

**Directors' Report and
Financial Statements for the Year Ended 28 February 2018
for
Business Systems Group Holdings Limited**

PricewaterhouseCoopers LLP
Registered Auditor &
Chartered Accountants
Cornwall Court
19 Cornwall Street
Birmingham
B3 2DT

TUESDAY



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COMPANIES HOUSE

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for the Year Ended 28 February 2018**

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**Company Information
for the Year Ended 28 February 2018**

DIRECTORS:

A W Hicks
G J Wilson

REGISTERED OFFICE:

Ditton Park
Riding Court Road
Datchet
Berkshire
SL3 9LL

REGISTERED NUMBER:

02923809 (England and Wales)

INDEPENDENT AUDITORS:

PricewaterhouseCoopers LLP
Registered Auditor &
Chartered Accountants
Cornwall Court
19 Cornwall Street
Birmingham
B3 2DT

**Directors' Report
for the Year Ended 28 February 2018**

The directors present their report with the audited financial statements of the Company for the year ended 28 February 2018.

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS

The Company did not trade in the current year.

DIVIDENDS

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

DIRECTORS

The directors shown below have held office during the whole of the period from 1 March 2017 to the date of this report.

A W Hicks
G J Wilson

The directors in place during the year and also at the date of approval benefit from qualifying third party indemnity provisions provided by the parent undertaking.

POLITICAL DONATIONS AND EXPENDITURE

The Company is no longer trading and there were no political donations made during the year (2017: £nil).

GOING CONCERN

Notwithstanding the dormant status of the Company, the directors believe that the Company remains a going concern as it has no committed future operating expenses. As a result, the directors continue to adopt the going concern basis in preparing the annual financial statements.

The directors have no firm plans with regards to the future of the Company.

EMPLOYMENT POLICIES

The Company no longer trades. As a result, the Company no longer employs any staff and thus no employment policies have been presented.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 company and of the profit or loss of the company for that period.* In preparing the financial statements, the directors are required to:

- o select suitable accounting policies and then apply them consistently;
- o make judgements and accounting estimates that are reasonable and prudent;
- o state whether applicable UK Accounting Standards, including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- o 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.

**Directors' Report
for the Year Ended 28 February 2018**

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

INDEPENDENT AUDITORS

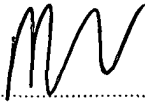
The auditors, PricewaterhouseCoopers LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

SMALL COMPANY PROVISIONS

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

The directors have also taken advantage of the small companies exemptions provided by section 414B of the Companies Act 2006 not to disclose a strategic report.

ON BEHALF OF THE BOARD:



.....
A W Hicks - Director

Date: 10th August 2018

**Independent Auditors' report to the members of
Business Systems Group Holdings Limited (Registered number: 02923809)**

Report on the audit of the financial statements

Opinion

In our opinion, Business Systems Group Holdings Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 28 February 2018 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Directors' Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 28 February 2018, the Statement of Comprehensive Income and the Statement of Changes in Equity; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes 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 ISAs (UK) require us to report to you when:

- 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 28 February 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

**Independent Auditors' report to the members of
Business Systems Group Holdings Limited (Registered number: 02923809)**

Auditors' 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 auditors' 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Matt Palmer

Matt Palmer (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
10 August 2018

**Statement of Financial Position
28 February 2018**

	Notes	2018 £'000	2017 £'000
FIXED ASSETS			
Investments	5	1,000	1,000
CURRENT ASSETS			
Debtors	6	<u>6,361</u>	<u>6,361</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,361</u>	<u>7,361</u>
CAPITAL AND RESERVES			
Called up share capital	7	-	-
Retained earnings		<u>7,361</u>	<u>7,361</u>
TOTAL SHAREHOLDERS' FUNDS		<u>7,361</u>	<u>7,361</u>

**Statement of Comprehensive
Income
for the Year Ended 28 February 2018**


During the financial year and the preceding financial year the Company has not traded and has received no income and incurred no expenditure. Consequently, during those periods the Company has made neither a surplus nor a deficit.

**Statement of Changes
in Equity
for the Year Ended 28 February 2018**

During the financial year and the preceding financial year the Company has not traded and there was no movement to the total shareholders' funds.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements on pages 6 to 9 were approved by the Board of Directors on 10th August 2018 and were signed on its behalf by:


.....
A W Hicks - Director

**Notes to the Financial Statements
for the Year Ended 28 February 2018**

1. STATUTORY INFORMATION

Business Systems Group Holdings Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

Business Systems Group Holdings Limited (the "Company") is a company incorporated in England & Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities are set out in the directors' report.

These financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The financial statements have been prepared on the historical cost basis.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all years presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed below.

The financial statements have been prepared on the going concern basis, which the directors believe to be appropriate as the Company has no liabilities and no committed future operating expenses. It is the intention of the directors to have the Company wound up in the future.

In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Air Newco 1 include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

Preparation of consolidated financial statements

The financial statements contain information about Business Systems Group Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of Air Newco 1, a company registered in Luxembourg.

Significant judgements and estimates

Key sources of estimation uncertainty

The Company does not consider there to be any uncertain estimations as at balance sheet date that may have any material impact on the carrying amounts of its assets and liabilities.

Critical accounting judgements in applying the Company's accounting policies

The Company does not consider there to be any critical accounting judgements involved in applying the Company's accounting policies.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Investments in subsidiary undertakings

Investments in subsidiaries are carried at cost less impairment.

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Financial guarantee contracts

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

Notes to the Financial Statements - continued
for the Year Ended 28 February 2018

3. AUDITOR REMUNERATION

Amounts receivable by the company's auditors and their associates in respect of the audit of these financial statements is £2,142 (2017: £2,060). These costs are borne by a fellow group company.

4. DIRECTORS' EMOLUMENTS

The directors are also directors of other companies in the Group. These directors' services to the Company do not occupy a significant amount of their time and as such the directors do not consider that they have received any remuneration for their incidental services to the Company during the year. The directors are remunerated for their services to this Company by another Group company.

5. INVESTMENTS

	Shares in group undertakings £'000
COST	
At 1 March 2017	
and 28 February 2018	<u>1,000</u>
NET BOOK VALUE	
At 28 February 2018	<u>1,000</u>
At 28 February 2017	<u>1,000</u>

The Company's principal subsidiary undertaking is as follows:

Undertaking	Country of registration or incorporation	Principle Activity	Percentage of ordinary shares held
Advanced 365 Limited	England and Wales	IT Managed Services	100%

The registered address of the subsidiary undertaking is Ditton Park, Riding Court Road, Datchet, Berkshire, SL3 9LL.

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £'000	2017 £'000
Amounts owed by group undertakings	<u>6,361</u>	<u>6,361</u>

The amounts owed from group undertakings are unsecured, bear no interest and are payable on demand.

7. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2018	2017
Number:	Class:	Nominal value:	£	£
20 (2017:20)	Ordinary shares	£0.05	<u>1</u>	<u>1</u>

Notes to the Financial Statements - continued
for the Year Ended 28 February 2018

8. CONTINGENT LIABILITIES

The Company had guaranteed bank borrowings of fellow group undertakings. Following the acquisition of the ACS Group by Air Bidco Limited on the 19 March 2015 the Company became an obligor to a new banking facility comprising a first Lien loan of \$323,000,000 (\$312,000,000 outstanding as at 28 February 2018) and £108,000,000 (£104,000,000 outstanding as at 28 February 2018) amortising at 0.25% per quarter with the balance payable on 19 March 2022, an undrawn \$50,000,000 revolving credit facility repayable on 19 March 2021 and a second Lien loan of \$194,000,000 falling due on 19 March 2023. The first and second Lien loans are listed on the Channel Islands Securities Exchange. The interest rates on both loans vary between 5.5% and 9.5% over LIBOR. In April 2015, an agreement was reached with Morgan Stanley, Goldman Sachs and HSBC to hedge 100% of the USD debt in a cross currency swap, which is held within Air Bidco Limited, another group company, thus limiting the Group's exposure to USD/GBP exchange variances.

RE-FINANCING

On 8 June 2018 the Company refinanced its bank Loans. Lead arrangers for the transaction were Morgan Stanley Senior Funding Inc, Goldman Sachs Lending Partners LLC and HSBC Bank Plc.

The first lien USD term loan was increased to \$325m from \$323m, the first lien GBP term loan was increased to £282m from £108m and the revolving credit facility of \$50m was reconfirmed. The maturity of the revolving credit facility was extended to 31 May 2023 (from 15 March 2020) and the maturity of the term loans were extended to 31 May 2024 (from 15 March 2022).

The existing cross currency swaps were terminated resulting in a receipt of £44.5m. New cross currency swaps were taken out to hedge 100% of the first lien USD term loan limiting the Group's exposure to USD/ GBP exchange variances.

The interest rate on the refinanced loans are between 3.75% and 4.75% over LIBOR which marks a substantial reduction from the previous financing of between 5.5% and 9.5% over LIBOR.

9. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

10. ULTIMATE CONTROLLING PARTY

The immediate parent company is Drury Lane (Jersey) Limited, a company registered in England and Wales.

The parent company of the largest group in which the Company is included in consolidated financial statements is that of Air Newco 1 Société Anonyme à Responsabilité Limitée, a company registered in Luxembourg.

The consolidated financial statements of Air Newco 1 Société Anonyme à Responsabilité Limitée are available to the public from 19 Rue De Bitbourg, L-1273, Luxembourg.

The ultimate holding company and controlling party is Vista Fund V Limited Partnership, managed by Vista Equity Partners, which is registered with the SEC as a Registered Investment Advisor under registration number 801-73726.