

# Keltruck Limited

## REPORT AND FINANCIAL STATEMENTS

31 December 2021

Company Registration No. 02880543



# Keltruck Limited

## CONTENTS

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COMPANY INFORMATION	1
STRATEGIC REPORT	2
DIRECTORS' REPORT	6
DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS	8
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KELTRUCK LIMITED	9
STATEMENT OF COMPREHENSIVE INCOME	12
STATEMENT OF FINANCIAL POSITION	13
STATEMENT OF CHANGES IN EQUITY	14
ACCOUNTING POLICIES	15
NOTES TO THE FINANCIAL STATEMENTS	20

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# Keltruck Limited

## COMPANY INFORMATION

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### 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

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### 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 2021 following a period of lower sales activities during 2020 brought on by the onset of the global pandemic and subsequent market uncertainties.

The used vehicle market was anticipated to remain static in terms of volumes, whilst values were expected to continue to come under pressure due to the increased volumes of used stock availability. The Company's objective was to increase volumes to counter this impact.

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 and efficiencies.

Turnover remained comparable with the prior year reaching £164.4m. Service hours saw an increase of 10% following a reduction of 14% in the prior year, whilst parts sales saw an increase of 20% having reduced by 8% in the prior year. New vehicle volumes saw a further decrease of 13% having also seen a reduction in 2020. Component supply following the pandemic has continued to impact new vehicle production and subsequent deliveries. Vehicle sales recognised in the year is not a true reflection of sales activities which can be demonstrated by considerable growth in the forward order book. Due to a lesser volume in vehicles and availability, gross margin per unit has overall increased as a percentage of sales.

Used vehicle volumes decreased by 4% on the prior year and was again driven by vehicle availability. Gross Margin overall across a wide range of used vehicles increased over the prior year. It is our expectation that the sourcing of used stock will continue to come under pressure until such time as new vehicle supplies return to normal.

Aftersales service turnover saw an increase of 12% on that seen in the prior year, whilst gross margin percentage remained static. Parts gross margin percentage increased by 0.06%. The Company has set specific efficiency improvement targets for both the service and parts operations, which management monitor closely.

2021 saw business activities returning to pre pandemic levels and as such government support was not utilised as much, the prior year support reflected in other income.

The business continued to monitor overheads which resulted in administration expenses across the Company remaining comparable with the prior year.

The Company has reduced its stock holding position in the year due to (a) the timing of new vehicle deliveries, and (b) used vehicle availability. Trade creditors outstanding at the year end remain static. The Company's cash position remains strong.

Debtors outstanding at the year end increased due to (a) VAT refund due to the timing of invoices received, and (b) inter group undertaking to facilitate the repayment of bank loans.

# Keltruck Limited

## STRATEGIC REPORT

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### BUSINESS REVIEW (continued)

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 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 directly related to a global pandemic described above with the main financial indicators:

	2021	2020
Turnover	£164.4m	£163.1m
Pre-tax profit	£8.9m	£7.3m
EBIT	5.38%	4.43%
EBITDA	£10m	£8.5m

### 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 and to optimise on margin retention through continuous improvement of productivity and efficiencies. Activity levels and customer confidence remain strong and the Group 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.

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. We continue to work closely with Scania and are kept informed regarding market changes, product manufacture and development.

Current impacts of the pandemic on the business are minimal. Management continue to actively review the position. The Group is mindful of the welfare of its staff and continues to adhere to all applicable Government guidance. We do not expect the Global pandemic to have a significant impact on our business going forward.

# Keltruck Limited

## STRATEGIC REPORT

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### 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 2022. 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](http://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. 2021 saw changes to our company car policy, introducing greater availability of electric powered company vehicles. The business further engaged in investment in providing 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

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### 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 has successfully achieved the amalgamation of ISO14001 and ISO9001 to the new standard of ISO45001. 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 *5 May* 2022 and signed on its behalf.

*Christopher Kelly*

**CD Kelly**  
Chairman

# Keltruck Limited

## DIRECTORS' REPORT

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The directors present their report and the financial statements for the year ended 31 December 2021.

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 £8,894,000 (2020: £5,846,000).

The dividends in respect of the current financial year were £2,580,000 (2020: £1,750,000), 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  
A Nicholls (resigned 19 July 2021)

### CHARITABLE DONATIONS

During the year the Company made Charitable donations of £50,000 (2020: £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

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### 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. The business delivered its second survey during the year, which reported a 47% response rate. The business received a positive score suggesting that *'generally employees are engaged and are having a good employee experience, yet there is still potential for further improvement'*. Management continue to seek improved employee engagement.

### 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

*Alec A Kokinis*

**AA Kokinis**  
Secretary

*S May* 2022

# Keltruck Limited

## DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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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 2021 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 2021 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 and government grant income. 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. We obtained an understanding of the nature and quantum of grant income receivable in the period, inquired of management on how the entity has complied with the associated regulatory framework and testing of a sample of entries included on these associated claims.

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, revenue recognition and stock provisioning 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. Procedures performed over stock provisioning included re-calculation of the provision based on the provision methodology, assessing the underlying methodology for reasonableness, challenging judgments and estimates applied in the methodology adopted in establishing the stock provision.

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.

RSM UK Audit Up

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

6 May

2022

# Keltruck Limited

## STATEMENT OF COMPREHENSIVE INCOME for the year ended 31 December 2021

	Note	2021 £000	2020 £000
TURNOVER	2	164,395	163,063
Cost of sales		(141,769)	(143,886)
GROSS PROFIT		22,626	19,177
Distribution and selling costs		(2,196)	(2,171)
Administrative expenses		(11,577)	(11,419)
Other operating income		-	1,633
OPERATING PROFIT		8,853	7,220
Interest receivable and similar income	3	41	64
Interest payable	4	-	(9)
PROFIT BEFORE TAXATION	2-6	8,894	7,275
Taxation	7	(1,717)	(1,429)
PROFIT FOR THE FINANCIAL YEAR AND TOTAL COMPREHENSIVE INCOME		7,177	5,846

# Keltruck Limited

## STATEMENT OF FINANCIAL POSITION at 31 December 2021

	Note	2021 £000	2020 £000
<b>FIXED ASSETS</b>			
Goodwill	9	1,202	1,510
Tangible assets	10	3,222	3,233
		<b>4,424</b>	<b>4,743</b>
<b>CURRENT ASSETS</b>			
Stocks	12	29,637	32,509
Debtors	13	31,997	23,699
Cash at bank and in hand		18,420	18,230
		<b>80,054</b>	<b>74,438</b>
<b>CREDITORS: Amounts falling due within one year</b>	14	<b>(55,100)</b>	<b>(54,416)</b>
<b>NET CURRENT ASSETS</b>		<b>24,954</b>	<b>20,022</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>29,378</b>	<b>24,765</b>
<b>PROVISIONS FOR LIABILITIES</b>	15	<b>(543)</b>	<b>(527)</b>
<b>NET ASSETS</b>		<b>28,835</b>	<b>24,238</b>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	16	1,400	1,400
Share premium account	16	2,350	2,350
Profit and loss account	16	25,085	20,488
<b>TOTAL EQUITY</b>		<b>28,835</b>	<b>24,238</b>

The financial statements on pages 12 to 30 were approved by the board of directors and authorised for issue on *5 May* 2022 and are signed on its behalf by:

*Christopher Kelly*

**CD Kelly**  
Director

Company Registration No. 02880543

**Keltruck Limited**  
**STATEMENT OF CHANGES IN EQUITY**  
**for the year ended 31 December 2021**

	Note	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total £000
<b>Balance as at 1 January 2020</b>		<b>1,400</b>	<b>2,350</b>	<b>16,392</b>	<b>20,142</b>
Profit for the year		-	-	5,846	5,846
Total comprehensive income		-	-	5,846	5,846
Transactions with owners in their capacity as owners:-					
Dividends	8	-	-	(1,750)	(1,750)
Total transactions with owners in their capacity as owners		-	-	(1,750)	(1,750)
<b>Balance as at 31 December 2020</b>		<b>1,400</b>	<b>2,350</b>	<b>20,488</b>	<b>24,238</b>
Profit for the year		-	-	7,177	7,177
Total comprehensive income		-	-	7,177	7,177
Transactions with owners in their capacity as owners:-					
Dividends	8	-	-	(2,580)	(2,580)
Total transactions with owners in their capacity as owners		-	-	(2,580)	(2,580)
<b>Balance as at 31 December 2021</b>		<b>1,400</b>	<b>2,350</b>	<b>25,085</b>	<b>28,835</b>



# Keltruck Limited

## ACCOUNTING POLICIES

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### 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

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### 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 2022. There is no foreseeable reason why this would not be renewed if required. All bank loan repayments have been cleared to terms and the loan has been fully repaid during the year. 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 new and 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.

### GOVERNMENT GRANTS

Government grants are presented within other income and recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. A grant that specifies performance conditions is recognised in income when the performance conditions are met.

### 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

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### 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

All leases are "operating leases" based on the assessment that substantially all the risks and rewards remain with the lessor and the annual rentals are charged to profit or loss on a straight line basis over the lease term.

### INVESTMENTS

Investments in subsidiaries are measured at cost less accumulated impairment.

### 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.

# Keltruck Limited

## ACCOUNTING POLICIES

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### 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.

##### ***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.

# Keltruck Limited

## ACCOUNTING POLICIES

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### FINANCIAL INSTRUMENTS (continued)

#### ***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 2021

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### 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:

	2021 £000	2020 £000
<b>Class of business</b>		
New and used vehicle sales	106,214	113,006
Service, parts and other	58,181	50,057
	<hr/>	<hr/>
	164,395	163,063
	<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 2021

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3	INTEREST RECEIVABLE AND SIMILAR INCOME	<b>2021</b>	<b>2020</b>
		<b>£000</b>	<b>£000</b>
	Other interest receivable	<b>41</b>	<b>64</b>
		<hr/>	<hr/>
4	INTEREST PAYABLE	<b>2021</b>	<b>2020</b>
		<b>£000</b>	<b>£000</b>
	Interest payable	<b>-</b>	<b>9</b>
		<hr/>	<hr/>
5	PROFIT BEFORE TAXATION	<b>2021</b>	<b>2020</b>
		<b>£000</b>	<b>£000</b>
	Profit before taxation is stated after charging:		
	Depreciation and amounts written off tangible fixed assets:		
	Owned assets	<b>881</b>	<b>954</b>
	Amortisation of intangible fixed assets	<b>308</b>	<b>309</b>
	Operating lease rentals:		
	Land and buildings	<b>1,641</b>	<b>1,580</b>
	Motor vehicles	<b>437</b>	<b>443</b>
	Profit on disposal of fixed assets	<b>-</b>	<b>(39)</b>
	Stock:		
	Impairment gains recognised in cost of sales	<b>(446)</b>	<b>(1,012)</b>
	Audit services – statutory audit	<b>48</b>	<b>42</b>
	Other services relating to taxation compliance	<b>5</b>	<b>6</b>
	All other non-audit services	<b>21</b>	<b>15</b>
		<hr/>	<hr/>

# Keltruck Limited

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021

6	EMPLOYEES	<b>2021</b> <b>Number</b>	2020 Number
	The average number of persons (including directors) employed by the Company during the year was:		
	Office and management	57	61
	Service and sales	350	344
		<b>407</b>	405
	Staff costs for the above persons:		
		<b>2021</b> <b>£000</b>	2020 £000
	Wages and salaries	15,629	16,701
	Social security costs	1,656	1,540
	Other pension costs	491	500
		<b>17,776</b>	18,741
	DIRECTORS' REMUNERATION	<b>2021</b> <b>£000</b>	2020 £000
	Emoluments	540	490
	Defined contribution stakeholder pension scheme contributions	45	40
	Paid to third parties	237	114
		<b>822</b>	644
	Highest paid director	<b>2021</b> <b>£000</b>	2020 £000
	Directors' emoluments include the following payments:		
	Emoluments	135	123
	Defined contribution stakeholder pension scheme contributions	11	10
		<b>146</b>	133
	Retirement benefits are accruing to the following number of directors under:	<b>2021</b> <b>Number</b>	2020 Number
	Defined contribution stakeholder pension scheme	4	4



# Keltruck Limited

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021

7	TAXATION	2021 £000	2020 £000
	Current tax:		
	UK corporation tax on profits in the year	1,689	1,338
	Adjustments in respect of previous year	(19)	(4)
	Total current tax	1,670	1,334
	Deferred tax:		
	Origination and reversal of timing differences	40	105
	Adjustments in respect of previous year	13	5
	Effect of change in tax rate	(6)	(15)
	Total deferred tax	47	95
	Tax on profit	1,717	1,429
	Factors affecting tax charge for the year:	2021 £000	2020 £000
	The tax assessed for the year is higher (2020: higher) than the average standard rate of corporation tax in the UK 19% (2020: 19%). The differences are explained below:		
	Profit before tax	8,894	7,275
	Profit before tax multiplied by the average standard rate of corporation tax in the UK 19% (2020: 19%).	1,690	1,382
	Effects of:		
	Expenses not deductible for tax purposes	80	98
	Chargeable gains	-	4
	Transfer pricing adjustments	111	79
	Group relief surrendered	(138)	(121)
	Adjustments to tax in respect of previous year	(5)	1
	Effect of changes in tax rates	4	(17)
	Movement in deferred tax asset not recognised	(25)	3
	Total tax expense	1,717	1,429

### Factors that may affect future tax charges

The standard rate of corporation tax in the United Kingdom for the year was 19% (2020: 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% (2020: 19%).

**Keltruck Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2021**

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8	DIVIDENDS	<b>2021</b>	2020
		<b>£000</b>	£000
	Dividends paid	<b>2,580</b>	1,750

Dividends were paid in the year in 2 tranches at a rate of £0.49 and £1.36 per share (2020: £0.46 and £0.79 per share).

9	GOODWILL	£000
	<i>Cost</i>	
	At beginning and end of year	6,180
	<i>Amortisation</i>	
	At beginning of year	4,670
	Charge for the year	308
	At end of year	4,978
	<i>Carrying amount</i>	
	<b>At 31 December 2021</b>	<b>1,202</b>
	At 31 December 2020	1,510

The amortisation of goodwill is included within administrative expenses.

**Keltruck Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2021**

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10 TANGIBLE FIXED ASSETS

	Improvements to leasehold property £000	Plant, vehicles and equipment £000	Total £000
<i>Cost</i>			
At beginning of year	5,582	8,524	14,106
Additions	264	611	875
Disposals	-	(731)	(731)
	<hr/>	<hr/>	<hr/>
At end of year	5,846	8,404	14,250
	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>			
At beginning of year	3,717	7,156	10,873
Charged in the year	238	643	881
On disposals	-	(726)	(726)
	<hr/>	<hr/>	<hr/>
At end of year	3,955	7,073	11,028
	<hr/>	<hr/>	<hr/>
<i>Carrying amount</i>			
<b>At 31 December 2021</b>	<b>1,891</b>	<b>1,331</b>	<b>3,222</b>
	<hr/>	<hr/>	<hr/>
At 31 December 2020	1,865	1,368	3,233
	<hr/>	<hr/>	<hr/>

# Keltruck Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2021

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### 11 FIXED ASSET INVESTMENTS

The value of investments in subsidiary companies has been fully impaired, the carrying amount as at 31 December 2021 is £nil (2020: £nil) with an original cost of £2,626,000 (2020: £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 2021 and of the profit and loss for the year ended on that date for the subsidiary undertakings were as follows:

<b>Name</b>	<b>Aggregate of share capital and reserves £000</b>	<b>Profit/ (loss) £000</b>
Telford Trucks Limited	-	-
	<hr/>	<hr/>
<b>12 STOCKS</b>	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
New and used vehicles	25,998	29,308
Spares and consumables	3,639	3,201
	<hr/>	<hr/>
	<b>29,637</b>	<b>32,509</b>
	<hr/>	<hr/>
<b>13 DEBTORS</b>	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
<i>Amounts falling due within one year:</i>		
Trade debtors	8,767	8,458
Amounts owed by group undertaking	20,226	14,385
Other debtors	2	1
Prepayments and accrued income	1,086	822
Other taxation and social security costs	1,916	-
Deferred tax asset	-	33
	<hr/>	<hr/>
	<b>31,997</b>	<b>23,699</b>
	<hr/>	<hr/>

Debtors are stated net of a provision of £34,494 (2020: £16,079).

# Keltruck Limited

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021

14	CREDITORS: Amounts falling due within one year	<b>2021</b> <b>£000</b>	<b>2020</b> <b>£000</b>
	Trade creditors	36,507	38,368
	Payments received on account	7,313	5,979
	Corporation tax	1,164	992
	Other taxation and social security costs	572	1,388
	Other creditors	-	50
	Accruals and deferred income	9,544	7,639
		<u>55,100</u>	<u>54,416</u>
15	PROVISIONS FOR LIABILITIES		
		Buyback provision <b>2021</b> <b>£000</b>	<b>2020</b> <b>£000</b>
	At start of year	527	719
	Charged during year	44	574
	Utilised in year	(42)	(766)
		<u>529</u>	<u>527</u>
	At end of year		

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	(33)
Charge in period	47
<b>Liability at end of period</b>	<u><b>14</b></u>

# Keltruck Limited

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021

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### 15 PROVISIONS FOR LIABILITIES (Continued)

Provision for deferred tax has been made as follows:

	Provided		Unprovided	
	2021	2020	2021	2020
	£000	£000	£000	£000
Fixed asset timing differences	35	(33)	-	-
Other timing differences	(21)	-	-	(25)
	<u>14</u>	<u>(33)</u>	<u>-</u>	<u>(25)</u>
Total deferred tax liability/(asset)	<u>14</u>	<u>(33)</u>	<u>-</u>	<u>(25)</u>

The deferred tax asset of £nil (2020: £33,000) is expected to reverse within 5 to 10 years and relates to depreciation in excess of capital allowances, which are expected to mature over the same period.

Deferred tax is not recognised in respect of timing differences of £nil (2020: £25,000) as it is not probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

16	SHARE CAPITAL AND RESERVES	2021	2020
		£000	£000
	Allotted, called up and fully paid:		
	1,400,000 ordinary shares of £1 each	1,400	1,400

#### *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 £491,000 (2020: £500,000).

There were contributions payable to the scheme at the year end of £31,000 (2020: £34,000) included in accruals.

# Keltruck Limited

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021

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### 18 COMMITMENTS UNDER OPERATING LEASES

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

	2021 £000	2020 £000
Amounts due:		
Within 1 year	1,950	1,925
Between 2 and 5 years	6,110	5,109
After 5 years	4,462	4,279
	<hr/>	<hr/>
	12,522	11,313
	<hr/>	<hr/>

### 19. CONTINGENT LIABILITIES

The Company has given commitments to repurchase vehicles from customers. These commitments amount to £16,889,357 (2020: £17,123,148) 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 2021 on behalf of the Company amounted to £150,000 (2020: £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 £nil (2020: £5,699,000).

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 (2020: £nil).

# Keltruck Limited

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021

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### 20 RELATED PARTY TRANSACTIONS

During the year property rental charges of £964,000 (2020: £872,000) were paid to a Company controlled by a person with significant influence over Keltruck Limited. A balance of £nil (2020: £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 £151,000 (2020: £160,000) were paid during the year.

Also purchases of £nil (2020: £6,000) were made from a company with related shareholders for the charter of a helicopter. £nil (2020: £nil) was outstanding at the year end.

During the year a management fee of £231,000 (2020: £114,000) was charged for the services of directors of Keltruck Limited, £nil of this amount is included within creditors at the year end (2020: £nil).

The Company also invoiced £6,000 (2020: £11,000) to a director for services provided.

### 21 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.