

**GROUP STRATEGIC REPORT,  
REPORT OF THE DIRECTORS AND  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2020  
FOR  
IT FLEET AUTOMOTIVE LIMITED**

**IT FLEET AUTOMOTIVE LIMITED (REGISTERED NUMBER: 04223523)**

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FOR THE YEAR ENDED 30 NOVEMBER 2020**

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# IT FLEET AUTOMOTIVE LIMITED

## COMPANY INFORMATION FOR THE YEAR ENDED 30 NOVEMBER 2020

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**DIRECTORS:** Mr AWJ Timmis  
Mrs KB Timmis

**SECRETARY:** Mrs KB Timmis

**REGISTERED OFFICE:** IT House, Notley Park  
Raydon Road  
Great Wenham  
Colchester  
Essex  
CO7 6QD

**REGISTERED NUMBER:** 04223523 (England and Wales)

**SENIOR STATUTORY AUDITOR:** Mark Harrison FCA BA (Hons)

**AUDITORS:** Mark J Rees LLP Chartered Accountants  
and Registered Auditors  
Granville Hall  
Granville Road  
Leicester  
Leicestershire  
LE1 7RU

# IT FLEET AUTOMOTIVE LIMITED (REGISTERED NUMBER: 04223523)

## GROUP STRATEGIC REPORT FOR THE YEAR ENDED 30 NOVEMBER 2020

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The directors present their strategic report of the company and the group for the year ended 30 November 2020.

The directors aim to provide a balanced and comprehensive review of the development and performance of the business during the year and its position at the year end. The review is consistent with the size and nature of the business and is written in the context of the risks and uncertainties faced.

IT Fleet Automotive Limited and its subsidiaries offers a complete vehicle de-fleet and fulfilment provision to remarketing services and fleet organisations and has become one of the UK's leading automotive service providers.

The company provides transport, appraisal refurbishment and storage services with an emphasis on quality, flexibility and enhanced residual values, with their extensive industry expertise.

Website address [www.itfleet.co.uk](http://www.itfleet.co.uk)

### REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

Despite an operating loss of £1,248,493, the directors are relatively pleased with the overall direction of the underlying trading performance of the company. The operating loss was driven by factors that we consider are non-recurring:

1. Impact of COVID-19 lockdowns
2. Settlement on an onerous lease agreement

The directors are of the view that the above factors, at the date of approval, are now dealt with and the future of the company can be considered in a more positive light.

In addition we took the decision to write off related party balances during the year which further added to the loss reported.

### FINANCIAL KEY PERFORMANCE INDICATORS

The directors consider that the key performance indicators are those that communicate the financial performance and strength of the group as a whole, these being revenue, operating profit and gross profit margin.

The turnover and operating profit of the continuing operations of the company were as follows:

KPI's	2020 £'000	2019 £'000
Revenue	£22,320	£26,538
Operating Profit/ (Loss)	(£1,248)	(£715)
Gross Profit Margin	13.2%	16.9%

The reduction in revenue compared to prior year occurred during the period March to June and November, which were periods subject to lockdown restrictions as a result of the COVID-19 pandemic. The reduction in turnover also had a corresponding effect on Gross Margin where certain costs have a fixed element contained within.

At year end the company had cash at bank of £1.2m and availability to drawdown a further £0.5m from the confidential invoice discount facility.

**GROUP STRATEGIC REPORT  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

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**PRINCIPAL RISKS AND UNCERTAINTIES**

As for many businesses of this size, the business environment in which the company operates continues to be challenging. The company faces competition in its markets from other major suppliers of fleet services, and is of course subject to consumer and commercial spending patterns and the overall level of disposable income within the economy. Assuming there are no more major lockdowns in the economy, the biggest risk to business activity is the widely reported shortage of new vehicles as a result of the current global shortfall of microchips. Whilst the transporting of new vehicles itself is not a major market segment for the company, the knock on effect of this shortage is that used vehicles are being kept longer whilst users are waiting for new replacement ones. Once these supply issues are resolved, it is anticipated there will be an increase in activity as the pent up demand is satisfied.

During the year, the existence of a new coronavirus (COVID-19) was identified and on 30 January 2020 it was announced as a global health emergency by the World Health Organisation. In the meantime, COVID-19 has caused an unprecedented disruption to businesses and global economic activity and there still remains considerable uncertainty about the future. The financial year had started ahead of expectations but the period of the first lockdown in the UK in March 2020 resulted in a significant reduction in activity. As far as possible, mitigating actions were taken to reduce the cost base, which includes use of the government Furlough scheme and a detailed review of costs. However, despite these actions being taken, the reduction in activity during lockdown has resulted in a net loss in the year. The latest lockdown in November 2020 has had much less impact on the business as the purpose of the lockdown is more around restricting social activity than business activity. It is anticipated that any subsequent lockdowns will also look to restrict social activity, whilst keeping business operating as much as possible, this has been seen in subsequent lockdowns since January 2021.

In November 2020, the company successfully refinanced its business which we believe has given the company sufficient working capital with which to trade with during 2021 and beyond. The refinancing included a Coronavirus Business Interruption Loan (CBIL) and a confidential invoice discounting facility from Arbuthnot Bank. Arbuthnot Bank have confirmed support for a minimum period of 12 months after the approval of these statements.

The ongoing support from Arbuthnot Bank along with other creditors leads us to believe that we can continue to trade as a going concern despite the current balance sheet position and we are committed to reversing this position as soon as feasible.

With these risks and uncertainties in mind, we are aware that any plans for the future development of the business may be subject to unforeseen events outside of our control. However, we are confident that with all the cost saving initiatives, the new Arbuthnot Bank facility and our loyal and diverse customer portfolio that is well spread across a number of sectors the business will continue as a going concern.

**FUTURE ACTIVITIES**

The company remains focused on improving service levels and understanding the changing needs of its customers.

The company see 2021 as being a challenging year within the fleet industry as the global shortage of new vehicles will restrict supply, although the company has grown its market share and will continue to invest in its unique technology platform to satisfy the anticipated demand as new vehicles become available. At the same time the company will continue its focus on cost control to ensure it has the flexibility to deal with any unknowns that may arise.

**ON BEHALF OF THE BOARD:**

Mr AWJ Timmis - Director

27 July 2021

# **IT FLEET AUTOMOTIVE LIMITED (REGISTERED NUMBER: 04223523)**

## **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 NOVEMBER 2020**

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

### **DIVIDENDS**

No dividends will be distributed for the year ended 30 November 2020.

### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1 December 2019 to the date of this report.

Mr AWJ Timmis  
Mrs KB Timmis

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

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

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

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**AUDITORS**

The auditors, Mark J Rees LLP Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

Mr AWJ Timmis - Director

27 July 2021

# REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF IT FLEET AUTOMOTIVE LIMITED

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## Opinion

We have audited the financial statements of IT Fleet Automotive Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 November 2020 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 30 November 2020 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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.

## Material uncertainty related to going concern

We draw attention to note 2 in the financial statements, which indicates that the group incurred a net loss before tax of £2,112,056 during the year ended 30 November 2020 and, as of that date, the group's current liabilities exceeded its total assets by £1,957,841. As stated in note 2, these events or conditions, along with other matters as set forth in note 2, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. However, as disclosed the ongoing support of the company's finance facilities for a period of 12 months from the date of approval has been obtained. Our opinion is not modified in respect of this matter.

## Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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



## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF IT FLEET AUTOMOTIVE LIMITED**

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### **Matters on which we are required to report by exception**

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

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 Statement of Directors' Responsibilities set out on page four, 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 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

### **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 a Report of the Auditors 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.

Mark Harrison FCA BA (Hons) (Senior Statutory Auditor)  
for and on behalf of Mark J Rees LLP Chartered Accountants  
and Registered Auditors  
Granville Hall  
Granville Road  
Leicester  
Leicestershire  
LE1 7RU

29 July 2021

**IT FLEET AUTOMOTIVE LIMITED (REGISTERED NUMBER: 04223523)**

**CONSOLIDATED INCOME STATEMENT  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

	Notes	2020 £	2019 £
<b>TURNOVER</b>		<b>22,320,116</b>	<b>26,537,737</b>
Cost of sales		<u>19,377,244</u>	<u>22,055,225</u>
<b>GROSS PROFIT</b>		<b>2,942,872</b>	<b>4,482,512</b>
Administrative expenses		<u>5,411,613</u> <u>(2,468,741)</u>	<u>5,245,661</u> <u>(763,149)</u>
Other operating income		<u>1,220,248</u>	<u>48,593</u>
<b>OPERATING LOSS</b>	4	<b>(1,248,493)</b>	<b>(714,556)</b>
Connected party write off	5	<u>(864,371)</u> <u>(2,112,864)</u>	<u>58,004</u> <u>(656,552)</u>
Interest receivable and similar income		<u>54,948</u> <u>(2,057,916)</u>	<u>41,230</u> <u>(615,322)</u>
Interest payable and similar expenses	6	<u>54,140</u>	<u>27,732</u>
<b>LOSS BEFORE TAXATION</b>		<b>(2,112,056)</b>	<b>(643,054)</b>
Tax on loss	7	<u>(268,981)</u>	<u>162,386</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		<b>(1,843,075)</b>	<b>(805,440)</b>
Loss attributable to: Owners of the parent		<u>(1,843,075)</u>	<u>(805,440)</u>

The notes form part of these financial statements

**IT FLEET AUTOMOTIVE LIMITED (REGISTERED NUMBER: 04223523)**

**CONSOLIDATED OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

	Notes	2020 £	2019 £
<b>LOSS FOR THE YEAR</b>		<b>(1,843,075)</b>	<b>(805,440)</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b><u>(1,843,075)</u></b>	<b><u>(805,440)</u></b>
Total comprehensive income attributable to: Owners of the parent		<b><u>(1,843,075)</u></b>	<b><u>(805,440)</u></b>

The notes form part of these financial statements

# IT FLEET AUTOMOTIVE LIMITED (REGISTERED NUMBER: 04223523)

## CONSOLIDATED BALANCE SHEET 30 NOVEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>FIXED ASSETS</b>					
Intangible assets	9		6,750		8,250
Tangible assets	10		1,116,481		1,278,377
Investments	11		-		-
			<u>1,123,231</u>		<u>1,286,627</u>
<b>CURRENT ASSETS</b>					
Stocks	12	45,027		82,528	
Debtors	13	4,756,405		6,268,059	
Cash at bank and in hand		<u>1,158,355</u>		<u>23,712</u>	
		5,959,787		6,374,299	
<b>CREDITORS</b>					
Amounts falling due within one year	14	<u>6,854,505</u>		<u>7,416,987</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(894,718)</u>		<u>(1,042,688)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			228,513		243,939
<b>CREDITORS</b>					
Amounts falling due after more than one year	15		(2,186,354)		(258,636)
<b>PROVISIONS FOR LIABILITIES</b>	19		-		(100,068)
<b>NET LIABILITIES</b>			<u>(1,957,841)</u>		<u>(114,765)</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	20		178,100		178,100
Retained earnings	21		<u>(2,135,941)</u>		<u>(292,865)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>(1,957,841)</u>		<u>(114,765)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 27 July 2021 and were signed on its behalf by:

Mr AWJ Timmis - Director

**IT FLEET AUTOMOTIVE LIMITED (REGISTERED NUMBER: 04223523)****COMPANY BALANCE SHEET  
30 NOVEMBER 2020**

	Notes	2020 £	£	2019 £	£
<b>FIXED ASSETS</b>					
Intangible assets	9		6,750		8,250
Tangible assets	10		1,116,482		1,278,379
Investments	11		<u>100</u>		<u>100</u>
			<b>1,123,332</b>		<b>1,286,729</b>
<b>CURRENT ASSETS</b>					
Stocks	12	45,027		82,528	
Debtors	13	4,769,899		6,268,059	
Cash at bank and in hand		<u>1,158,355</u>		<u>23,697</u>	
		<b>5,973,281</b>		<b>6,374,284</b>	
<b>CREDITORS</b>					
Amounts falling due within one year	14	<u>6,868,474</u>		<u>7,415,447</u>	
<b>NET CURRENT LIABILITIES</b>			<b>(895,193)</b>		<b>(1,041,163)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>228,139</b>		<b>245,566</b>
<b>CREDITORS</b>					
Amounts falling due after more than one year	15		<b>(2,186,354)</b>		<b>(258,636)</b>
<b>PROVISIONS FOR LIABILITIES</b>	19		<u>-</u>		<u>(100,068)</u>
<b>NET LIABILITIES</b>			<b>(1,958,215)</b>		<b>(113,138)</b>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	20		178,100		178,100
Retained earnings	21		<u>(2,136,315)</u>		<u>(291,238)</u>
<b>SHAREHOLDERS' FUNDS</b>			<b>(1,958,215)</b>		<b>(113,138)</b>
Company's loss for the financial year			<u><b>(1,845,077)</b></u>		<u><b>(796,976)</b></u>

The financial statements were approved by the Board of Directors and authorised for issue on 27 July 2021 and were signed on its behalf by:

Mr AWJ Timmis - Director

The notes form part of these financial statements

**IT FLEET AUTOMOTIVE LIMITED (REGISTERED NUMBER: 04223523)****CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Total £</b>	<b>Non-controlling interests £</b>	<b>Total equity £</b>
<b>Balance at 1 December 2018</b>	178,100	512,575	690,675	-	690,675
<b>Changes in equity</b>					
Total comprehensive income	-	(805,440)	(805,440)	-	(805,440)
<b>Balance at 30 November 2019</b>	178,100	(292,865)	(114,765)	-	(114,765)
<b>Changes in equity</b>					
Total comprehensive income	-	(1,843,075)	(1,843,075)	-	(1,843,075)
<b>Balance at 30 November 2020</b>	178,100	(2,135,940)	(1,957,840)	-	(1,957,840)

The notes form part of these financial statements

**IT FLEET AUTOMOTIVE LIMITED (REGISTERED NUMBER: 04223523)**

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
<b>Balance at 1 December 2018</b>	178,100	505,738	683,838
<b>Changes in equity</b>			
Total comprehensive income	-	(796,976)	(796,976)
<b>Balance at 30 November 2019</b>	<u>178,100</u>	<u>(291,238)</u>	<u>(113,138)</u>
<b>Changes in equity</b>			
Total comprehensive income	-	(1,845,077)	(1,845,077)
<b>Balance at 30 November 2020</b>	<u>178,100</u>	<u>(2,136,315)</u>	<u>(1,958,215)</u>

The notes form part of these financial statements

**IT FLEET AUTOMOTIVE LIMITED (REGISTERED NUMBER: 04223523)**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

		<b>2020</b>	<b>2019</b>
	Notes	£	£
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(1,576,782)	953,172
Interest paid		(48,506)	(22,852)
Interest element of hire purchase and finance lease rental payments paid		(5,634)	(4,880)
Tax paid		(46,075)	(168,120)
Net cash from operating activities		<u>(1,676,997)</u>	<u>757,320</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(84,004)	(175,937)
Sale of tangible fixed assets		11,548	36,313
Interest received		54,948	41,230
Net cash from investing activities		<u>(17,508)</u>	<u>(98,394)</u>
<b>Cash flows from financing activities</b>			
New loans in year		2,375,309	-
Capital repayments in year		(146,595)	(155,752)
Amount introduced by directors		625,360	13,131
Amount withdrawn by directors		(24,926)	(527,839)
Net cash from financing activities		<u>2,829,148</u>	<u>(670,460)</u>
<b>Increase/(decrease) in cash and cash equivalents</b>		<u>1,134,643</u>	<u>(11,534)</u>
<b>Cash and cash equivalents at beginning of year</b>	2	23,712	35,246
<b>Cash and cash equivalents at end of year</b>	2	<u><u>1,158,355</u></u>	<u><u>23,712</u></u>

The notes form part of these financial statements



# IT FLEET AUTOMOTIVE LIMITED (REGISTERED NUMBER: 04223523)

## NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 NOVEMBER 2020

### 1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2020 £	2019 £
Loss before taxation	(2,112,056)	(643,054)
Depreciation charges	220,468	244,767
Loss/(profit) on disposal of fixed assets	15,386	(6,216)
Finance costs	54,140	27,732
Finance income	(54,948)	(41,230)
	<u>(1,877,010)</u>	<u>(418,001)</u>
Decrease/(increase) in stocks	37,501	(3,752)
Decrease in trade and other debtors	1,142,659	3,227
(Decrease)/increase in trade and other creditors	<u>(879,932)</u>	<u>1,371,698</u>
<b>Cash generated from operations</b>	<b><u>(1,576,782)</u></b>	<b><u>953,172</u></b>

### 2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

#### Year ended 30 November 2020

	30.11.20 £	1.12.19 £
Cash and cash equivalents	<u>1,158,355</u>	<u>23,712</u>

#### Year ended 30 November 2019

	30.11.19 £	1.12.18 £
Cash and cash equivalents	<u>23,712</u>	<u>35,246</u>

### 3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.12.19 £	Cash flow £	At 30.11.20 £
<b>Net cash</b>			
Cash at bank and in hand	<u>23,712</u>	<u>1,134,643</u>	<u>1,158,355</u>
	<u>23,712</u>	<u>1,134,643</u>	<u>1,158,355</u>
<b>Debt</b>			
Hire purchase and finance leases	(120,262)	34,595	(85,667)
Debts falling due within 1 year	(44,700)	(160,650)	(205,350)
Debts falling due after 1 year	<u>(67,300)</u>	<u>(2,102,659)</u>	<u>(2,169,959)</u>
	<u>(232,262)</u>	<u>(2,228,714)</u>	<u>(2,460,976)</u>
<b>Total</b>	<b><u>(208,550)</u></b>	<b><u>(1,094,071)</u></b>	<b><u>(1,302,621)</u></b>

The notes form part of these financial statements

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

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**1. GROUP INFORMATION**

IT Fleet Automotive Limited (the company) is a private limited company (registered number: 04223523) which is incorporated and domiciled in the United Kingdom. The address of its registered office is IT House, Notley Park, Raydon Road, Great Wenham, Colchester, Essex, CO7 6QD, United Kingdom.

The principal activities of IT Fleet Automotive Limited and its subsidiaries (together, the group) consist of providing transport, appraisal and refurbishment services within the motor industry.

The presentation currency of the financial statements is in pound sterling (£).

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

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" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Basis of consolidation**

The group financial statements consolidate those of the company and of its subsidiary undertakings drawn up to 30 November 2020. Profits and losses on intra group transactions are eliminated in full. On acquisition of a subsidiary, all of the subsidiary's assets and liabilities which exist at the date of acquisition are recorded at their fair values reflecting their condition at that date.

**Significant judgements and estimates**

In preparing the financial statements, management is required to exercise judgement in making estimates and assumptions that affect reported amounts and disclosures. These 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. Actual results could differ from those estimates and assumptions. The following accounting policies have been identified as being particularly sensitive to complex or subjective judgements or estimates:

**Performance and revenue recognition for work in progress**

The group derives a significant proportion of its revenue from the supply of refurbishment of vehicles. The amount invoiced is agreed prior to the work being carried out. Where the outcome can be estimated reliably, refurbishment revenue is recognised to the extent that the services have been performed. Performance is measured based on the stage of completion. Management judgement and experience is required to determine the completeness of those forecasts, the recoverability of the costs incurred and the revenue recognised on jobs in progress.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

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**2. ACCOUNTING POLICIES - continued**

**Turnover**

Turnover represents net invoiced sales of goods and services, excluding value added tax.

Turnover in respect of vehicle transport is recognised at the point vehicles are delivered.

Turnover in respect of vehicle refurbishment is recognised based on the stage of completion. Adjustments are made for refurbishment work undertaken which is not invoiced at the year end. Invoiced sales for work completed after the year end are adjusted as deferred income according to the stage of completion.

Turnover in respect of vehicle storage charges are recognised over the storage period. Storage administration charges are recognised at the start of the storage period.

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2006, is being amortised evenly over its estimated useful life. The remaining estimated useful life as at the year-end is four and a half years.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- 10% straight line and equal instalments over the lease period
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 15% on reducing balance

Depreciation is provided from the month of acquisition.

**Government grants**

Government grants are recognised using the accruals model.

Under the accruals model, government grants are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in the income in the period in which it becomes receivable.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

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**2. ACCOUNTING POLICIES - continued**

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Research and development**

Expenditure on research and development is written off in the year in which it is incurred.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

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**2. ACCOUNTING POLICIES - continued**

**Debtors**

Short term debtors are measured at fair value and subsequently at amortised cost.

Loans receivable and long term debtors are measured initially at fair value, net of transaction costs, and are measured subsequently, where material, at amortised cost using the effective interest method, less any impairment.

**Creditors**

Short term creditors are measured at fair value and subsequently at amortised cost.

Other financial liabilities, including bank loans are measured initially at fair value, net of transaction costs, and are measured subsequently, where material, at amortised cost using the effective interest method, less any impairment.

**Going Concern and COVID-19**

From late March 2020 government instructed certain facilities to close nationally due to the COVID-19 pandemic, these closures and national restrictions had a negative impact on the trading results of the group during this period. This, combined with the exceptional items disclosed in note 5 resulted in a net loss before tax of £2,112,056 being incurred. At the year end the group's liabilities exceeded assets by £1,957,841.

The group depends on its finance facilities and creditors to meet its day to day working capital requirements. The group has successfully refinanced and secured additional funding during November 2020 securing an additional £6.5m finance package. These facilities were due for review during the period of assessment, however the lenders have provided confirmation of ongoing support for the period of this review.

The company has made use of government support packages available, including the Job Retention Scheme, deferment schemes and access to a CBIL Loan. All amounts included in government grants relate to the Government's Job Retention Scheme.

Due to the current climate and recent restrictions associated with COVID-19 along with the above factors there is a material uncertainty relating to going concern. However, the company's finance providers have confirmed their continued support for a minimum period of 12 months after the approval of these financial statements. With this support the Directors consider that the facilities along with measures taken to control costs are sufficient to provide adequate resources to support the going concern basis of accounting in preparing the financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

**3. EMPLOYEES AND DIRECTORS**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>6,148,677</b>	6,404,667
Social security costs	<b>604,531</b>	632,798
Other pension costs	<b>213,076</b>	212,950
	<b><u>6,966,248</u></b>	<u>7,250,415</u>

The average number of employees during the year was as follows:

	<b>2020</b>	<b>2019</b>
Administration staff	<b>42</b>	51
Production staff	<b>179</b>	192
	<b><u>221</u></b>	<u>243</u>

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Directors' remuneration	<b><u>263,548</u></b>	<u>178,066</u>

Information regarding the highest paid director for the year ended 30 November 2020 is as follows:

	<b>2020</b>
	<b>£</b>
Emoluments etc	<b><u>142,133</u></b>

**4. OPERATING LOSS**

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

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Hire of plant and machinery	<b>75,941</b>	73,483
Depreciation - owned assets	<b>218,967</b>	242,359
Loss/(profit) on disposal of fixed assets	<b>15,386</b>	(6,216)
Goodwill amortisation	<b>1,500</b>	1,500
Auditors remuneration	<b><u>12,000</u></b>	<u>10,000</u>

**5. EXCEPTIONAL ITEMS**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Connected party write off	<b><u>(864,371)</u></b>	<u>58,004</u>

The group has written off the balance of £864,371 owed from IT Fleet Solutions Limited.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

**6. INTEREST PAYABLE AND SIMILAR EXPENSES**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank interest	<b>45,607</b>	22,852
Other interest	<b>2,899</b>	-
Hire purchase	<b>5,634</b>	4,880
	<b><u>54,140</u></b>	<b><u>27,732</u></b>

**7. TAXATION**

**Analysis of the tax (credit)/charge**

The tax (credit)/charge on the loss for the year was as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Current tax:		
UK corporation tax	<b>(74,376)</b>	(45,000)
Prior year		
UK corporation tax	<b>-</b>	229,260
Total current tax	<b><u>(74,376)</u></b>	<b><u>184,260</u></b>
Deferred taxation	<b><u>(194,605)</u></b>	<b><u>(21,874)</u></b>
Tax on loss	<b><u>(268,981)</u></b>	<b><u>162,386</u></b>

**Reconciliation of total tax (credit)/charge included in profit and loss**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Loss before tax	<b><u>(2,112,056)</u></b>	<b><u>(643,054)</u></b>
Loss multiplied by the standard rate of corporation tax in the UK of 19 % (2019 - 19 %)	<b>(401,291)</b>	(122,180)
Effects of:		
Expenses not deductible for tax purposes	<b>164,746</b>	21,842
Income not taxable for tax purposes	<b>-</b>	(13,111)
Capital allowances in excess of depreciation	<b>-</b>	(13,516)
Depreciation in excess of capital allowances	<b>24,179</b>	-
Research and development enhanced expenditure	<b>(77,545)</b>	(19,150)
Adjustment to tax charge in respect of previous periods	<b>20,930</b>	229,260
Carry forward of tax losses	<b>-</b>	79,241
Total tax (credit)/charge	<b><u>(268,981)</u></b>	<b><u>162,386</u></b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

**8. INDIVIDUAL INCOME STATEMENT**

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

**9. INTANGIBLE FIXED ASSETS**

**Group**

**Goodwill  
£**

**COST**

At 1 December 2019  
and 30 November 2020

**30,000**

**AMORTISATION**

At 1 December 2019

**21,750**

Amortisation for year

**1,500**

At 30 November 2020

**23,250**

**NET BOOK VALUE**

At 30 November 2020

**6,750**

At 30 November 2019

**8,250**

**Company**

**Goodwill  
£**

**COST**

At 1 December 2019  
and 30 November 2020

**30,000**

**AMORTISATION**

At 1 December 2019

**21,750**

Amortisation for year

**1,500**

At 30 November 2020

**23,250**

**NET BOOK VALUE**

At 30 November 2020

**6,750**

At 30 November 2019

**8,250**



# IT FLEET AUTOMOTIVE LIMITED (REGISTERED NUMBER: 04223523)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 NOVEMBER 2020

### 10. TANGIBLE FIXED ASSETS

#### Group

	Short leasehold £	Plant and machinery £	Fixtures and fittings £
<b>COST</b>			
At 1 December 2019	601,200	904,171	386,435
Additions	18,145	-	-
Disposals	-	-	-
At 30 November 2020	<u>619,345</u>	<u>904,171</u>	<u>386,435</u>
<b>DEPRECIATION</b>			
At 1 December 2019	399,014	678,493	291,532
Charge for year	43,986	34,046	14,058
Eliminated on disposal	-	-	-
At 30 November 2020	<u>443,000</u>	<u>712,539</u>	<u>305,590</u>
<b>NET BOOK VALUE</b>			
At 30 November 2020	<u>176,345</u>	<u>191,632</u>	<u>80,845</u>
At 30 November 2019	<u>202,186</u>	<u>225,678</u>	<u>94,903</u>
	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>			
At 1 December 2019	220,203	1,050,098	3,162,107
Additions	-	65,859	84,004
Disposals	(73,608)	-	(73,608)
At 30 November 2020	<u>146,595</u>	<u>1,115,957</u>	<u>3,172,503</u>
<b>DEPRECIATION</b>			
At 1 December 2019	92,417	422,273	1,883,729
Charge for year	25,171	101,706	218,967
Eliminated on disposal	(46,674)	-	(46,674)
At 30 November 2020	<u>70,914</u>	<u>523,979</u>	<u>2,056,022</u>
<b>NET BOOK VALUE</b>			
At 30 November 2020	<u>75,681</u>	<u>591,978</u>	<u>1,116,481</u>
At 30 November 2019	<u>127,786</u>	<u>627,825</u>	<u>1,278,378</u>

**IT FLEET AUTOMOTIVE LIMITED (REGISTERED NUMBER: 04223523)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

10. **TANGIBLE FIXED ASSETS - continued**

**Company**

	Short leasehold £	Plant and machinery £	Fixtures and fittings £
<b>COST</b>			
At 1 December 2019	601,200	904,171	386,436
Additions	18,145	-	-
Disposals	-	-	-
At 30 November 2020	<u>619,345</u>	<u>904,171</u>	<u>386,436</u>
<b>DEPRECIATION</b>			
At 1 December 2019	399,014	678,493	291,532
Charge for year	43,986	34,046	14,058
Eliminated on disposal	-	-	-
At 30 November 2020	<u>443,000</u>	<u>712,539</u>	<u>305,590</u>
<b>NET BOOK VALUE</b>			
At 30 November 2020	<u>176,345</u>	<u>191,632</u>	<u>80,846</u>
At 30 November 2019	<u>202,186</u>	<u>225,678</u>	<u>94,904</u>
	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>			
At 1 December 2019	220,203	1,050,098	3,162,108
Additions	-	65,859	84,004
Disposals	(73,608)	-	(73,608)
At 30 November 2020	<u>146,595</u>	<u>1,115,957</u>	<u>3,172,504</u>
<b>DEPRECIATION</b>			
At 1 December 2019	92,417	422,273	1,883,729
Charge for year	25,171	101,706	218,967
Eliminated on disposal	(46,674)	-	(46,674)
At 30 November 2020	<u>70,914</u>	<u>523,979</u>	<u>2,056,022</u>
<b>NET BOOK VALUE</b>			
At 30 November 2020	<u>75,681</u>	<u>591,978</u>	<u>1,116,482</u>
At 30 November 2019	<u>127,786</u>	<u>627,825</u>	<u>1,278,379</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

**11. FIXED ASSET INVESTMENTS**

**Company**

**Shares in  
group  
undertakings  
£**

**COST**

At 1 December 2019  
and 30 November 2020

**100**

**NET BOOK VALUE**

At 30 November 2020  
At 30 November 2019

**100**

**100**

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

**Subsidiary**

**IT Fleet Automotive Scotland Limited**

Registered office: 3 Guardwell Crescent, Edinburgh, EH17 7JA

Nature of business: Fleet services

Class of shares: %  
Ordinary shares holding  
100.00

<b>2020</b>	<b>2019</b>
<b>£</b>	<b>£</b>
<b>445</b>	<b>(1,558)</b>
<u><b>2,003</b></u>	<u><b>(8,464)</b></u>

Aggregate capital and reserves

Profit/(loss) for the year

**12. STOCKS**

	<b>Group</b>		<b>Company</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Stocks	<u><b>45,027</b></u>	<u><b>82,528</b></u>	<u><b>45,027</b></u>	<u><b>82,528</b></u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

**13. DEBTORS**

	<b>Group</b>		<b>Company</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Amounts falling due within one year:				
Trade debtors	2,532,216	3,746,998	2,532,216	3,746,998
Bad debt provision	(22,159)	(22,159)	(22,159)	(22,159)
Amounts owed by group undertakings	-	-	13,494	-
Other debtors	682,054	442,095	682,054	442,095
Directors' current accounts	-	514,708	-	514,708
Taxation	119,146	67,970	119,146	67,970
Prepayments and accrued income	1,350,611	773,323	1,350,611	773,323
	<u>4,661,868</u>	<u>5,522,935</u>	<u>4,675,362</u>	<u>5,522,935</u>
Amounts falling due after more than one year:				
Other debtors	-	745,124	-	745,124
Deferred tax asset	94,537	-	94,537	-
	<u>94,537</u>	<u>745,124</u>	<u>94,537</u>	<u>745,124</u>
Aggregate amounts	<u>4,756,405</u>	<u>6,268,059</u>	<u>4,769,899</u>	<u>6,268,059</u>
Deferred tax asset				
	<b>Group</b>		<b>Company</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Accelerated capital allowances	(149,991)	-	(149,991)	-
Tax losses carried forward	244,528	-	244,528	-
	<u>94,537</u>	<u>-</u>	<u>94,537</u>	<u>-</u>

Included within group trade debtors at the year end are invoiced finance debts amounting to £2,291,248 (2019: £3,767,025).

# IT FLEET AUTOMOTIVE LIMITED (REGISTERED NUMBER: 04223523)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 NOVEMBER 2020

### 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Other loans (see note 16)	205,350	44,700	205,350	44,700
Hire purchase contracts and finance leases (see note 17)	69,272	53,926	69,272	53,926
Trade creditors	1,631,855	2,226,566	1,631,840	2,211,056
Taxation	-	69,275	-	69,275
Social security and other taxes	531,129	157,546	531,129	157,546
VAT	1,359,008	525,941	1,372,962	539,880
Other creditors	1,898,810	3,450,369	1,898,840	3,450,400
Directors' current accounts	85,492	-	85,492	-
Accruals and deferred income	1,073,589	888,664	1,073,589	888,664
	<u>6,854,505</u>	<u>7,416,987</u>	<u>6,868,474</u>	<u>7,415,447</u>

### 15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Other loans (see note 16)	2,169,959	67,300	2,169,959	67,300
Hire purchase contracts and finance leases (see note 17)	16,395	66,336	16,395	66,336
Other creditors	-	125,000	-	125,000
	<u>2,186,354</u>	<u>258,636</u>	<u>2,186,354</u>	<u>258,636</u>

### 16. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Amounts falling due within one year or on demand:				
Other loans	<u>205,350</u>	<u>44,700</u>	<u>205,350</u>	<u>44,700</u>
Amounts falling due between two and five years:				
Other loans	<u>2,169,959</u>	<u>67,300</u>	<u>2,169,959</u>	<u>67,300</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

**17. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

**Group**

	<b>Hire purchase contracts</b>		<b>Finance leases</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Net obligations repayable:				
Within one year	<b>59,348</b>	44,002	<b>9,924</b>	9,924
Between one and five years	<b>1,106</b>	45,661	<b>15,289</b>	20,675
	<b><u>60,454</u></b>	<u>89,663</u>	<b><u>25,213</u></b>	<u>30,599</u>

**Company**

	<b>Hire purchase contracts</b>		<b>Finance leases</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Net obligations repayable:				
Within one year	<b>59,348</b>	44,002	<b>9,924</b>	9,924
Between one and five years	<b>1,106</b>	45,661	<b>15,289</b>	20,675
	<b><u>60,454</u></b>	<u>89,663</u>	<b><u>25,213</u></b>	<u>30,599</u>

**Group**

	<b>Non-cancellable operating leases</b>	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Within one year	<b>199,955</b>	492,675
Between one and five years	<b>807,409</b>	316,910
	<b><u>1,007,364</u></b>	<u>809,585</u>

**Company**

	<b>Non-cancellable operating leases</b>	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Within one year	<b>199,955</b>	492,675
Between one and five years	<b>807,409</b>	316,910
	<b><u>1,007,364</u></b>	<u>809,585</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

**18. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>Group</b>		<b>Company</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Hire purchase contracts and finance leases	<b>85,667</b>	120,262	<b>85,667</b>	120,262
Other creditors	<b>1,253,408</b>	3,050,528	<b>1,253,408</b>	3,050,528
	<b><u>1,339,075</u></b>	<u>3,170,790</u>	<b><u>1,339,075</u></b>	<u>3,170,790</u>

Within group other creditors there is a balance of £1,253,408 (2019: £nil) owed to Arbuthnot Commercial Asset Based Lending Limited which is secured by way of a fixed and floating charge over the assets of the company. Not all trade debtors are subject to invoice financing, an advance is provided by Arbuthnot Commercial Asset Based Lending Limited on those debts that are financed.

During the year the company changed its invoice financing facility from RBS Invoice Finance Limited to Arbuthnot Commercial Asset Based Lending Limited. The balance owed to RBS Invoice Finance Limited at the year-end was £nil (2019: £3,050,528).

Hire purchase contracts are secured on the assets to which they relate.

**19. PROVISIONS FOR LIABILITIES**

	<b>Group</b>		<b>Company</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Deferred tax				
Accelerated capital allowances	<u>-</u>	<u>100,068</u>	<u>-</u>	<u>100,068</u>

**Group**

	<b>Deferred tax</b>
	<b>£</b>
Balance at 1 December 2019	100,068
Movement for year	(194,605)
Balance at 30 November 2020	<u>(94,537)</u>

**Company**

	<b>Deferred tax</b>
	<b>£</b>
Balance at 1 December 2019	100,068
Movement for year	(194,605)
Balance at 30 November 2020	<u>(94,537)</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

**20. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:		Nominal value: £1	<b>2020</b> £ <b>178,100</b>	2019 £ 178,100
Number:	Class:			
178,100	Ordinary			

**21. RESERVES**

**Group**

**Retained  
earnings  
£**

At 1 December 2019	(292,866)
Deficit for the year	(1,843,075)
At 30 November 2020	<b>(2,135,941)</b>

**Company**

**Retained  
earnings  
£**

At 1 December 2019	(291,238)
Deficit for the year	(1,845,077)
At 30 November 2020	<b>(2,136,315)</b>

**22. PENSION COMMITMENTS**

The group operates a defined contribution pension scheme for the benefit of employees. The assets of the scheme are administered by trustees in a fund independent from those of the company.

The total employer contributions paid in the period amounted to £213,076 (2019: £212,950).

Amounts owed to the scheme at 30 November 2020 amounted to £28,574 (2019: £31,884).



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 NOVEMBER 2020****23. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to directors subsisted during the years ended 30 November 2020 and 30 November 2019:

	<b>2020</b>	2019
	<b>£</b>	<b>£</b>
<b>Mr AWJ Timmis and Mrs KB Timmis</b>		
Balance outstanding at start of year	<b>514,708</b>	-
Amounts advanced	-	544,508
Amounts repaid	<b>(514,708)</b>	(29,800)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>514,708</u>

Interest has been charged on the average balance outstanding using the HM Revenue and Customs official rate of interest.

The loan was repaid in full in August 2020.

Included within other creditors is £85,492 owed to the directors at 30 November 2020.

**24. RELATED PARTY DISCLOSURES**

During the year the group was charged rent in the normal course of business from IT Fleet Solutions Limited totalling £204,000 (2019: £204,000). At 30 November 2020 the group was owed £nil from IT Fleet Solutions Limited (2019: £52,292).

The amount owed by IT Fleet Solutions Limited at 30 November 2020 in respect of the loan agreed at 31 May 2016 was £nil (2019: £802,697). This balance has been written off in the period.

Amounts owed to IT Fleet Logistics Limited at the year end amounted to £9,142 (2019: £204,233 owed by IT Fleet Logistics Limited).

During the year the group invoiced goods and services in the normal course of business to The Fleet Auction Group Limited amounting to £1,227,050 (2019: £1,839,279). The group also purchased goods and services in the normal course of business from The Fleet Auction Group Limited of £481,581 (2019: £1,071,015). The balance owed by The Fleet Auction Group Limited to the group at 30 November 2020 amounted to £81,243 (2019: £42,023).

During the year the group recharged goods and services in the normal course of business amounting to £nil (2019: £nil) to IT Fleet Automotive Scotland Limited. At 30 November 2020 the balance owed by IT Fleet Automotive Scotland Limited to the company amounted to £13,494 (2019: £nil).

Mr AWJ Timmis, director, is also a director and shareholder of the above related parties.

Mr AWJ Timmis and Mrs K Timmis have provided a personal guarantee of £500,000 to Arbuthnot Asset Based Lending Limited in respect of the company's invoice financing agreement.

**25. ULTIMATE CONTROLLING PARTY**

Mr and Mrs AWJ Timmis are considered to be the controlling party of the group by virtue of their directorship and shareholding.

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