SUZUKI GB PLC

Report and Financial Statements

31 March 2022

Company Number: 00768587

Registered Office
Steinbeck Crescent
Snelshall West
Milton Keynes
Buckinghamshire
MK4 4AE

CONTENTS

STRATEGIC REPORT

The Directors present their Strategic Report of the Company for the year ended 31 March 2022.

Business Overview

The Company's results for the year show a profit before tax of £23,328k (2021: £9,290k) and total comprehensive income of £20,909k (2021: £9,104k). This increase primarily arose in Automobile, with lower stock availability reducing the need for sales campaigns and marketing expenditure.

Objectives and strategy of the Company

The Company's objectives are to maximise the long-term value and revenue streams for its shareholder, to create secure and rewarding employment for its employees and to provide its customers with quality, reliable and fuel-efficient products that are value for money.

Operational performance and key performance indicators

The Directors use a number of Key Performance Indicators (KPIs) in order to judge the effectiveness of their strategies and overall management of the business. These KPIs are monitored for each division by local management against budgets and prior periods and include:

- Vehicle Units Sold	Change
- Market Share	%

A summary of these KPIs are given below for each division in turn.
Comparisons for Automotive and Motorcycle are based on calendar year as this is the standard for automotive industry statistics.

Automobile Division

The UK car market registered 1.65m new cars in the calendar year 2021 (2020: 1.63m). This represented an increase of c. 1% over the previous year with the industry's recovery from Covid-19 lockdowns hampered by the supply impact of the global computer chip shortage.

Suzuki's volume increase of c.6% was more than the overall market with total registrations of 20,976 units (2020: 19,838 units) due to changes in the model line-up. This represented an increased 1.27% market share (2020: 1.22%).

Motorcycle Division

The overall UK motorcycle market decreased by 8.6% during 2021, against which Suzuki saw a 39% decrease in volume to 2,750 units (2020: 4,506 units). Suzuki's share of the Japanese manufacturers' share of the UK market decreased to 6.8% (2020: 11.9%).

Marine Division

Suzuki saw a 26% increase in UK unit sales in the 2021/22 year to 2,363 units (2020/21: 1,878).

Dividend Received from Suzuki Financial Services Ltd (SFS)

2021/22 saw dividend income received from our associated undertaking SFS of £6,958k (2021:£6,957k).

Principal Risks and uncertainties

The Directors consider as the principal risks and uncertainties faced by the Company to be any event which could lead to a disruption in the supply of products to the UK and Irish markets, or to a significant decrease in the demand in said products in the UK and Irish markets. Such events might include, but would not be limited to, global pandemics, natural disasters, global unrest, economic downturns, and oil production disruption. The company mitigates these risks through regular review of the vehicle supply chain and the ongoing product development carried out by Suzuki Motor Corporation.

STRATEGIC REPORT (continued)

Potential Risks arising due to the UK's exit from the European Union

The Directors have considered the implications arising as a result of the UK's departure from the European Union ("EU"). While to a certain extent the impact on the Company has been partially mitigated as the majority of its products are sourced from outside the EU, some risks still remain. These include the impact on customs and other import procedures, fluctuations in the value of Sterling and the impact on consumer confidence. In addition, the extent of any future impacts will vary depending on the exact long-term nature of the UK's future trading relationship with the EU. The Directors will continue to monitor the potential risks arising and take mitigating actions where possible.

Potential Risks arising due to the Covid-19 Pandemic

This year the periods of lockdown due to the Covid-19 pandemic presented the Board with significant challenges. The closure of parts of our dealer network for periods during the year had a significant impact on our business. The actions we took during this period included:

a) continuing to actively engage with our dealer network during this challenging time; and
b) revising our sales forecast to take account of the restrictions in supply.

Going Concern

The economic outlook clearly remains challenging, but sales activity in 2021/22 has been positive, despite the reduced product availability. In this context the Board have made long-term cash flow projections allowing for different future trading scenarios. Based on these projections the Board is confident that sufficient funding lines are available to SGB and that adopting a Going Concern basis for these accounts is appropriate.

The financial statements are prepared on a going concern basis. For a discussion of why the directors believe this to be appropriate please refer to note 1.

Section 172 Statement

Section 172 of the Companies Act 2006 requires each director to act in a way they consider, in good faith, would most likely promote the success of the Company for the benefit of its shareholders. In doing this, the director must have regard, amongst other matters, to:

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

The Company Directors have delegated these responsibilities to the Board of Directors who generally meet at least weekly. The Board of Directors have complied with these requirements. For example, open and constructive dialogue with our employees and other key stakeholders is critical to inform the Board's decisions in both the short and long term. An example of this is our employee forum, attended by both senior management and employee representatives. Also, while the Board has overall responsibility for managing relationships with all our stakeholders, our divisional set up allows for more effective stakeholder engagement, particularly with our key partners within our dealer network and third party suppliers. Weekly meetings of the Board provide a regular forum for the timely raising of issues for discussion, including periodic attendance from our internal audit function who report directly to the Board.

Future Outlook

The market sectors that the Company operates in remain both competitive and innovative. The Company's parent company is committed to the sustained development and production of new products to meet consumer demands. The ongoing war in Ukraine continues to have an impact on supply chains for many motor manufacturers and the Directors will continue to monitor the impact and adapt plans as appropriate.

BY ORDER OF THE BOARD

DocuSigned by:
Martin Lloyd
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M Lloyd

Secretary

27 September 2022

DIRECTORS' REPORT

The Directors present their annual report and the audited financial statements for the year ended 31 March 2022.

INTRODUCTION AND OVERVIEW

Suzuki GB PLC is an unlisted public limited company incorporated in England & Wales with registered number 00768587.

The principal activity of the Company is the importation and distribution of automobiles, motorcycles, marine engines, and associated parts, manufactured by Suzuki Motor Corporation and its affiliates. There has been no significant change in these activities during the period, and the Directors have no plans to change them significantly in the foreseeable future.

DIRECTORS

The Directors who served during the year and up to the date of this report were:

N Suyama

T Suzuki

DIVIDEND

The Directors propose a final ordinary dividend in the respect of the current financial year of £22,237k (2021: £nil).

EMPLOYEES

It is Company policy to provide employees with information concerning their roles and responsibilities and the trading performance of the Company. This policy is to ensure opportunities are available at every level to improve employees' and corporate performance. Regular meetings are held which involve Directors, managers and employees.

CHARITABLE AND POLITICAL DONATIONS

The Company made charitable donations of £105,913 (2021: £17,592).

No political donations were made in the year (2021: £nil).

DISABLED PERSONS

The Company continues to recognise its social and statutory duty to employ disabled persons and will do all that is practicable to meet this responsibility.

Full consideration will be given to the recruitment of disabled persons, where a disabled person can adequately fulfil the requirements of the job. If an employee becomes disabled, they will continue wherever possible to be employed in the same job. If this action is not practicable or possible, then every effort will be made to find a suitable alternative employment.

BRANCHES OUTSIDE THE UK

In the Republic of Ireland the Company is represented by a branch of Suzuki GB PLC.

This branch is located in the Republic of Ireland and imports and distributes Suzuki motor vehicles.

DISCLOSURE OF INFORMATION TO AUDITORS

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

DIRECTORS' REPORT (continued)
STREAMLINED ENERGY & CARBON REPORTING ("SECR")

Consumption (kWh) and Greenhouse Gas emissions (tCO2e) Totals

The following figures for 2021/22 summarise the reporting for the third year that the Company has been required to report this information following the introduction in 2019/20.

Scope 1 consumption and emissions relate to direct combustion of natural gas, and fuels utilised for transportation operations such as company vehicle fleets.

Scope 2 consumption and emissions refer to indirect emissions relating to the consumption of purchased electricity in day-to-day business operations.

Totals

The total consumption (kWh) figures for energy supplies reportable by the Company are as follows:

Utility & Scope	2021/22 UK Consumption (kWh)	2020/21 UK Consumption (kWh)
Grid-Supplied Electricity (Scope 2)	720,841	706,768
Gaseous & Other Fuels (Scope 1)	673,771	624,952
Transportation	594,682	730,820
Total	1,989,294	2,062,540

The total emission (tCO2e) figures for energy supplies reportable by the Company are as follows:

Utility & Scope	2021/22 UK Consumption (tCO2e)	2020/21 UK Consumption (tCO2e)
Grid-Supplied Electricity (Scope 2)	153	165
Gaseous & Other Fuels (Scope 1)	123	115
Transportation	138	173
Total	414	453

Intensity Metric

An intensity metric of tCO2e per full-time equivalent (FTE) has been applied for the annual total emissions of the Company, as shown below:

Intensity Metric	2021/22 UK Intensity Metric	2020/21 UK Intensity Metric
tCO2e / FTE	2.84	2.87

Energy Efficiency Improvements

The Company is committed to year-on-year improvements in their operational energy efficiency. A register of energy efficiency measures available to the Company has been compiled, with a view to implementing these measures in the next 5 years.

Measures ongoing and undertaken through 2021/22:

The Company has committed to upgrading all lighting on site to LEDs, on a 20% of site per year basis. 20% of the site had LED lighting installed in the reporting period, 98% of the internal lighting is now LED. The Company has also upgraded the new MW2 electricity monitoring online platform which allow for detailed reports to be run in real time and therefore managed consumption better.

DIRECTORS' REPORT (continued)
STREAMLINED ENERGY & CARBON REPORTING ("SECR") (Continued)

Measures prioritised for implementation in 2022/23:

Upgrade of the outside lighting to LEDs to reduce consumption and installation of 6 EV charging points.

Reporting Methodology
Scope 1 and 2 consumption and CO2e emission data has been calculated in line with the 2019 UK Government environmental reporting guidance, including appropriate Emission Factor Databases. All consumption data for the Company was complete for the reporting year, and as such no estimations were required. Intensity metrics have been calculated utilising the 2021/22 & 2020/21 reportable figures for FTE, and tCO2e for both individual sources and total emissions were then divided by this figure to determine the tCO2e per metric.

BY ORDER OF THE BOARD

DocuSigned by:
MARTIN LLOYD
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M Lloyd
Secretary
27 September 2022

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 and then apply them consistently;
- make judgements and 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SUZUKI GB PLC

Opinion

We have audited the financial statements of Suzuki GB PLC ("the company") for the year ended 31 March 2022 which comprise the Profit and Loss Account, Statement Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and related notes, including the accounting policies.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet profit and sales volume targets, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular:

- the risk that external automobile revenue is overstated through recording revenues in the wrong period.
- the risk that management may be in a position to make inappropriate accounting entries.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SUZUKI GB PLC *(continued)*

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included revenue and cash journals posted to unrelated accounts and journals with narrative explanation containing specific words.
- Comparing a sample of external automobile revenue transactions to supporting documentation to assess whether revenue had been recorded in the correct period.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards),and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly the company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, data protection laws and employment law recognising the nature of the company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SUZUKI GB PLC *(continued)*

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 6, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

David Simpson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Challenge House
Sherwood Drive
Bletchley
Milton Keynes
United Kingdom
MK3 6DP
Date: 29 September 2022

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Year ended 31st March 2022 £'000	Year ended 31st March 2021 £'000 *Restated**
Turnover	1	437,325	366,201
Cost of sales		(384,044)	(324,521)
Gross profit		53,281	41,680
Selling, Distribution and Marketing costs		(27,360)	(29,659)
Administrative expenses		(8,960)	(8,500)
Operating profit	2	16,961	3,521
Dividend received	8	6,958	6,957
Interest payable	4	(741)	(992)
Interest receivable	4	6	20
Other non-operating income / (expenditure)		144	(216)
Profit on ordinary activities before tax		23,328	9,290
Tax charge on profit on ordinary activities	5	(2,574)	(174)
Profit for the financial year		20,754	9,116

STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31st March 2022 £'000	Year ended 31st March 2021 £'000
Profit for the period	20,754	9,116
Exchange difference on retranslation of net assets of branch undertaking	155	(12)
Total comprehensive income for the period	20,909	9,104

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

**Refer to page 14 – Prior Year Adjustments for details of the restatement.*

BALANCE SHEET AT 31 MARCH 2022

	Notes	31st March 2022 £'000	31st March 2021 £'000
Fixed assets:			
Intangible assets	6	1,183	1,348
Tangible assets	7	9,769	10,257
Investments	8	5	5
		10,957	11,610
Current assets:			
Stocks	9	68,311	151,186
Debtors	10	31,584	35,651
Cash at bank and in hand		97,670	3,526
		197,565	190,363
Creditors: amounts falling due within one year	12	(122,017)	(136,304)
Net current assets		75,548	54,059
Total assets less current liabilities		86,505	65,669
Creditors: amounts falling due after more than one year	13	(140)	(213)
Net assets		86,365	65,456
Capital and reserves:			
Called up share capital	14	12,000	12,000
Profit and loss account		74,365	53,456
Shareholders' funds		86,365	65,456

Approved by the Board of Directors on 27 September 2022

DocuSigned by:
Nobuo Suyama
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N Suyama
Director
Company Number : 00768587

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

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2022

	Called up share capital £'000	Profit and loss account £'000	Total Equity £'000
At 31st March 2020	12,000	44,352	56,352
Profit for the financial period	-	9,116	9,116
Exchange movements	-	(12)	(12)
At 31st March 2021	12,000	53,456	65,456
Profit for the financial period	-	20,754	20,754
Exchange movements	-	155	155
At 31st March 2022	12,000	74,365	86,365

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

CASH FLOW STATEMENT
FOR YEAR ENDED 31 MARCH 2022

	31st March 2022 £'000	31st March 2021 £'000
Cash flows from operating activities		
Profit before tax	23,328	9,290
Adjustments for:		
Depreciation, amortisation and impairment	1,138	1,119
Foreign exchange loss / (gain)	(110)	101
Interest receivable and similar income	(6)	(20)
Interest payable and similar charges	741	992
Dividends received	(6,958)	(6,957)
Loss on sale of fixed assets	45	127
	18,178	**4,652**
Decrease / (Increase) in trade and other receivables	4,223	(10,328)
Decrease / (Increase) in inventories	82,875	(24,666)
(Decrease) in trade and other payables	(9,305)	(32,614)
Cash from operations	**95,971**	**(62,956)**
Interest paid	(517)	(882)
Tax paid	(1,876)	(224)
Net cash from operating activities	**93,578**	**(64,062)**
Cash flows from investing activities		
Proceeds from sale of tangible fixed assets	-	11
Interest received	6	20
Dividends received	6,958	6,957
Acquisition of fixed assets	(531)	(1,727)
Net cash from investing activities	**6,433**	**5,261**
Cash flows from financing activities		
Interest paid	(186)	(157)
Short term loan (repayment) / received	(5,600)	5,600
Payment of lease liability	(81)	(80)
Net cash from financing activities	**(5,867)**	**5,363**
Net (decrease) / increase in cash and cash equivalents	**94,144**	**(53,438)**
Cash and cash equivalents at 1 April	**3,526**	**56,964**
Cash and cash equivalents at 31 March	**97,670**	**3,526**

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

ACCOUNTING POLICIES

Suzuki GB PLC (the "Company") is a company limited by shares and incorporated and domiciled in the UK, with a branch in the Republic of Ireland.

These financial statements were prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). 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 are prepared on the historical cost basis with the exception of financial instruments which are stated at fair value through the Profit & Loss account.

Prior Year Adjustment

In the prior period sales bonuses, rebates and discount arrangements were included within cost of sales. To appropriately reflect the required accounting treatment under FRS102 these have been adjusted to be deducted from turnover. The impact of this adjustment on the 31 March 2021 financial statements is to decrease Turnover by £53,009k and decrease Cost of sales by £53,009k. There is no impact of the adjustment on gross profit, profit for the financial year, net assets or cash flows.

Going Concern

The financial statements are prepared on a going concern basis which the directors believe to be appropriate for the following reasons. The Company has net assets of £86.4m as at 31 March 2022, having made a profit after tax for the year of £20.8m, has a cash balance of £97.7m as at 31 March 2022 and achieved net cash from operating activities of £93.6m for the year then ended.

The Company has available a £50m revolving credit facility with an external lender which is up for renewal by 30 April 2023. This is a revolving credit facility which the Company is able to draw down during the period and can apply for a 12-month extension on expiry of the current agreement. This facility has been renewed by the bank historically and management have no reason not to expect it to be renewed in the future.

The Directors prepared cash flow forecasts for the period to 31 December 2023 to support their assessment of a 12 month look forward period, which indicate that the Company will have sufficient funds to meet its liabilities as they fall due.

In addition, the directors have also prepared a severe but plausible downside scenario reflecting a growth rate for automobile sale in 2023 in line with SMMT total market growth forecasts, which is significantly lower that the Company's forecast growth rate. This forecast scenario assumes no cost reduction measures other than accounting for the additional reduction in purchase costs associated with the further reduced sales. In this severe but plausible downside scenario, the Company will have the resource to continue to trade and fund its activities out of existing cash balances and working capital cash flows, without reliance on the revolving credit facility available from the external lender.

Consequently, the directors are confident that the Company will have sufficient funds to continue in operational existence and to meet their liabilities as they fall due for at least 12 months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

Turnover

Turnover represents the value of motor vehicles registered or otherwise adopted by the purchaser during the year and the invoiced amount of other goods delivered to or collected by customers within the United Kingdom and Republic of Ireland. Turnover is measured as the fair value of consideration received or receivable and is stated net of trade and other discounts, rebates and VAT. In addition the Company also generates turnover through exports of vehicles and parts, predominantly to other companies within the group headed by Suzuki Motor Corporation.

Stocks

Stocks, which include motor cars on consignment to dealers, are stated at the lower of cost and net realisable value. Cost includes the purchase price plus the direct costs of importation and transport from the manufacturer. Amounts received relating to consignment stocks in advance of sales are classified as deferred income in the Balance Sheet since, in the normal course of business, they will not be refunded prior to recognition of the sales revenue in the financial statements.

ACCOUNTING POLICIES (continued)

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

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 taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less tax.

Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currency translation

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

The assets and liabilities of foreign operations are translated to the Company's presentational currency, Sterling, at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Foreign exchange differences arising on retranslation are recognised in other comprehensive income.

Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings. The company assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives.

Estimated useful lives are:

Buildings		25 years
Motor vehicles		5 years
Plant and equipment	Fixtures and fittings	10 years
	All other plant and equipment	5 years

Freehold land is not depreciated.

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since the last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

ACCOUNTING POLICIES (continued)

Intangible Fixed Assets

Intangible fixed assets, such as software development costs, are stated at cost less accumulated amortisation and accumulated impairment losses.

Research and development

Expenditure on research activities is recognised in the profit and loss account as an expense as incurred.

Expenditure on development activities may be capitalised if the product or process is technically and commercially feasible and the Company intends and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the Company can measure reliably the expenditure attributable to the intangible asset during its development. Development activities involve design for, construction or testing of the production of new or substantially improved, products or processes. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads and capitalised borrowing costs. Other development expenditure is recognised in the profit and loss account as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and less accumulated impairment losses.

Amortisation is charged to the profit or loss on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets are amortised from the date they are available for use over an estimated useful life of five years.

Basic financial instruments

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.
Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Investments in preference and ordinary shares

Investments in equity instruments are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through profit and loss. Subsequent to initial recognition investments that can be measured reliably are measured at fair value with changes recognised in profit or loss. Other investments are measured at cost less impairment in profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Leasing

Rentals payable under operating leases are taken to the profit and loss account on a straight-line basis over the term of the lease.

Pension Costs

The company makes contributions on behalf of employees into a defined contribution plan.

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

ACCOUNTING POLICIES (continued)

Related Party Transactions

As all of the company's voting rights are controlled within the Group headed by Suzuki Motor Corporation (see note 16), the Company has taken advantage of the exemption contained in FRS102.33.1A and has therefore not disclosed transactions or balances with entities which wholly owned subsidiaries of the Group.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires the Company's management to exercise judgements and make estimates in applying the Company's accounting policies. These judgements and estimates impact the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

a) Critical judgements in applying the Company's accounting policies:
   The Company did not have any critical judgements that may have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year.
b) Key source of estimation uncertainty:

   Deferred Tax
   Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits. While it is not considered that this area presents a significant risk of material adjustment, it does represent an area of key focus for management.

NOTES TO THE FINANCIAL STATEMENTS AT 31ST MARCH 2022

1. Segmental analysis

The Company's revenue is generated through the sale of goods, and therefore no further analysis is required.

2. Operating profit

	Year ended 31st March 2022 £'000	Year ended 31st March 2021 £'000
Operating profit is stated after charging:		
Auditor's fees		
- audit of these financial statements	115	101
- services relating to taxation	28	10
Depreciation charge for the period	730	738
Amortisation charge for the period	408	381
Loss on disposal of fixed assets	45	127

3. Directors' and employees' emoluments

The remuneration of the Directors was paid by the parent company for which the Company was recharged £239,114 (2021: £239,398).

The average number of employees for the Company during the period engaged in the following activities was:

	Year ended 31st March 2022 No.	Year ended 31st March 2021 No.
Sales and distribution	110	114
Administration and finance (including 1 Director)	31	29
Warehouse	19	20
	160	163

NOTES TO THE FINANCIAL STATEMENTS AT 31ST MARCH 2022 (continued)

3. Directors' and employees' emoluments (continued)

Staff costs during the period for the Company, which include Directors' emoluments, are analysed as follows:

	Year ended 31st March 2022 £'000	Year ended 31st March 2021 £'000
Salaries	8,500	9,369
Social security costs	907	912
Pension costs	574	579
JRS - Government Grant	(2)	(431)
	9,979	10,429

4. Interest payable and receivable

Interest payable:	Year ended 31st March 2022 £'000	Year ended 31st March 2021 £'000
Bank	185	157
Associated undertaking	404	583
Parent	139	232
Other	13	20
	741	992

Interest receivable:	Year ended 31st March 2022 £'000	Year ended 31st March 2021 £'000
Bank	6	20
	6	20

NOTES TO THE FINANCIAL STATEMENTS AT 31ST MARCH 2022 (continued)

5. Taxation

Total tax expense recognised in the profit and loss account, other comprehensive income and equity

	Year ended 31st March 2022 £'000	Year ended 31st March 2021 £'000
UK Corporation Tax		
UK Corporation Tax on profits for the period	2,830	113
Adjustments in respect of previous periods	(80)	(50)
Irish Corporation Tax		
Irish Corporation Tax on profits for the period	-	1
Total Current Year Tax Charge	2,750	64
Deferred Taxation		
UK Deferred Tax charge current year movement	(259)	58
UK Deferred Tax charge prior year movement	83	52
Total Tax	2,574	174

	Year ended 31st March 2022			Year ended 31st March 2021		
	Current Tax £'000	Deferred Tax £'000	Total Tax £'000	Current Tax £'000	Deferred Tax £'000	Total Tax £'000
Recognised in profit and loss account	2,750	(176)	2,574	64	110	174
Total Tax	2,750	(176)	2,574	64	110	174

NOTES TO THE FINANCIAL STATEMENTS AT 31ST MARCH 2022 (continued)

5. Taxation (continued)

Reconciliation of tax charge

The tax assessed on the profit on ordinary activities for the period is lower (2019: lower), than the standard rate of Corporation Tax in the UK. The differences are explained below:

	Note	2022	2021
		£'000	£'000
Profit on ordinary activities before tax		23,328	9,290
Current Tax at 19% (2021: 19%)		4,432	1,765
Effect of :			
Disallowable expenses and non-taxable income		(486)	(272)
Impact of rate change on current year deferred tax		(53)	-
Current tax adjustments in respect of previous periods		(80)	(50)
Deferred tax adjustments in respect of previous periods		83	52
Tax adjustments for dividends received		(1,322)	(1,322)
Withheld Income Tax		-	1
Total tax charge included in profit & loss		2,574	174

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020.
An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the company's future current tax charge accordingly. The deferred tax asset at 31 March 2022 has been calculated based on these rates, reflecting the expected timing of reversal of the related temporary/timing differences (2020: 19%).

NOTES TO THE FINANCIAL STATEMENTS AT 31ST MARCH 2022 (continued)

6. Intangible fixed assets

Company

	Software development £'000
Cost:	
At 31st March 2021	3,472
Additions	287
Disposals	(415)
At 31st March 2022	3,344
Amortisation:	
At 31st March 2021	2,124
Charge for the period	408
Disposals	(371)
At 31st March 2022	2,161
Net book value:	
At 31st March 2022	1,183
At 31st March 2021	1,348

7. Tangible fixed assets

Company

	Motor vehicles £'000	Plant and equipment £'000	Freehold land and buildings £'000	Total £'000
Cost:				
At 31st March 2021	358	4,583	14,752	19,693
Additions	18	226	-	244
Disposals	-	(271)	-	(271)
At 31st March 2022	376	4,538	14,752	19,666
Depreciation:				
At 31st March 2021	224	3,438	5,774	9,436
Charge for the period	39	323	368	730
Disposals	-	(269)	-	(269)
At 31st March 2022	263	3,492	6,142	9,897
Net book value:				
At 31st March 2022	113	1,046	8,610	9,769
At 31st March 2021	134	1,145	8,978	10,257

NOTES TO THE FINANCIAL STATEMENTS AT 31ST MARCH 2022 (continued)

8. Fixed asset investments

Company

	Associated undertaking £'000	*Total* £'000
Cost:		
At 1st April 2021 and at 31st March 2022	5	5

Shares in the associate undertaking Suzuki Financial Services Limited are unlisted and the investment is stated at cost. The investment represents 100% of the issued ordinary B share capital of Suzuki Financial Services Limited ("SFS"). These rank pari passu with the ordinary A share capital except the A shares carry the right to appoint the Chairman and Secretary. The total investment represents 49% of the total issued share capital. SFS is registered in England and Wales.

Registered address: St William House, Tresillian Terrace, Cardiff, CF10 5BH.

The principal activity of the company is the provision of instalment credit finance and loans and advances principally for new and used Suzuki vehicles. Black Horse Group Limited owns 51% of the issued share capital.

In the year a dividend was received from SFS of £6,958k (2020/21: £6,957k).

9. Stocks

	31st March 2022 £'000	31st March 2021 £'000
Finished goods and goods for resale	68,311	151,186

Included within the company stock balance is £18.8m of consigned stock (March 2021: £49.8m)

10. Debtors

	31st March 2022 £'000	31st March 2021 £'000
Trade debtors	17,820	19,042
Amounts due from associate	3,681	4,981
Amounts due from other group undertakings	-	85
Other debtors	6,220	5,566
Deferred tax asset	429	253
Prepayments	3,434	1,850
VAT receivable	-	3,854
Corporation tax receivable	-	20
	31,584	35,651

NOTES TO THE FINANCIAL STATEMENTS AT 31ST MARCH 2022 **(continued)**

11. Deferred tax asset

	£'000
Balance as at 31st March 2021	253
Charge to profit and loss account	175
Balance as at 31st March 2022	429

The elements of deferred taxation are as follows:

	Company 31st March 2022 £'000	Company 31st March 2021 £'000
Accelerated capital allowances	82	239
Other timing differences	346	14
Deferred tax asset	428	253

12. Creditors: amounts falling due within one year

		Company 31st March 2022 £'000	Company 31st March 2021 £'000
Bank loans and overdrafts		-	5,600
Trade creditors	- parent undertaking	56,799	42,268
	- other Group undertakings	596	-
	- third parties	14,360	19,735
Taxes and social security costs		11,613	3,828
Corporation Tax payable		854	-
Other creditors		455	255
Accruals and deferred income		18,573	14,799
Deferred income - associated undertaking		18,767	49,819
		122,017	136,304

NOTES TO THE FINANCIAL STATEMENTS AT 31ST MARCH 2022 (continued)

13. Finance leases

Finance lease liabilities are payable as follows:

	31st March 2022 £'000	31st March 2021 £'000
Less than one year	73	69
Between one and five years	140	213
More than five years	-	-
	213	282

14. Called-up share capital

	Issued, allotted and fully paid 31st March 2022 £'000	Issued, allotted and fully paid 31st March 2021 £'000
12,000,000 Ordinary shares of £1 each	12,000	12,000

15. Operating leases

Non-cancellable operating lease rentals are payable as follows:

	31st March 2022 £'000	31st March 2021 £'000
Less than one year	25	7
Between one and five years	6	13
More than five years	-	-
	31	20

During the year £7k was recognised as an expense in the profit and loss account in respect of operating leases (2021: £7k).

16. Ultimate parent undertaking

At 31st March 2022 the Company's ultimate parent undertaking was Suzuki Motor Corporation ("SMC"), a company incorporated in Japan. SMC is the largest and the smallest group in which the Company's results are disclosed.

Copies of the consolidated financial statements of SMC are available from Suzuki Motor Corporation of Japan, 300 Takatsuka-cho, Minami-ku, Hamamatsu City, Japan.

17. Ultimate controlling party

The ultimate controlling party is considered to be Suzuki Motor Corporation by virtue of its shareholding.