land and buildings	
	2018 £'000	2017 £'000
Within one year	57	-
In two to five years	95	-
After five years	-	-
	<u>152</u>	<u>-</u>

### 16 ULTIMATE PARENT UNDERTAKING

The Company is a private limited company and a wholly owned subsidiary of Automobile Association Developments Limited, a company registered in England and Wales. AA plc is the ultimate controlling party and parent undertaking.

The parent of the smallest group to consolidate these financial statements is AA Intermediate Co Limited whose registered office is Fanum House, Basing View, Basingstoke, RG21 4EA.

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

Copies of the consolidated parent financial statements are available from the website [www.theaapl.com/investors](http://www.theaapl.com/investors).