

## **Marshall of Peterborough Limited**

Report and unaudited financial statements

For the 15 months ended 31 March 2022

Company Number 04861074

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# **Marshall of Peterborough Limited**

## **Report and unaudited financial statements**

**For the 15 months ended 31 March 2022**

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**Marshall of Peterborough Limited**  
**Officers and Professional Advisers**  
**For the 15 months ended 31 March 2022**

**The Board of Directors**

R. J. Blumberger  
J. H. Crowther  
J. L. Head  
T. G. Lampert

**Company Secretary**

S.R. Jones

**Registered Office**

Airport House  
The Airport  
Newmarket Road  
Cambridge  
CB5 8RY

**Bankers**

Barclays Bank plc  
9-11 St. Andrew's Street  
Cambridge  
CB2 3AA

**Solicitors**

Dentons UKMEA LLP  
The Pinnacle  
170 Midsummer Boulevard  
Milton Keynes  
MK9 1FE

# Marshall of Peterborough Limited

## Strategic Report

For the 15 months ended 31 March 2022

### Review of the business

The activities of Marshall of Peterborough Limited ("the Company") continue to consist primarily of vehicle sales, servicing of vehicles and associated activities.

On 21 December 2021, the Company changed its accounting reference date from 31 December to 31 March. Consequently, the Company's financial performance as reported in these financial statements is for the 15 month period ended 31 March 2022; the comparative period remains that of the year ended 31 December 2020.

The Company's financial performance is assessed primarily in relation to turnover and gross margin as disclosed in the Income Statement. Turnover increased to £62,897,000 (year ended 31 December 2020: £12,927,000) with gross profit increasing to £2,798,000 (year ended 31 December 2020: £1,166,000). In addition to the impact of the extension of the current reporting period to 15 months, turnover and gross profit have improved as significantly less disruption arising due to measures taken in respect of the COVID-19 pandemic was experienced in the current period compared to during 2020.

### Key performance indicators

The business activities of the Company cover multiple divisions operated by the group headed by Marshall Motor Holdings Limited ("the Group"). As performance is managed on a divisional basis, additional Company-specific performance indicators are not considered necessary to provide an understanding of the financial position and performance of business activities. Divisional performance is discussed in the Marshall Motor Holdings Limited consolidated financial statements which are available online or can be obtained from the address in Note 21. The Marshall Motor Holdings Limited consolidated financial statements do not form part of this Strategic Report.

### Principal risks and uncertainties

The principal risks and uncertainties that may have a significant impact on the Company's financial condition, results of operations and/or reputation include: business interruption, business relationships and strategy, legal and regulatory changes, compliance risk, economic and political uncertainty, treasury and finance risks, environmental and health and safety risks, attracting and retaining key employees and IT and cyber security risks. The Company is a member of the group headed by Marshall Motor Holdings Limited ("MMH"). For full details of these risks, see the Principal Risks and Uncertainties section of the MMH consolidated financial statements.

### Financial risk management

Business activities are carried out under normal trade terms; these terms and relationships with suppliers and customers are regularly reviewed. The Company has a treasury arrangement providing access to Group facilities; funding requirements are managed on a group-wide basis. The Company does not use financial derivatives and does not enter into financial instruments, including derivative financial instruments, for speculative purposes.

### Board decision making (s172 statement)

When making decisions, the Directors consider what is most likely to lead to the success of the Company and to be of benefit to the members as a whole over the long term. When making such decisions, the Directors also consider the interests of other key stakeholder groups and seek to arrive at conclusions that do not adversely affect these groups as a whole. For full details of these considerations, see the Strategic Report section of the Marshall Motor Holdings Limited consolidated financial statements.

### Approval

This Strategic Report was approved by order of the Board on 16 December 2022.

DocuSigned by:  
  
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R.J. Blumberger  
Director

# **Marshall of Peterborough Limited**

## **Directors' Report**

**For the 15 months ended 31 March 2022**

### **Directors**

The Directors of Marshall of Peterborough Limited ("the Company") throughout the period and to the date of this report were:

D. Gupta (resigned on 25 May 2022)  
R.J. Blumberger  
J. H. Crowther (appointed on 1 July 2022)  
J. L. Head (appointed on 1 July 2022)  
T. G. Lampert (appointed on 1 July 2022)

### **Results and dividends**

The Company is owned by Marshall Motor Holdings Limited ("the Group").

The profit for the period, after tax, amounted to £348,000 (year ended 31 December 2020: loss of £410,000). No dividends were paid during the period (year ended 31 December 2020: £nil).

### **Charitable donations**

During the period, the Company made charitable donations of £nil (year ended 31 December 2020: £nil).

### **Events since the balance sheet date**

For full details of all such events see Note 22 'Events after the reporting period'.

### **Going concern**

The financial statements are prepared on a going concern basis. After making appropriate enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and for at least one year from the date that these financial statements are signed. For these reasons, the Directors continue to adopt the going concern basis in preparing the financial statements.

For further information on the going concern assessment see Note 1 'Basis of preparation and statement of compliance'.

### **Future developments**

The group's strategic vision is to be regarded as the UK's premier automotive retailer. The Company will continue to focus on achieving this goal through:

- the performance optimisation of the business
- offering outstanding customer service
- demonstrating retailing excellence
- building strong relations with our brand partners and key suppliers, and
- being a great place to work.

### **Approval**

This Directors' Report was approved by order of the Board on 16 December 2022.

DocuSigned by:  
  
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R.J. Blumberger  
**Director**

## **Marshall of Peterborough Limited**

### **Statement of Directors' Responsibilities**

**For the 15 months ended 31 March 2022**

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Company 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 its profit or loss 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

# Marshall of Peterborough Limited

## Income Statement

For the 15 months ended 31 March 2022

		15 months ended 31 March 2022	Year ended 31 December 2020
	Note	£'000	£'000
<b>Turnover</b>	4	62,897	12,927
Cost of sales		(60,099)	(11,761)
<b>Gross profit</b>		<b>2,798</b>	<b>1,166</b>
Administrative expenses		(2,262)	(1,745)
Other operating income	5	-	116
<b>Operating profit / (loss)</b>		<b>536</b>	<b>(463)</b>
Interest payable and similar charges	8	(110)	(46)
<b>Profit / (loss) on ordinary activities before taxation</b>	6	<b>426</b>	<b>(509)</b>
Tax on profit / (loss) on ordinary activities	9	(78)	99
<b>Profit / (loss) for the financial period</b>		<b>348</b>	<b>(410)</b>

The Company has no recognised gains or losses other than the profit for the period as set out above.

All of the activities of the Company are classed as continuing.

The notes on pages 9 to 18 form part of these financial statements.

# Marshall of Peterborough Limited

## Balance Sheet

As at 31 March 2022

	Note	31 March 2022		31 December 2020	
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	10		18		22
<b>Current assets</b>					
Stock	11	5,317		2,958	
Debtors	12	3,141		1,727	
Cash at bank and in hand		2,988		648	
		<u>11,446</u>		<u>5,333</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(11,879)</u>		<u>(6,107)</u>	
<b>Net current liabilities</b>			<u>(433)</u>		<u>(774)</u>
<b>Total assets less current liabilities</b>			<u>(415)</u>		<u>(752)</u>
<b>Creditors: amounts falling due after more than one year</b>	15		(96)		(107)
<b>Net liabilities</b>			<u><u>(511)</u></u>		<u><u>(859)</u></u>
<b>Capital and reserves</b>					
Called-up share capital	18		1,100		1,100
Profit and loss account	19		<u>(1,611)</u>		<u>(1,959)</u>
<b>Shareholder's deficit</b>			<u><u>(511)</u></u>		<u><u>(859)</u></u>

The notes on pages 9 to 18 form part of these financial statements.

For the 15-month period ended 31 March 2022 the Company was entitled to exemption under section 479A of the Companies Act 2006. No members have required the Company to obtain an audit of its accounts for the period in question in accordance with section 476 of the Companies Act 2006. The Directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and for the preparation of accounts.

The financial statements were approved by the Board of Directors and authorised for issue on 16 December 2022.

DocuSigned by:

*Richard Blumberger*

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R.J. Blumberger  
Director

Company Number: 04861074



# Marshall of Peterborough Limited

## Statement of Changes in Equity

For the period ended 31 March 2022

	Called-up share capital £'000	Profit and loss account £'000	Total £'000
<b>At 1 January 2020</b>	1,100	(1,549)	(449)
Loss for the financial year	-	(410)	(410)
<b>Total comprehensive loss for the year</b>	-	(410)	(410)
<b>At 31 December 2020</b>	<b>1,100</b>	<b>(1,959)</b>	<b>(859)</b>
Profit for the financial period	-	348	348
<b>Total comprehensive profit for the period</b>	-	348	348
<b>At 31 March 2022</b>	<b>1,100</b>	<b>(1,611)</b>	<b>(511)</b>

# **Marshall of Peterborough Limited**

## **Notes to the Financial Statements**

**For the period ended 31 March 2022**

### **1. Basis of preparation and statement of compliance**

Marshall of Peterborough Limited (company number: 04861074) ("the Company") is a private company, limited by shares, incorporated in England and Wales. The registered office is Airport House, The Airport, Newmarket Road, Cambridge, CB5 8RY. The financial statements have been prepared in compliance with FRS 102, 'the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland'.

The financial statements of the Company were authorised for issue by the Board of Directors on 16 December 2022.

The financial statements are prepared in sterling which is the functional and presentational currency of the Company. All amounts are rounded to the nearest £'000.

The Company accounts have also adopted the following disclosure exemptions:

- presentation of a cash-flow statement and related notes
- financial instrument-related disclosures
- key management personnel compensation disclosures
- related party disclosures with wholly owned subsidiaries within the group

These exemptions have been applied as the Company is a qualifying entity and the shareholders of the Company have been notified in writing and no objection has been made to the use of the exemptions.

The Company has taken the exemption from an audit for the 15 months ended 31 March 2022 by virtue of s479A of the Companies Act 2006. In order to allow the Company to take the audit exemption, the parent company Marshall Motor Holdings Limited has given a statutory guarantee of all the outstanding liabilities of the Company as at 31 March 2022.

Under section 479C of the Companies Act 2006, the parent company Marshall Motor Holdings Limited has guaranteed all outstanding liabilities to which the Company was subject at the end of 31 March 2022 until they are satisfied in full. Such guarantees are enforceable against Marshall Motor Holdings Limited by any person to whom any such liability is due.

### **Going concern**

The Company reported a profit for the fifteen months ended 31 March 2022 but a negative financial position. However, the Company has a treasury arrangement with other companies in the group of companies of which Marshall Motor Holdings Limited is the parent company. As at 31 March 2022 the Group had £60 million of committed, but undrawn, banking facilities made available under a facility agreement due to expire in September 2024.

In addition to these banking facilities, the Company also has, through being a member of the Group, access to substantial vehicle stock funding arrangements of which £6.1 million was utilised by the Company and a total of £413.0 million was utilised by the Group at 31 March 2022. These Group treasury arrangements facilitate the Company being able to meet its liabilities as they fall due.

The financial statements are prepared on a going concern basis. After making appropriate enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and for at least one year from the date that these financial statements are signed. For these reasons, the Directors continue to adopt the going concern basis in preparing the financial statements. Accordingly, these financial statements do not include any adjustments to the carrying amount or classification of assets and liabilities that would result if the Company were unable to continue as a going concern.

# **Marshall of Peterborough Limited**

## **Notes to the Financial Statements *(continued)***

**For the 15 months ended 31 March 2022**

## **2. Accounting policies**

### **Revenue recognition**

Turnover is recognised to the extent that the Company obtains the right to consideration in exchange for its performance. Turnover is measured at the fair value of the consideration received, excluding Value Added Tax. The following criteria must also be met before revenue is recognised:

#### ***Sale of goods***

Turnover in respect of new and used vehicle sales is recognised when: the significant risks and rewards of ownership of the goods have passed to the buyer (usually when a customer takes possession of a vehicle) the amount of revenue can be measured reliably; it is probable that the economic benefits associated with the transaction will flow to the Company and the costs incurred or expected to be incurred in respect of the transaction can be measured reliably.

#### ***Rendering of services***

Turnover in respect of other services is recognised once the service has been provided.

### **Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. All such grants relate to expense items. The grant is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

The grant income is disclosed in other operating income in the Income Statement.

### **Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation and any accumulated impairment losses. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. When parts of an item of tangible fixed assets have different useful lives, those components are accounted for as separate items of tangible fixed assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Income Statement.

Depreciation is charged to the Income Statement on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Estimated residual values are included in the calculation of depreciation. The useful lives applicable are:

Fixtures and fittings	- 5 years
Computer equipment	- 2-5 years

# **Marshall of Peterborough Limited**

## **Notes to the Financial Statements** *(continued)*

**For the 15 months ended 31 March 2022**

### **2. Accounting policies** *(continued)*

#### **Impairment of non-financial assets**

At each reporting date assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the Income Statement for the period.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior periods. A reversal of an impairment loss is recognised immediately in the Income Statement for the period.

#### **Stock**

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell, after making due allowance for obsolete and slow moving items.

Stock held on consignment is recognised in the Balance Sheet when the terms of a consignment agreement and commercial practice indicate that the principal benefit of owning the stock (the ability to sell it) and principal risks of ownership (stock holding cost, responsibility for safe-keeping and some risk of obsolescence) rest with the Company. Stock held on consignment is recognised net of Value Added Taxes.

The Company finances the purchase of new and used vehicle stock using vehicle funding facilities provided by various lenders including the captive finance companies associated with brand partners. These finance arrangements have varying maturity profiles with terms ranging from 60 to 360 days. The Company is normally required to repay amounts outstanding on the earlier of the sale of the vehicles that have been funded under the facilities or the stated maturity date. Amounts due to finance companies in respect of vehicle funding are included within trade creditors and disclosed under vehicle financing arrangements. Vehicle financing facilities are subject to finance house base rate (or similar) interest rates. The interest incurred under these arrangements is included within interest payable and similar charges and classified as stock financing charges.

#### **Basic financial instruments**

##### **Debtors**

Short term debtors are measured at transaction price, less any impairment. Any losses arising from impairment are recognised in the Income Statement in administrative expenses.

##### **Creditors**

Short term trade creditors are measured at the transaction price. Trade creditors include the liability for vehicles (inclusive of Value Added Taxes) held on consignment with the corresponding asset included within stock (exclusive of Value Added Taxes).

##### **Cash and cash equivalents**

Cash and cash equivalents comprise of cash at bank and cash in hand.

##### **Leasing – as lessee**

Rentals payable under operating leases are charged in the Income Statement on a straight-line basis over the lease term. Lease incentives are recognised over the lease term on a straight-line basis.

# **Marshall of Peterborough Limited**

## **Notes to the Financial Statements (*continued*)**

### **For the 15 months ended 31 March 2022**

## **2. Accounting policies (*continued*)**

### **Taxation**

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

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

Deferred tax is calculated without discounting using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

With the exception of changes arising on the initial recognition in a business combination, the tax charge / (credit) is presented either in the Income Statement, Other Comprehensive Income or Statement of Changes in Equity depending on the transaction that resulted in the tax charge / (credit).

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. Deferred tax assets and deferred tax liabilities are offset only if:

- the Company has a legally enforceable right to set off current tax assets against current tax liabilities, and
- the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

### **Pensions**

The Company participates in a defined contribution scheme for the benefit of its employees. Contributions are charged to the Income Statement as they become payable in accordance with the rules of the scheme.

## **3. Significant judgements and key sources of estimation uncertainty**

The Company makes judgements and estimates concerning the future. The judgements and estimates that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below:

### **Estimated useful life of tangible fixed assets and impairment of non-financial assets**

The Company estimates the useful life and residual values of tangible fixed assets and reviews these estimates at each financial period end. The Company also tests for impairment when a trigger event occurs or annually as appropriate.

### **Stock valuation**

Motor vehicle stock is stated at the lower of cost and net realisable value (being the fair value of the motor vehicles less costs to sell). Fair values are assessed using reputable industry valuation data which is based upon recent industry activity and forecasts. Whilst this data is deemed representative of current value of vehicles held in stock it is possible that the price at which the vehicles are actually sold will differ from the vehicles' industry valuations. Where this is the case, adjustments arise in the Income Statement on the sale of vehicles held in stock.

Industry valuations are sensitive to rapid changes in regulatory and market conditions which are difficult to anticipate. In light of the materiality of the inventory balance in the Balance Sheet, this uncertainty is considered to represent a key source of estimation uncertainty. The inventory provision as at 31 March 2022 represents 2.7% of the gross inventory balance (31 December 2020: 4.8%), this decrease is largely due to the unusual market conditions during the period ended 31 March 2022 and the expectation of lower pricing in 2023.

# Marshall of Peterborough Limited

## Notes to the Financial Statements *(continued)*

### For the 15 months ended 31 March 2022

#### 4. Turnover

Turnover is all attributable to the principal activity of the Company, which is car and commercial vehicle sales, distribution and service. All turnover arises from continuing activities within the United Kingdom and is stated net of VAT.

Turnover is analysed as follows:

	15 months ended 31 March 2022	Year ended 31 December 2020
	£'000	£'000
Sale of goods	62,147	12,157
Rendering of services	750	770
	<b>62,897</b>	<b>12,927</b>

#### 5. Other operating income

	15 months ended 31 March 2022	Year ended 31 December 2020
	£'000	£'000
Coronavirus Job Retention Scheme grant income	-	116

#### 6. Profit / (loss) on ordinary activities before taxation

This is stated after charging:

	15 months ended 31 March 2022	Year ended 31 December 2020
	£'000	£'000
Depreciation of tangible fixed assets (note 10)	10	22
Operating lease costs - land and buildings	164	127

#### 7. Staff costs

Staff costs during the period were as follows:

	15 months ended 31 March 2022	Year ended 31 December 2020
	£'000	£'000
Wages and salaries	1,074	723
Social security costs	105	76
Other pension costs	22	16
	<b>1,201</b>	<b>815</b>

Employee costs stated above exclude grant income of £nil (year ended 31 December 2020: £116,000) received under the Coronavirus Job Retention Scheme.

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

	15 months ended 31 March 2022	Year ended 31 December 2020
	No.	No.
Administration	5	7
Sales and aftersales	21	20
	<b>26</b>	<b>27</b>

The costs of Directors' services are borne by the Group.

#### 8. Interest payable and similar charges

	15 months ended 31 March 2022	Year ended 31 December 2020
	£'000	£'000
Stock financing charges	110	46

# Marshall of Peterborough Limited

## Notes to the Financial Statements (*continued*)

For the 15 months ended 31 March 2022

### 9. Tax

#### a) Tax on profit / (loss) on ordinary activities

The tax charge / (credit) is made up as follows:

	15 months ended 31 March 2022 £'000	Year ended 31 December 2020 £'000
<i>Current tax</i>		
Current tax on profit / (loss) for the period	80	(97)
<b>Total current tax</b>	<b>80</b>	<b>(97)</b>
<i>Deferred tax</i>		
Origination and reversal of timing differences	1	1
Adjustment in respect of previous periods	-	(2)
Effect of change in tax rates	(3)	(1)
<b>Total deferred tax</b>	<b>(2)</b>	<b>(2)</b>
<b>Taxation on profit / (loss) on ordinary activities</b>	<b>78</b>	<b>(99)</b>

#### b) Factors affecting the total tax charge / (credit)

The tax assessed on the profit / (loss) on ordinary activities for the period is lower than (year ended 31 December 2020: lower) the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

	15 months ended 31 March 2022 £'000	Year ended 31 December 2020 £'000
Profit / (loss) on ordinary activities before tax	426	(509)
Profit / (loss) on ordinary activities at the standard rate of corporation tax in the UK of 19% (2020: 19%)	81	(97)
Effects of:		
Expenses not deductible for tax purposes	-	1
Adjustments to tax charge in respect of previous periods	-	(2)
Effect of change in tax rates	(3)	(1)
<b>Total tax charge / (credit) for the period</b>	<b>78</b>	<b>(99)</b>

#### c) Factors that may affect the future tax charge

Future tax charges, therefore the Company's effective tax rate, may be affected by factors such as acquisitions, disposals, restructuring and tax regime reforms.

In the Budget of 3 March 2021, the Chancellor of the Exchequer announced a 6% increase in the standard rate of corporation tax, which will be applicable in the financial year beginning 1 April 2023. This change in the rate of corporation tax to 25% will affect the amount of future tax payments for which the Company will be responsible. Being substantively enacted, this rate change has already been reflected in the measurement of the Company's deferred tax assets and liabilities.

For further information on deferred tax balances see Note 13 'Deferred Tax'.

# Marshall of Peterborough Limited

## Notes to the Financial Statements *(continued)*

For the 15 months ended 31 March 2022

### 10. Tangible fixed assets

	Plant and machinery £'000
<b>Cost</b>	
At 1 January 2021	346
Additions	6
At 31 March 2022	352
<b>Depreciation</b>	
At 1 January 2021	324
Charge for the period	10
At 31 March 2022	334
<b>Net book value</b>	
At 31 March 2022	18
At 1 January 2021	22

### 11. Stock

	31 March 2022 £'000	31 December 2020 £'000
Stock held for resale	5,317	2,958

The replacement cost of stock is not significantly different from the value included in the Balance Sheet.

At 31 March 2022 and 31 December 2020, all new and the majority of used vehicles are held under vehicle financing arrangements, see Note 14.

### 12. Debtors

	31 March 2022 £'000	31 December 2020 £'000
Trade debtors	872	290
Amounts owed by Group undertakings	2,241	1,229
Other debtors	14	21
VAT	-	171
Deferred taxation (note 13)	14	12
	<b>3,141</b>	<b>1,723</b>

Outstanding balances with Group entities are unsecured, interest free and are expected to be settled in cash. During the 15 months ended 31 March 2022, no provisions for doubtful debts relating to amounts owed by related parties were recognised (year ended 31 December 2020: £nil).



# Marshall of Peterborough Limited

## Notes to the Financial Statements (*continued*)

For the 15 months ended 31 March 2022

### 13. Deferred tax

The movement in the deferred tax asset during the period was:

	31 March 2022 £'000	31 December 2020 £'000
At 1 January	12	10
Changes in provision	2	2
<b>At period end (note 12)</b>	<b>14</b>	<b>12</b>

The balance of the deferred tax asset consists of the tax effect of timing differences in respect of:

	31 March 2022 £'000	31 December 2020 £'000
Decelerated capital allowances	12	11
Retirement benefit obligations	1	1
Other short term timing differences	1	-
<b>Total deferred taxation</b>	<b>14</b>	<b>12</b>

During the year beginning 1 April 2022, the net reversal of existing deferred tax assets is expected to decrease the corporation tax charge for that year by £2,000 (year ended 31 December 2020: £1,000). This is due to fixed asset movements expected during the period, along with deferred tax relating to timing differences on retirement benefit obligations.

### 14. Creditors: amounts falling due within one year

	31 March 2022 £'000	31 December 2020 £'000
Trade creditors		
- Vehicle financing arrangements	6,125	3,288
- Other trade creditors	473	362
Amounts owed to Group undertakings	2,659	2,317
Other taxation and social security	1,455	19
Other creditors	4	3
Accruals	1,163	114
	<b>11,879</b>	<b>6,103</b>

The Company finances the purchase of new and used vehicle inventories using vehicle funding facilities provided by various lenders including the captive finance company associated with the brand partner. These finance arrangements have varying maturity profiles with terms ranging from 60 to 360 days. The Company is normally required to repay amounts outstanding on the earlier of the sale of the vehicles that have been funded under the facilities or the stated maturity date.

Amounts due to finance companies in respect of vehicle funding are included within trade creditors and disclosed under vehicle financing arrangement.

Vehicle financing facilities are subject to floating interest rates linked to the Bank of England Base Rate (or equivalent finance house base rates). The interest incurred under these arrangements is included within interest payable and similar charges and is classified as inventory financing charges.

Vehicle funding facilities provided by various lenders are secured against vehicles and by guarantees provided by the Group's parent company, Marshall Motor Holdings Limited.

Management considers the carrying amount of creditors to approximate their fair value.

### 15. Creditors: amounts falling due after more than one year

	31 March 2022 £'000	31 December 2020 £'000
Deferred income	96	107

# Marshall of Peterborough Limited

## Notes to the Financial Statements *(continued)*

### For the 15 months ended 31 March 2022

#### 16. Pensions

As described in Note 2, the Company participates in a defined contribution pension scheme for the benefit of its employees. The scheme is funded by the payment of contributions to a trustee-administered fund which is kept independently from the assets of the participating employers.

The total pension costs for the period for the Company in respect of the scheme were £22,000 (year ended 31 December 2020: £16,000). The total unpaid pension contributions outstanding at the period-end were £4,000 (year ended 31 December 2020: £3,000).

#### 17. Operating lease commitments

The Company's future minimum operating lease commitments all relate to land and buildings and are as follows:

	31 March 2022 £'000	31 December 2020 £'000
Within one year	130	130

#### 18. Share capital

	31 March 2022 £'000	31 December 2020 £'000
<b>Allotted, called up and fully paid:</b>		
11,000 ordinary 'A' shares of £1 each	11	11
1,089,000 ordinary shares of £1 each	1,089	1,089
	<b>1,100</b>	<b>1,100</b>

The two classes of shares rank equally in respect of their rights to dividends and in respect of their priority and the amounts receivable in the event of a winding up. There are certain operating issues on which either the holders of ordinary shares alone, or the holders of ordinary 'A' shares alone, can vote. On all other matters, the two classes of shares have equal voting rights.

#### 19. Reserves

Profit and loss account – includes all current and prior period profits and losses.

#### 20. Guarantees and other financial commitments

The Group has a revolving credit facility of £60,000,000 of which £nil was drawn at 31 March 2022 (year ended 31 December 2020: £nil). This facility includes access to an overdraft facility of £25,000,000. This facility is available for general corporate purposes including acquisitions or working capital requirements.

The facility is secured by cross-guarantees granted by certain members of the Group. The facility is available until September 2024.

The Group's principal vehicle stock funding facility is secured by a cross-guarantee granted by the Company.

#### 21. Ultimate parent company

The Company's immediate parent undertaking is Marshall Motor Holdings Limited. On 11 May 2022 Marshall Motor Holdings Limited was acquired by a new intermediate parent company, CAG Vega 2 Limited, a company incorporated in England and Wales. The ultimate controlling party became TDR Capital LLP, a Limited Liability Partnership incorporated in England and Wales. Constellation Automotive Holdings Limited is the largest undertaking that consolidates these financial statements. The parent company of the smallest such group is Marshall Motor Holdings Limited.

Copies of the consolidated financial statements for both Marshall Motor Holdings Limited and Constellation Automotive Holdings Limited can be obtained from The Registrar of Companies at Companies House, Crown Way, Cardiff CF14 3UZ.

## **Marshall of Peterborough Limited**

### **Notes to the Financial Statements *(continued)***

**For the 15 months ended 31 March 2022**

#### **22. Events after the reporting period**

On 29 November 2021 the Board of Constellation Automotive Holdings Limited announced the terms of a cash offer pursuant to which its wholly-owned subsidiary CAG Vega 2 Limited would acquire the entire issued, and to be issued, share capital of the Company's immediate parent undertaking (Marshall Motor Holdings Limited), subject to the requisite regulatory approvals being obtained. Marshall of Cambridge (Holdings) Limited provided an irrevocable undertaking to accept the offer in respect of its entire shareholding in the ordinary share capital of Marshall Motor Holdings, representing approximately 64.4% of the issued ordinary share capital. Following the granting of the requisite regulatory approvals on 11 May 2022, the change of control took effect.