

Keltruck Limited

REPORT AND FINANCIAL STATEMENTS

31 December 2022

Company Registration No. 02880543

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Keltruck Limited

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Keltruck Limited

COMPANY INFORMATION

DIRECTORS

RM Warner
DS Morgan
TA Joynes
CD Kelly

SECRETARY

AA Kokinis

REGISTERED OFFICE

Kenrick Way
West Bromwich
West Midlands
B71 4JW

AUDITOR

RSM UK Audit LLP
Chartered Accountants
Festival Way
Stoke-on-Trent
Staffordshire
ST1 5BB

BANKERS

HSBC Bank PLC
Building 2
Etruria Office Village
Forge Lane
Festival Park
Stoke-on-Trent
ST1 5RQ

Keltruck Limited

STRATEGIC REPORT

STRATEGIC OBJECTIVES

The Company operates in the heavy truck market which is defined by the SMMT (Society of Motor Manufacturers and Traders) as vehicles with a GVW (gross vehicle weight) beyond 15,000kg. The Company is part of the franchise dealer network supporting the manufacturer Scania which provides vehicles from 18,000kg GVW. We continue to offer a broad range of services to our customers and look to develop new opportunities within the industry sector.

BUSINESS REVIEW

The UK market for heavy truck registrations was anticipated to increase during 2022 following a period of lower sales activities during 2021.

The used vehicle market was anticipated to remain static in terms of volumes. Values were expected to increase due to stock availability. The Company's objective was to maintain an inflow of quality used vehicle stock and maintain gross margins.

Despite past growth in the franchised vehicle market within aftersales the Company anticipated that both franchise and non-franchise parts sales as well as service hours sold would return to pre pandemic levels and remain static as a result of continuous product reliability. Both departments were challenged with improving their return on sales through continuous improvement in productivity, efficiencies and recovery rates.

Turnover increased significantly over the prior year reaching £238.7m. Service hours saw an increase of 3% and are now in line with pre pandemic levels, whilst parts sales values increased by 15% over the prior year. Overall new vehicle volumes saw an increase following a reduction in the prior year. Whilst our forward order book remains very strong, vehicle production continued to be hindered by component supply following the pandemic and subsequent war in Ukraine. Due to the mix of business overall gross margin per unit decreased as a percentage of sales.

Used vehicle volumes increased by 3% on the prior year. Gross Margin overall across a wide range of used vehicles also increased over the prior year. Both driven by market conditions and the long lead times associated with new vehicle supply. It is our expectation that this trend will continue until such time as new vehicle supplies return to normal.

Aftersales service turnover saw an increase of 10% on that seen in the prior year, whilst net margin percentage declined by 2.8%, driven by market conditions and associated employment costs. Parts gross margin percentage increased by 1.4%. The Company has set specific efficiency improvement targets for both the service and parts operations, which management monitor closely.

The business continued to monitor overheads however market conditions driving the cost of utility supplies and the labour market increased administration expenses across the Company.

The Company increased its stock holding position in the year due to (a) the timing of new vehicle deliveries, (b) used vehicle values and requirements and (c) price increases applied.

Trade creditors outstanding at the year end increased in line with the uplift in stock valuations. Investment in plant and equipment, financed through finance leases also increases overall creditors in the year.

Debtors outstanding at the year end increased due to higher levels of turnover. The Company's cash position remains strong.

Management continue to monitor closely non-financial key performance indicators (KPIs). Specific targets for continuous improvement – covering areas such as technical training, customer care programmes as well as other Dealer Operating Standards – are set annually by the manufacturer and reviewed on a quarterly

Keltruck Limited

STRATEGIC REPORT

BUSINESS REVIEW (continued)

basis by management. These KPIs are measured via a Dealer Development Agreement. The Company again saw an overall improvement on the prior year as reported by the manufacturer. Management also monitor closely other internal KPIs such as employee head count and levels of staff turnover.

FINANCIAL KEY PERFORMANCE INDICATORS

The Company has continued to generate profits in line with recent years despite the market changes and the factors following a global pandemic and the war in Ukraine described above with the main financial indicators:

	2022	2021
Turnover	£238.7m	£164.4m
Pre-tax profit	£11.2m	£8.9m
EBIT	4.64%	5.38%
EBITDA	£12.37m	£10m

FUTURE DEVELOPMENTS

Despite a healthy forward order-book for new vehicles we anticipate this area of the business will remain static until such time as product availability and long lead times return to pre pandemic levels. Used vehicle volumes and margin we anticipate will continue at current levels until such time as new vehicle availability resumes. Our objective remains to source quality used vehicle stock.

The forecast for aftersales is for service revenues and overall parts sales to increase due to an operating older vehicle parc, whilst also continuing to optimise on margin retention through continuous improvement of productivity and efficiencies. Activity levels and customer confidence remain strong and the Company remains well placed to take advantage of any market opportunities that may be presented.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk to the Company is the reliance on a single manufacturer franchise for the majority of business activities. In February 2014 the Company entered into new franchise agreements with Scania (Great Britain) Limited in respect of sales of new Scania vehicles, and as an authorised repairer. While such agreements are subject to revision the directors see no reason why they should not continue for the foreseeable future. New updated agreements are currently being negotiated.

The commercial vehicle sector remains competitive both locally and nationally. The Company strives to give a premium service and as such gain an advantage over its competitors.

Despite the constraints on new vehicle supplies our competitors are also experiencing the same. We do therefore anticipate that we will remain competitive within our market sector. Global shortages for new vehicle supplies will limit the volume of build slots available to us for 2023 and as such will impact on turnover. We continue to work closely with Scania and are kept informed regarding market changes, product manufacture and development.

The business is mindful of the welfare of its staff and continues to adhere to all applicable Government guidance.

Keltruck Limited

STRATEGIC REPORT

GOING CONCERN

The business continues to prepare a 3 year rolling forecast for stakeholders which endeavours to capture market sensitivities.

The business has adequate financial headroom, funded by its cash reserves and overdraft facility. The overdraft is renewable on an annual basis with the next renewal due July 2023. There is no foreseeable reason why this would not be renewed if required. The adoption of new vehicle stock is supported by a manufacturer floor plan facility.

SECTION 172(1) STATEMENT

The Company is committed to conducting business with integrity and in a socially responsible and sustainable way and expects its suppliers and customers to share in this commitment.

The Company places significant trust in its core values as identified by both management and by employees. Our values of caring, integrity, professionalism and dependability form the building blocks of our code of conduct. The code of conduct is important to us as it creates a framework which reflects how we can deal with different business situations and organisations, helping us to ensure that we do things in the correct way following laws and regulations but also that we follow our values and principles. These values can assist management in decision making, for example the selection of preferred suppliers and contractors or engaging with new customers.

Our code of conduct touches all areas of the business be that in the workplace, in society or with our business partners and covers our expectations around legal compliance, social and environmental sustainability, and business ethics. The full statement is reviewed on a timely basis and is available at www.keltruck.com/legal

The Company encourages its suppliers to confirm and approve that their own organisations comply with our code of conduct in the supply chain, which in turn assists our own business in fulfilling its legal obligations, such as the Modern Slavery Act.

Business conduct and compliance also relate to our customers. All business is conducted ethically and in accordance with the law. We adopt a zero tolerance to bribery and corruption and have a staff policy in place to support such. Decision making is not influenced by personal interests or relationships and we expect our customers to act in a fair and reasonable manner. We conform to the Financial Conduct Authority regulations and act within the boundaries of the Competition and Markets Authority. We refer within our code of conduct to our Whistle Blowing Policy – ‘An environment where any employee may raise concerns in good faith, anonymously and without fear of retaliation. A culture of openness and accountability is encouraged’.

The business continues to engage with the Scania Sustainability Commitment. This initiative, introduced in 2019, involved the worldwide Scania community coming together to work towards a common objective. Our staff were invited to learn about our commitment to sustainability and contribute ideas about how the business and Scania would continue to achieve greater levels of sustainability in every aspect of our operations. This is an ongoing initiative which not only focuses on sustainable transport solutions, but also includes other internal and external factors such as staff wellbeing, the environment and the impact on our local communities. The business has already adopted ideas and recommendations as we continue to look to save energy, control waste and make efficiencies. 2022 saw additional investment in the procurement of electric powered company cars and EV charging stations across its locations. The business continues to review its energy consumption and look to make improvements across its estate.

Keltruck Limited

STRATEGIC REPORT

SECTION 172(1) STATEMENT (continued)

The Company is committed to staff development through coaching, mentoring and training as can be demonstrated by the business commitment to training for all staff, irrespective of position or role. The business continues to encourage applicants through the modern apprenticeship scheme who then progress through the Scania training programme. The Company continues to encourage promotion from within.

The Company strives for continuous improvement and uses operational standards and accreditations. The company holds ISO45001 and ISO9001 accreditation. In addition, we are also accredited to IRTEC and Alcumus SafeContractor standards. The Company also reviews and updates on an ongoing basis its internal policies – such as employment and Health & Safety – in order to constantly monitor and update practices in line with changes in law.

STREAMLINED ENERGY AND CARBON REPORT

The Company is a wholly owned subsidiary of Blyton Holdings Limited which includes all relevant carbon reporting disclosures in the consolidated accounts, which includes the reporting relevant for the Company, and as such the company has applied the exemption given under the Companies Act 2006 Sch 7.20A (2) not to present the disclosure in its individual accounts, including how the Company is working to reduce its carbon footprint.

This report was approved by the board on 04/05/23

and signed on its behalf.

C D Kelly

CD Kelly
Chairman

Keltruck Limited

DIRECTORS' REPORT

The directors present their report and the financial statements for the year ended 31 December 2022.

The "Review Of Business, Future Developments, Key Performance Indicators and Risk and Uncertainties" sections required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 have been included in the separate Strategic Report in accordance with section 414C(11) of the Companies Act 2006, together with our Business Relationship disclosure requirements under S172 of the Companies Act.

PRINCIPAL ACTIVITIES

The principal activity of the Company is the sale of new and used Scania vehicles as well as the provision of maintenance facilities and the sale of parts and services associated with operation of commercial vehicles, buses and coaches.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £8,919,000 (2021: £7,177,000).

The dividends in respect of the current financial year were £10,675,000 (2021: £2,580,000), no final dividend is proposed.

DIRECTORS

The directors who served during the year were:

RM Warner
DS Morgan
TA Joynes
MS Kelly (resigned 13 January 2022)
CD Kelly

CHARITABLE DONATIONS

During the year the Company made Charitable donations of £50,000 (2021: £50,000) and continues to support its local communities.

FINANCIAL INSTRUMENTS

Price risk

The Company trades predominately in the UK where vehicle and parts prices are negotiated and set to a great extent by the manufacturer on an annual basis, limiting any exposure to currency and hence pricing fluctuations as a result.

Credit risk

Credit risk is mitigated by the diversity and volume of different clients who operate across a wide range of industry sectors with no dominant reliance on any one customer or sector. Scania is considered as the premium brand and this is also reflected in the customer base which aids reduction of credit risk.

Liquidity risk

The Company remains liquid and does not envisage pressures in this respect for the coming year with no major capital projects currently planned. The Company reviews this position regularly in respect of cashflow forecasting and business needs and reports monthly to the board in such respects.

Keltruck Limited

DIRECTORS' REPORT

CUSTOMER & SUPPLIER RELATIONSHIPS

The Directors are committed to conducting business with integrity and in a socially responsible and sustainable way and expects its suppliers and customers to share in this commitment.

Our values form the pillars of decision making be that the selection of preferred suppliers and contractors or engaging with new customers.

All business is conducted ethically and in accordance with the law. We adopt a nil tolerance to bribery and corruption. Decision making is not influenced by personal interests or relationships and we expect our customers to act in a fair and reasonable manner. We conform to the Financial Conduct Authority regulations and act within the boundaries of the Competition and Markets Authority.

EMPLOYEE INVOLVEMENT

The Company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Company. This is achieved through formal and informal meetings and both internal and external media communications. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests.

The Company continues to enhance its means of staff engagement by employing the services of a third party whose systems allow us to share staff recognitions as well as conduct anonymous surveys giving stakeholders the opportunity to share their views, experiences and ideas. Staff surveys would suggest that *'generally employees are engaged and are having a good employee experience, yet there is still potential for further improvement'*.

DISABLED EMPLOYEES

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors, in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

By order of the board

A A KOKINIS

AA Kokinis
Secretary

04/05/23

Keltruck Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report and 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KELTRUCK LIMITED

Opinion

We have audited the financial statements of Keltruck Limited (the 'company') for the year ended 31 December 2022 which comprise statement of comprehensive income, statement of financial position, statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KELTRUCK LIMITED (continued)

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 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the company operates in and how the company is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KELTRUCK LIMITED (continued)

- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102 and compliance with the Companies Act 2006 and Tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included, reviewing financial statement disclosures, completion of disclosure checklists to identify areas of non-compliance, inspecting correspondence with local tax authorities and evaluating advice received from external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the health and safety and employment law. We performed audit procedures to inquire of management and those charged with governance whether the company is in compliance with these law and regulations and inspected correspondence with relevant authorities.

The audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business. Audit procedures performed over the revenue recognition included testing the operating effectiveness of controls, performing cut off testing, analytical review and tests of detail to cover all revenue assertions.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Adam Krupski

ADAM KRUPSKI (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Festival Way
Stoke-on-Trent
Staffordshire
ST1 5BB

10/05/23

Keltruck Limited

STATEMENT OF COMPREHENSIVE INCOME for the year ended 31 December 2022

	Note	2022 £000	2021 £000
TURNOVER	2	238,732	164,395
Cost of sales		(212,678)	(141,769)
GROSS PROFIT		26,054	22,626
Distribution and selling costs		(2,281)	(2,196)
Administrative expenses		(12,698)	(11,577)
OPERATING PROFIT		11,075	8,853
Interest receivable and similar income	3	98	41
Interest payable and similar expenses		(3)	-
PROFIT BEFORE TAXATION	2-5	11,170	8,894
Taxation	6	(2,251)	(1,717)
PROFIT FOR THE FINANCIAL YEAR AND TOTAL COMPREHENSIVE INCOME		8,919	7,177

Keltruck Limited

STATEMENT OF FINANCIAL POSITION at 31 December 2022

	Note	2022	2021
		£000	£000
FIXED ASSETS			
Goodwill	8	893	1,202
Tangible assets	9	4,546	3,222
		<u>5,439</u>	<u>4,424</u>
CURRENT ASSETS			
Stocks	11	46,024	29,637
Debtors	12	32,740	31,997
Cash at bank and in hand		28,628	18,420
		<u>107,392</u>	<u>80,054</u>
CREDITORS: Amounts falling due within one year	13	<u>(84,398)</u>	<u>(55,100)</u>
NET CURRENT ASSETS		<u>22,994</u>	<u>24,954</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>28,433</u>	<u>29,378</u>
CREDITORS: Amounts falling due after more than one period	14	(680)	-
PROVISIONS FOR LIABILITIES	15	(674)	(543)
NET ASSETS		<u>27,079</u>	<u>28,835</u>
CAPITAL AND RESERVES			
Called up share capital	16	1,400	1,400
Share premium account	16	2,350	2,350
Profit and loss account	16	23,329	25,085
TOTAL EQUITY		<u>27,079</u>	<u>28,835</u>

The financial statements on pages 12 to 30 were approved by the board of directors and authorised for issue on 04/05/23 and are signed on its behalf by:

C D Kelly

CD Kelly
Director

Company Registration No. 02880543

Keltruck Limited

STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2022

	Note	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total £000
Balance as at 1 January 2021		1,400	2,350	20,488	24,238
Profit for the year		-	-	7,177	7,177
		<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income		-	-	7,177	7,177
		<hr/>	<hr/>	<hr/>	<hr/>
Transactions with owners in their capacity as owners:-					
Dividends	7	-	-	(2,580)	(2,580)
		<hr/>	<hr/>	<hr/>	<hr/>
Total transactions with owners in their capacity as owners		-	-	(2,580)	(2,580)
		<hr/>	<hr/>	<hr/>	<hr/>
Balance as at 31 December 2021		1,400	2,350	25,085	28,835
Profit for the year		-	-	8,919	8,919
		<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income		-	-	8,919	8,919
		<hr/>	<hr/>	<hr/>	<hr/>
Transactions with owners in their capacity as owners:-					
Dividends	7	-	-	(10,675)	(10,675)
		<hr/>	<hr/>	<hr/>	<hr/>
Total transactions with owners in their capacity as owners		-	-	(10,675)	(10,675)
		<hr/>	<hr/>	<hr/>	<hr/>
Balance as at 31 December 2022		1,400	2,350	23,329	27,079
		<hr/>	<hr/>	<hr/>	<hr/>

Keltruck Limited

ACCOUNTING POLICIES

GENERAL INFORMATION

Keltruck Limited ("the Company") is a private company limited by shares, and is registered, domiciled and incorporated in England.

The address of the Company's registered office and principal place of business is Kenrick Way, West Bromwich, West Midlands, B71 4JW.

The Company's principal activity and nature of its operations are included in the directors' report.

BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

The Company has taken advantage of the exemption in section 402 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as all of the Company's subsidiaries are permitted to be excluded from group accounts by virtue of section 405 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

REDUCED DISCLOSURES

The Company has taken advantage of the exemption from disclosing the following information, as permitted by the reduced disclosure regime within FRS 102:-

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares.
- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures.
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the Company are consolidated in the financial statements of Blyton Holdings Limited. The consolidated financial statements of Blyton Holdings Limited are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

GOING CONCERN

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report. In addition, the Strategic Report and Director's Report include the Company's processes for managing its financial risk management objectives; its financial instruments and hedging activities; and its exposures to liquidity risk.

The Company meets its day-to-day working capital requirements through cash held at bank and access to an overdraft facility if required. The Company continues to prepare a 3 year rolling forecast for stakeholders which endeavours to capture market sensitivities. The Company continues to operate under a Scania franchise agreement and management do not envisage any issues arising with the current contract in place.

Keltruck Limited

ACCOUNTING POLICIES

GOING CONCERN (continued)

The Company has adequate financial headroom, funded by its cash reserves, bank loans and overdraft facility. The overdraft is renewable on an annual basis with the next renewal due July 2023. There is no foreseeable reason why this would not be renewed if required. The adoption of new vehicle stock is also supported by a manufacturer floor plan facility.

FUNCTIONAL AND PRESENTATIONAL CURRENCIES

The financial statements are presented in sterling which is also the functional currency of the Company.

TURNOVER

Turnover is recognised at the fair value of the consideration received or receivable for the sale of goods and services to external customers in the ordinary nature of the business. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen. The following criteria must also be met before revenue is recognised:

Vehicle Sales

In case of delivery of new and used vehicles the entire revenue is recognised at the time of delivery to the customer.

Leases

Short-term rental - in the case of short-term rental of vehicles, revenue is allocated on a straight-line basis over the contract period, rental mainly involves used trucks. In such cases, the asset is recognised in the balance sheet.

Service-related products

Income for service and repairs is recognised as income when the service is performed. For service and repair contracts, income is allocated over the life of the contracts, as expenses for the fulfilment of the contract arise.

RETIREMENT BENEFITS

The Company operates a defined contribution stakeholder pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The amount charged to profit or loss in respect of pension costs, and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

TAXATION

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

Keltruck Limited

ACCOUNTING POLICIES

TAXATION (continued)

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Current and deferred tax is charged or credited in profit or loss.

Current tax assets, current tax liabilities, deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

INTANGIBLE ASSETS

Goodwill represents the difference between amounts paid on acquisition of a business and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the statement of comprehensive income over its useful economic life.

The estimated useful life is estimated as follows:

Goodwill	-	20 years
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The directors believe that 20 years represents the economic life of the businesses acquired. The Goodwill relates to the acquisition of franchises, which are still providing economic benefit to the Company.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are initially recognised at cost and subsequently stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Improvements to leasehold property	-	remaining period of the lease
Plant, vehicles and equipment	-	2 - 5 years straight line

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.

LEASED ASSETS AND OBLIGATIONS

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the profit and loss account in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to the statement of comprehensive income on a straight line basis over the lease term.

INVESTMENTS

Investments in subsidiaries are measured at cost less accumulated impairment.

Keltruck Limited

ACCOUNTING POLICIES

STOCKS

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

CASH AND CASH EQUIVALENTS

Cash, for the purpose of the cash flow statement, comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand. Liquid resources are current asset investments which are disposable without curtailing or disrupting the business and are either readily convertible into known amounts of cash at or at close to their carrying value or traded in an active market.

DIVIDENDS

Equity dividends are recognised when they become legally payable.

PROVISIONS FOR LIABILITIES

Provisions are recognised when the Company has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar expenses.

FINANCIAL INSTRUMENTS

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

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Trade, group and other debtors

Trade, group and other debtors which are receivable within one year are initially measured at the transaction price. Trade, group and other debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Financial liabilities and equity

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

Keltruck Limited

ACCOUNTING POLICIES

FINANCIAL INSTRUMENTS (continued)

Equity instruments

Financial instruments classified as equity instruments are recorded at the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

Trade and other creditors

Trade and other creditors (including accruals) payable within one year are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Keltruck Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2022

1 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

In preparing these financial statements, the directors have made the following estimates and judgements:

- The directors have determined whether there are indicators of impairment of the Company's tangible and intangible assets including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the assets.
- The directors have calculated the realisable value of stock using established and well tested methodologies that take into account the changes in market dynamics, new models, condition of the vehicles and disposal costs.
- The directors have determined an estimate of the exposure generated by vehicles sold subject to a buyback provision. The company commits to the buyer at the time of purchase to the value of the vehicle on the buyback date at an agreed price ("the guaranteed residual value"). The buyback provision represents the Company's estimate of the exposure between the guaranteed residual value and the market value at the buyback date, and hence the existing liability as a result of this arrangement.

2 TURNOVER

Turnover represents the invoiced amount of services provided, net of Value Added Tax. An analysis of the Company's turnover is as follows:

	2022 £000	2021 £000
Class of business		
New and used vehicle sales	173,541	106,214
Service, parts and other	65,191	58,181
	<hr/>	<hr/>
	238,732	164,395
	<hr/>	<hr/>

Turnover arises from the Company's principal activity.

Turnover for each geographical market has not been disclosed as the directors are of the opinion that such disclosure would be prejudicial to the interests of the Company.

Keltruck Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2022

3	INTEREST RECEIVABLE AND SIMILAR INCOME	2022	2021
		£000	£000
	Other interest receivable	98	41
		=====	=====
4	PROFIT BEFORE TAXATION	2022	2021
		£000	£000
	Profit before taxation is stated after charging:		
	Depreciation and amounts written off tangible fixed assets:		
	Owned assets	982	881
	Amortisation of intangible fixed assets	309	308
	Operating lease rentals:		
	Land and buildings	1,615	1,641
	Motor vehicles	603	437
	Profit on disposal of fixed assets	-	-
	Stock:		
	Impairment gains recognised in cost of sales	193	(446)
	Audit services – statutory audit	57	48
	Other services relating to taxation compliance	8	5
	All other non-audit services	11	21
		=====	=====

Keltruck Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2022

5	EMPLOYEES	2022 Number	2021 Number
	The average number of persons (including directors) employed by the Company during the year was:		
	Office and management	60	57
	Service and sales	353	350
		<u>413</u>	<u>407</u>
	Staff costs for the above persons:		
		2022 £000	2021 £000
	Wages and salaries	18,144	15,629
	Social security costs	2,139	1,656
	Other pension costs	520	491
		<u>20,803</u>	<u>17,776</u>
	DIRECTORS' REMUNERATION	2022 £000	2021 £000
	Emoluments	750	540
	Defined contribution stakeholder pension scheme contributions	44	45
	Paid to third parties	125	237
		<u>919</u>	<u>822</u>
	Highest paid director	2022 £000	2021 £000
	Directors' emoluments include the following payments:		
	Emoluments	250	135
	Defined contribution stakeholder pension scheme contributions	15	11
		<u>265</u>	<u>146</u>
	Retirement benefits are accruing to the following number of directors under:	2022 Number	2021 Number
	Defined contribution stakeholder pension scheme	3	4

Keltruck Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2022

6	TAXATION	2022	2021
		£000	£000
	Current tax:		
	UK corporation tax on profits in the year	1,841	1,689
	Adjustments in respect of previous year	(10)	(19)
	Total current tax	1,831	1,670
	Deferred tax:		
	Origination and reversal of timing differences	302	40
	Adjustments in respect of previous year	22	13
	Effect of change in tax rate	96	(6)
	Total deferred tax	420	47
	Tax on profit	2,251	1,717
	Factors affecting tax charge for the year:	2022	2021
		£000	£000
	The tax assessed for the year is higher (2021: higher) than the average standard rate of corporation tax in the UK 19% (2021: 19%). The differences are explained below:		
	Profit before tax	11,170	8,894
	Profit before tax multiplied by the average standard rate of corporation tax in the UK 19% (2021: 19%).	2,122	1,690
	Effects of:		
	Expenses not deductible for tax purposes	21	80
	Transfer pricing adjustments	135	111
	Group relief surrendered	(135)	(138)
	Adjustments to tax in respect of previous year	12	(5)
	Effect of changes in tax rates	96	4
	Movement in deferred tax asset not recognised	-	(25)
	Total tax expense	2,251	1,717

Factors that may affect future tax charges

The standard rate of corporation tax in the United Kingdom for the year was 19% (2021: 19%). An increase in the UK corporation tax rate was announced in the 2021 Budget which would increase the rate to 25% from 1 April 2023. Existing temporary differences on which deferred tax has been provided may therefore unwind in future periods subject to this increased rate. The rate change has been included in Finance Bill 2021 and was substantively enacted on 24 May 2021 and therefore deferred tax will be calculated using the 25% corporation tax rate. Deferred tax has therefore been provided at a rate of 25% (2021: 25%).

Keltruck Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2022

7	DIVIDENDS	2022 £000	2021 £000
	Dividends paid	10,675	2,580

Dividends were paid in the year in 4 tranches (2021: 2) at a rate of £0.57, £1.53, £2.49 and £3.04 per share (2021: £0.49 and £1.36 per share).

8	GOODWILL	£000
	<i>Cost</i>	
	At beginning and end of year	6,180
	<i>Amortisation</i>	
	At beginning of year	4,978
	Charge for the year	309
	At end of year	5,287
	<i>Carrying amount</i>	
	At 31 December 2022	893
	At 31 December 2021	1,202

The amortisation of goodwill is included within administrative expenses.

Keltruck Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2022

9 TANGIBLE FIXED ASSETS

	Improvements to leasehold property £000	Plant, vehicles and equipment £000	Total £000
<i>Cost</i>			
At beginning of year	5,846	8,404	14,250
Additions	339	1,967	2,306
Disposals	(19)	(670)	(689)
	<hr/>	<hr/>	<hr/>
At end of year	6,166	9,701	15,867
	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>			
At beginning of year	3,955	7,073	11,028
Charged in the year	292	690	982
On disposals	(19)	(670)	(689)
	<hr/>	<hr/>	<hr/>
At end of year	4,228	7,093	11,321
	<hr/>	<hr/>	<hr/>
<i>Carrying amount</i>			
At 31 December 2022	1,938	2,608	4,546
	<hr/>	<hr/>	<hr/>
At 31 December 2021	1,891	1,331	3,222
	<hr/>	<hr/>	<hr/>

Keltruck Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2022

10 FIXED ASSET INVESTMENTS

The value of investments in subsidiary companies has been fully impaired, the carrying amount as at 31 December 2022 is £nil (2021: £nil) with an original cost of £2,626,000 (2021: £2,626,000).

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

<i>Name</i>	<i>Class of shares</i>	<i>Holding</i>
Telford Trucks Limited	Ordinary	100%

The registered address for the above company is Kenrick Way, West Bromwich, West Midlands, B71 4JW.

The aggregate of the share capital and reserves as at 31 December 2022 and of the profit and loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £000	Profit/ (loss) £000
Telford Trucks Limited	-	-
<hr/>		
11 STOCKS	2022 £000	2021 £000
New and used vehicles	41,461	25,998
Spares and consumables	4,563	3,639
	<hr/>	<hr/>
	46,024	29,637
<hr/>		
12 DEBTORS	2022 £000	2021 £000
<i>Amounts falling due within one year:</i>		
Trade debtors	11,492	8,767
Amounts owed by group undertaking	20,226	20,226
Other debtors	1	2
Prepayments and accrued income	1,021	1,086
Other taxation and social security costs	-	1,916
	<hr/>	<hr/>
	32,740	31,997
<hr/>		

Debtors are stated net of a provision of £35,000 (2021: £34,000).

Keltruck Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2022

13	CREDITORS: Amounts falling due within one year	2022 £000	2021 £000
	Obligations under finance lease	183	-
	Trade creditors	60,993	36,507
	Payments received on account	9,011	7,313
	Corporation tax	1,146	1,164
	Other taxation and social security costs	1,351	572
	Accruals and deferred income	11,714	9,544
		84,398	55,100

14	CREDITORS: Amounts falling due after one year	2022 £000	2021 £000
	Obligations under finance lease	680	-

Finance leases

Obligations under finance leases are secured by related assets and bear finance charges ranging from 4% per annum.

The total future minimum lease payments are payable:

	2022 £000	2021 £000
Less than one year	183	-
Between one and five years	680	-
	863	-

Finance lease payments represent rentals payable by the Company for certain items of motor vehicles. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 4 years. All leases are on a fixed repayment basis.

Keltruck Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2022

15 PROVISIONS FOR LIABILITIES

	Buyback provision	
	2022	2021
	£000	£000
At start of year	529	527
Charged during year	-	44
Utilised in year	(289)	(42)
	<hr/>	<hr/>
At end of year	240	529
	<hr/>	<hr/>

The Company operates a system where some vehicles are sold subject to a buyback agreement. The Company commits to the buyer at the time of purchase to the value of the vehicle on the buyback date at an agreed price ("the guaranteed residual value"). The above represents the Company's estimate of the exposure between the guaranteed residual value and the market value at the buyback date, and hence the existing liability as a result of this arrangement.

DEFERRED TAXATION

	Deferred taxation £000
At beginning of period	14
Charge in period	420
	<hr/>
Liability at end of period	434
	<hr/>

Provision for deferred tax has been made as follows:

	Provided		Unprovided	
	2022	2021	2022	2021
	£000	£000	£000	£000
Fixed asset timing differences	458	35	-	-
Other timing differences	(24)	(21)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total deferred tax liability	434	14	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

The deferred tax liability is expected to reverse in line with the useful lives of the fixed assets that it relates to.

Keltruck Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2022

16	SHARE CAPITAL AND RESERVES	2022 £000	2021 £000
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Allotted, called up and fully paid: 1,400,000 ordinary shares of £1 each	1,400	1,400
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Ordinary share rights

The Company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the Company.

RESERVES

Reserves of the Company represent the following:

Profit and loss account

Cumulative profit and loss net of distributions to owners.

Share premium account

Consideration received for shares issued above their nominal value net of transaction costs.

17 PENSION SCHEME

The Company operates 2 defined contribution stakeholder pension schemes. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £520,000 (2021: £491,000).

There were contributions payable to the scheme at the year end of £35,000 (2021: £31,000) included in accruals.

18 COMMITMENTS UNDER OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2022 £000	2021 £000
Amounts due:		
Within 1 year	1,889	1,950
Between 2 and 5 years	6,150	6,110
After 5 years	3,464	4,462
	<u>11,503</u>	<u>12,522</u>

Keltruck Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2022

19 CONTINGENT LIABILITIES

The Company has given commitments to repurchase vehicles from customers. These commitments amount to £21,604,000 (2021: £16,889,000) and may crystallise at various times within the next seven years. The directors are confident of selling these vehicles as part of normal business activities at a value not significantly different from their repurchase price.

Bonds given by the bankers as at 31 December 2022 on behalf of the Company amounted to £150,000 (2021: £150,000).

The Company has given a fixed charge over all present freehold and leasehold property; first fixed charge over book and other debts, chattels, goodwill and uncalled capital, both present and future; and a fixed floating charge over all assets and undertaking both present and future on 21 November 2016 to HSBC Bank PLC.

A cross guarantee has been given by the Company to Blyton Holdings Limited on 21 November 2016. The potential value of this cross guarantee at the year end was £15,500,000 (2021: £nil).

The company has given a floating charge over used commercial heavy vehicles to Scania Finance Great Britain Limited on 11 May 2018. The floating charge is only applicable when the facility is used. During the year, the facility was not used and therefore the exposure at the year end was £nil (2021: £nil).

20 RELATED PARTY TRANSACTIONS

During the year property rental charges of £914,000 (2021: £964,000) were incurred to a Company controlled by a person with significant influence over Keltruck Limited. A balance of £nil (2021: £nil) was outstanding at the year end.

In addition, a person with significant influence over Keltruck Limited is also a joint landlord of properties on which rental charges of £148,000 (2021: £151,000) were incurred during the year.

During the year a management fee of £148,000 (2021: £231,000) was charged for the services of directors of Keltruck Limited, £nil of this amount is included within creditors at the year end (2021: £nil).

The Company also invoiced £7,000 (2021: £7,000) to a company with a common shareholder.

22 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The group is ultimately controlled by Blyton Holdings Limited.

The registered office of Blyton Holdings Limited is Kenrick Way, West Bromwich, West Midlands, B71 4JW.

There is no one controlling party of Blyton Holdings Limited.