

ANNUAL REPORT AND FINANCIAL
STATEMENTS

FOR THE YEAR ENDED

30 NOVEMBER 2020

IAN ALLAN GROUP LIMITED

MENZIES

IAN ALLAN GROUP LIMITED

COMPANY INFORMATION

Directors	B. F. Allan N. D. Allan S. Blaney M. A. Smith (BA, BFP, FCA)
Registered number	00739567
Registered office	Terminal House Station Approach Shepperton Middlesex TW17 8AS
Independent auditors	Menzies LLP Chartered Accountants & Statutory Auditor Ashcombe House 5 The Crescent Leatherhead Surrey KT22 8DY
Bankers	Lloyds Bank Plc Connaught House Alexandra Terrace Guildford Surrey GU1 3DA
Solicitors	Moore Barlow LLP Concord House 165 Church Street East Woking Surrey GU21 6HJ

IAN ALLAN GROUP LIMITED

CONTENTS

	Page
Strategic Report	1 - 2
Directors' Report	3 - 4
Independent Auditors' Report	5 - 7
Statement of Income and Retained Earnings	8
Statement of Financial Position	9
Notes to the Financial Statements	10 - 21

IAN ALLAN GROUP LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 NOVEMBER 2020

Principal activity

The Company's principal activity during the year was that of a holding company, involved in managing its investments in subsidiary companies and its investment property.

Business review

During the year the Company received rental income of £142,243 (2019 - £113,392), management charges of £1,060,500 and dividend income of £830,129 (2019 - £5,567,708) from its subsidiaries. This resulted in a profit before tax for the year of £865,434 and net assets in excess of £6m at the year end, after paying out a dividend of £4m.

The directors are pleased with the overall performance of the trading subsidiaries in what has been a challenging year, and are satisfied that there is no impairment to the value of its investments.

Principal risks and uncertainties

The management of the Company's trading subsidiaries and the execution of the Group's strategy are subject to a number of key risks.

The motor business may be affected by decisions of supplying manufacturers with regard to dealership contracts and vehicle production. Management maintain contact with manufacturers and monitor developments within the industry. To date there has been a strong level of interest in the new Corvette C8 scheduled for delivery in 2021 with orders still being placed throughout the Covid 19 lock down.

Property letting and management may be affected by general economic conditions affecting its current and potential tenants which may affect their ability to meet rent payments when due, and their willingness to renew or enter into leases.

The COVID-19 virus has created a great deal of uncertainty regarding all walks of life. The impact of the government imposed lock down being that our retail shop and Motor garage closed towards the end of March 2020 and experienced further partial closures throughout 2020 and in early 2021. Tennay Properties and Lewis Masonic have continued to trade. During this period, the group furloughed over half of its staff.

The Directors of Ian Allan Group Ltd remain optimistic that once 'lock down' starts to ease our businesses will be in a good position to prosper in the future.

Tennay Properties has a wide portfolio of tenants covering a diverse range of industry sectors. The diversification will ensure that a steady rental income stream will continue into the future. Currently the Group holds sufficient cash reserves for the foreseeable future and will permit it to invest in suitable properties.

As noted above, the latest Corvette, C8, is attracting very favourable reviews and deposits have been taken for deliveries scheduled for 2021 and 2022.

Financial key performance indicators

The Company uses a series of key performance indicators to monitor the performance of the business. These include but are not limited to the following:

Income from investments in subsidiaries and investment property.

Value of investments in subsidiaries.

These are discussed in the Business Review above.

IAN ALLAN GROUP LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2020

This report was approved by the board and signed on its behalf.

N. D. Allan
Director

Date: 2 July 2021

IAN ALLAN GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2020

The directors present their report and the financial statements for the year ended 30 November 2020.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 to 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.

Results and dividends

The profit for the year, after taxation, amounted to £737,156 (2019 - £9,370,633).

Directors

The directors who served during the year were:

D. I. Allan (resigned 1 June 2020)
E. P. Allan (resigned 1 June 2020)
G. S. Allan (resigned 1 June 2020)
B. F. Allan (appointed 1 June 2020)
N. D. Allan (appointed 1 June 2020)
S. Blaney (appointed 1 June 2020)
M. A. Smith (BA, BFP, FCA)
A. D. Watkins (resigned 1 June 2020)

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue operational existence for the foreseeable future. For this reason the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Future developments

The Company's strategy is to develop its investments in profitable businesses, and to concentrate efforts to restructure the parts of the business which are failing to provide an adequate return on investment.

IAN ALLAN GROUP LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2020

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Under section 487(2) of the Companies Act 2006, Menzies LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf.

N. D. Allan

Director

Date: 2 July 2021

Terminal House
Station Approach
Shepperton
Middlesex
TW17 8AS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IAN ALLAN GROUP LIMITED

Opinion

We have audited the financial statements of Ian Allan Group Limited (the 'Company') for the year ended 30 November 2020, which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position and the related notes, 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 Financial Reporting Standard 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 Company's affairs as at 30 November 2020 and of its profit 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 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 Auditors' 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IAN ALLAN GROUP LIMITED
(CONTINUED)**

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

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

- adequate accounting records have not been kept, 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.

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 Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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 Auditors' 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IAN ALLAN GROUP LIMITED
(CONTINUED)

Andrew Hookway FCA (Senior Statutory Auditor)
for and on behalf of

Menzies LLP

Chartered Accountants

Statutory Auditor

Ashcombe House

5 The Crescent

Leatherhead

Surrey

KT22 8DY

9 July 2021

IAN ALLAN GROUP LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 30 NOVEMBER 2020

	Note	2020 £	2019 £
Turnover	4	142,243	113,392
Gross profit		142,243	113,392
Administrative expenses		(1,413,581)	(1,411,623)
Other operating income	5	1,065,412	967,225
Gain from changes in fair value of investment property		535,150	(176,564)
Operating profit/(loss)	6	329,224	(507,570)
Income from fixed assets investments		830,129	5,567,708
Amounts written off investments		(296,870)	4,244,346
Interest receivable and similar income	10	9,253	29,341
Interest payable and similar expenses	11	(6,302)	(8,422)
Profit before tax		865,434	9,325,403
Tax on profit	12	(128,278)	45,230
Profit after tax		737,156	9,370,633
Retained earnings at the beginning of the year		9,272,572	(98,061)
		9,272,572	(98,061)
Profit for the year		737,156	9,370,633
Dividends declared and paid		(4,000,000)	-
Retained earnings at the end of the year		6,009,728	9,272,572

The notes on pages 10 to 21 form part of these financial statements.

IAN ALLAN GROUP LIMITED

REGISTERED NUMBER:00739567

STATEMENT OF FINANCIAL POSITION AS AT 30 NOVEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	54,585	75,386
Investments	14	35,695	377,383
Investment property	15	2,248,000	1,712,850
		<u>2,338,280</u>	<u>2,165,619</u>
Current assets			
Debtors: amounts falling due within one year	16	4,252,430	3,950,442
Cash at bank and in hand		237,539	4,231,044
		<u>4,489,969</u>	<u>8,181,486</u>
Creditors: amounts falling due within one year	17	(528,206)	(899,319)
Net current assets		<u>3,961,763</u>	<u>7,282,167</u>
Total assets less current liabilities		<u>6,300,043</u>	<u>9,447,786</u>
Provisions for liabilities			
Deferred tax	18	(161,583)	(46,482)
		<u>(161,583)</u>	<u>(46,482)</u>
Net assets		<u><u>6,138,460</u></u>	<u><u>9,401,304</u></u>
Capital and reserves			
Called up share capital	19	49,932	49,932
Share premium account	20	78,800	78,800
Profit and loss account	20	6,009,728	9,272,572
		<u><u>6,138,460</u></u>	<u><u>9,401,304</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

N. D. Allan
Director

E. P. Allan
Director

Date: 2 July 2021

Date: 2 July 2021

The notes on pages 10 to 21 form part of these financial statements.

IAN ALLAN GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2020

1. General information

Ian Allan Group Limited is a private company limited by shares and incorporated in England and Wales. Details of the Company's registered office and principal place can be found on the Company Information page. The Company's registered number is 00739567.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of IAGP Limited as at 30 November 2020 and these financial statements may be obtained from Terminal House, Station Approach, Shepperton, Middlesex, TW17 8AS.

2.3 Exemption from preparing consolidated financial statements

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of an EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2020

2. Accounting policies (continued)

2.4 Going concern

The emergence and spread of COVID-19 in 2020, the associated social distancing measures and imposed travel restrictions have significantly impacted businesses globally.

As a result of the pandemic, the trading entities within the Ian Allan Group have been impacted by the temporary closure of the motor vehicle dealership and publishing retail shop, and by financial difficulties experienced by tenants which have led to slower rent collection for the property company.

Whilst COVID-19 has impacted the Group and uncertainties do exist regarding the duration and extent of the pandemic, the directors believe that the success of the vaccine rollout in the UK together with an improving outlook in the Company's trading subsidiaries mean that future performance and the ability of the Group to continue as a going concern can now be more reliably forecast.

The Company is in a strong financial position with year end net assets in excess of £6.1m and net current assets in excess of £3.9m. In addition to this, one of the Company's subsidiaries holds an unencumbered commercial property portfolio with a well diversified range of tenants.

For these reasons, it is anticipated that the Company will be able to continue to meet its liabilities as they fall due out of existing cash reserves for the foreseeable future, and for a period of at least one year from the date of signing these financial statements. The directors therefore consider that the going concern basis of preparation continues to be appropriate.

2.5 Revenue

Rental income is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Rental income is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.6 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2020

2. Accounting policies (continued)

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Motor vehicles, plant & equipment	-
	10% to 25% per annum on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.9 Investment property

Investment property is carried at fair value determined periodically by external valuers and annually by the directors and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

IAN ALLAN GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2020

2. Accounting policies (continued)

2.11 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key areas of judgement and estimation affecting these financial statements are as follows:

Valuation of Investments in subsidiaries

Investment properties are valued on the basis of open market value for existing use. Management assess the reputation, qualifications and relevant expertise of their external professional advisers in order to be satisfied that they can rely on their independent judgement to determine the value of the investment property within the accounts.

Recoverability of intercompany debtors

Management use judgement in determining the expected recoverability of intercompany debt and calculate a bad debt provision based on the expected future cash flows of the relevant debtor.

Valuation of Investment Property

Investment properties are valued on the basis of open market value for existing use. Management assess the reputation, qualifications and relevant expertise of their external professional advisers in order to be satisfied that they can rely on their independent judgement to determine the value of the investment property within the accounts.

4. Turnover

The whole of the turnover is attributable to UK rental income.

	2020 £	2019 £
United Kingdom	142,243	113,392
	<u>142,243</u>	<u>113,392</u>

IAN ALLAN GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2020

5. Other operating income

	2020 £	2019 £
Management charges receivable	1,060,500	967,225
Sundry income	4,912	-
	<u>1,065,412</u>	<u>967,225</u>

6. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2020 £	2019 £
Depreciation of tangible assets	34,910	48,258
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>3,675</u>	<u>3,610</u>

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2020 £	2019 £
Wages and salaries	559,751	764,978
Social security costs	61,399	93,467
Cost of defined contribution scheme	27,896	45,518
	<u>649,046</u>	<u>903,963</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2020 No.	2019 No.
Directors	5	5
Administrative staff	6	3
	<u>11</u>	<u>8</u>

IAN ALLAN GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2020

8. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	381,890	686,200
Company contributions to defined contribution pension schemes	10,736	10,149
	<u>392,626</u>	<u>696,349</u>

During the year retirement benefits were accruing to 1 director (2019 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £152,044 (2019 - £277,676).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £10,736 (2019 - £10,149).

9. Income from investments

	2020 £	2019 £
Dividends received from unlisted investments	830,129	5,567,708
	<u>830,129</u>	<u>5,567,708</u>

10. Interest receivable

	2020 £	2019 £
Other interest receivable	9,253	29,341
	<u>9,253</u>	<u>29,341</u>

11. Interest payable and similar expenses

	2020 £	2019 £
Other loan interest payable	6,302	8,422
	<u>6,302</u>	<u>8,422</u>

IAN ALLAN GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2020

12. Taxation

	2020 £	2019 £
Corporation tax		
Current tax on profits for the year	17,840	(7,516)
Adjustments in respect of previous periods	(4,663)	-
	<u>13,177</u>	<u>(7,516)</u>
Total current tax	<u>13,177</u>	<u>(7,516)</u>
Deferred tax		
Origination and reversal of timing differences	117,484	(37,714)
Adjustments in respect of prior periods	(2,383)	-
	<u>115,101</u>	<u>(37,714)</u>
Total deferred tax	<u>115,101</u>	<u>(37,714)</u>
Taxation on profit/(loss) on ordinary activities	<u>128,278</u>	<u>(45,230)</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019 - lower than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	<u>865,434</u>	<u>9,325,403</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	164,432	1,771,827
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	150,814	67,815
Adjustments to tax charge in respect of prior periods	(7,046)	-
Short term timing difference leading to an increase (decrease) in taxation	(1,196)	(2,696)
Non-taxable gains	(157,725)	(1,864,290)
Unrelieved tax losses carried forward	(21,001)	-
Other differences leading to an increase (decrease) in the tax charge	-	(17,886)
Total tax charge for the year	<u>128,278</u>	<u>(45,230)</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

IAN ALLAN GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2020

13. Tangible fixed assets

	Plant and machinery £
Cost	
At 1 December 2019	205,301
Additions	47,503
Disposals	(137,314)
At 30 November 2020	<u>115,490</u>
Depreciation	
At 1 December 2019	129,915
Charge for the year on owned assets	34,910
Disposals	(103,920)
At 30 November 2020	<u>60,905</u>
Net book value	
At 30 November 2020	<u><u>54,585</u></u>
<i>At 30 November 2019</i>	<u><u>75,386</u></u>

IAN ALLAN GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2020

14. Fixed asset investments

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Ian Allan Publishing Limited	Publishers and booksellers	Ordinary	100 %
Ian Allan Motors Limited	Car sales and services	Ordinary	100 %
Tennay Properties Limited	Property managers	Ordinary	100 %
Chase Organics (Great Britain) Limited	Dormant	Ordinary	100 %
Ian Allan (Miniature Railway Supplies) Limited	Miniature railway operator	Ordinary	100 %

The registered office for all of the above is Terminal House, Station Approach, Shepperton, Middlesex, TW17 8AS.

15. Investment property

	Freehold investment property £
Valuation	
At 1 December 2019	1,712,850
Surplus on revaluation	535,150
At 30 November 2020	2,248,000

If the investment property had been accounted for under the historic cost accounting rules, the property would have been measured at £1,851,626 (2019 - £1,889,414).

At each year end the directors form an assessment of the fair value of each investment property and as part of this process may obtain formal valuations for certain properties within the portfolio.

The 2020 valuations were made by Jones Granville, on an open market value for existing use basis.

IAN ALLAN GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2020

16. Debtors

	2020 £	2019 £
Trade debtors	443	4,616
Amounts owed by group undertakings	4,185,399	3,910,691
Other debtors	60,439	4,468
Prepayments and accrued income	6,149	30,667
	<u>4,252,430</u>	<u>3,950,442</u>

17. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	6,227	21,417
Amounts owed to group undertakings	-	86,009
Corporation tax	-	16,435
Other taxation and social security	50,510	46,388
Other creditors	389,671	625,760
Accruals and deferred income	81,798	103,310
	<u>528,206</u>	<u>899,319</u>

Included within other creditors and accruals are amounts totalling £371,424 which are secured on the value of the Company's investment property.

The Company has provided Lloyds Bank plc with an omnibus guarantee to secure the bank borrowings of other companies within the group. At the year end no net borrowings existed with the bank, therefore there are no secured debts.

18. Deferred taxation

	2020 £	2019 £
At beginning of year	(46,482)	32,614
Charged to profit or loss	(115,101)	37,714
Arising on business combinations	-	(116,810)
At end of year	<u>(161,583)</u>	<u>(46,482)</u>

IAN ALLAN GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2020

18. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Fixed asset timing differences	(173,958)	(58,120)
Short term timing differences	12,375	11,638
	<u>(161,583)</u>	<u>(46,482)</u>

19. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
99,864 (2019 - 99,864) Ordinary D shares shares of £0.25 each	24,966	24,966
99,864 (2019 - 99,864) Ordinary P shares shares of £0.25 each	24,966	24,966
	<u>49,932</u>	<u>49,932</u>

Each share type is entitled to one vote in any circumstances and ranks equally in dividends and distributions.

20. Reserves

Share premium account

The amount in the share premium account represents the additional amount shareholders paid for their issued shares that was in excess of the par value of those shares.

Profit and loss account

This account records retained earnings and accumulated losses.

21. Pension commitments

The Company operates a defined contribution pension plan. The total unpaid commitments at the year end was £1,604 (2019 - £4,023).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2020

22. Related party transactions

The Company has taken the availability of Section 33 of FRS 102 from disclosing transactions with Group companies.

The Company holds loans from David and Paul Allan's Children's Trusts of £Nil (2019 - £89,637). Interest is payable at 1% above base rate. At the year end there was interest accrued on these loans of £11,135 (2019 - £10,382).

Included within other creditors are balances due to close family members of directors totalling £334,083 (2019 - £517,494). Interest accrues on these balances at 1% above the Bank of England base rate, resulting in an interest charge of £5,845 for the year ended 30 November 2020 (2019 - £6,782). At the year end, unpaid interest on these balances totalled £37,341 (2019 - £31,792) and was included within accruals.

Included within other creditors is a balance of £39,379 (2019 - £89,637) owed to a family trust in which some of the Company's directors are beneficiaries. Interest accrues on this balance at 1% above the Bank of England base rate, resulting in an interest charge of £753 for the year ended 30 November 2020 (2019 - £182). At the year end, unpaid interest on this balance totalled £11,135 (2019 - £10,382) and was included within accruals.

23. Controlling party

As of 1 June 2020, the immediate and ultimate parent company is IAGP Limited, a company incorporated in England and Wales.

Copies of the consolidated financial statements of IAGP Limited can be obtained from Terminal House, Station Approach, Shepperton, Middlesex, TW17 8AS.

This is the largest and smallest group of undertakings for which consolidated financial statements are available.

Up to 1 June 2020, the Company was under the control of D.I. Allan, E.P. Allan and their families. As of 1 June 2020, there is no one controlling party.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.