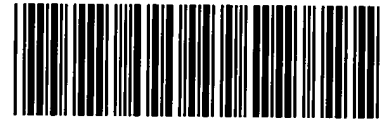


GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 7 SEPTEMBER 2021 TO 31 DECEMBER 2022
FOR
RIVERVALE HOLDINGS LTD

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RIVERVALE HOLDINGS LTD

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FOR THE PERIOD 7 SEPTEMBER 2021 TO 31 DECEMBER 2022

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RIVERVALE HOLDINGS LTD

COMPANY INFORMATION

FOR THE PERIOD 7 SEPTEMBER 2021 TO 31 DECEMBER 2022

DIRECTORS:

N S Chapman
V A Pemberton
D J Stocks
S A Fuller

SECRETARY:

V A Pemberton

REGISTERED OFFICE:

Rivervale House
50 Victoria Road
Portslade
Brighton
BN41 1XB

REGISTERED NUMBER:

13606952 (England and Wales)

AUDITORS:

Chariot House Limited
Chartered Accountants
44 Grand Parade
Brighton
East Sussex
BN2 9QA

RIVERVALE HOLDINGS LTD

GROUP STRATEGIC REPORT

FOR THE PERIOD 7 SEPTEMBER 2021 TO 31 DECEMBER 2022

The directors present their strategic report of the company and the group for the period ended 31st December 2022.

Review of Business

The company was incorporated in September 2021 to act as the vehicle to acquire the entire share capital of Rivervale Cars Limited from Endeavour Holdings Limited in the form of a management buyout. The transaction was completed on 29th April 2022. The company acts as a holding company whilst also providing management services to its subsidiary company.

Rivervale Cars

The business has faced this year a number of headwinds in the Motor Industry - supply chain issues, semi conductor shortages, significant inflationary pressures leading to large cost increases and in particular, the disruption of the energy markets as a direct result of the war in Ukraine.

The core leasing business has been affected by the above headwinds and we saw demand fall as a result. Units delivered in the year were broadly similar to the previous year but the overall contribution was down year on year.

Our minibus team adapted well to the challenges of new vehicle shortages by refocusing and providing existing customers with short term rental solutions. The sale of used minibuses was equally as strong. This division therefore posted strong growth figures.

Our fleet management services division continued to flourish seeing strong growth from existing customers as well as enjoying success from new business contract wins.

We started the year with big expectations for our Maxus LCV franchise, however these have had to be tempered by the lack of product coming through, particularly diesel. The franchise finished the year ahead of budget both in terms of units delivered and contribution.

Our used car business, Rivervale Performance Motorcentre had a difficult year which resulted in being somewhat behind budget and last year in terms of units sold and net contribution. Our after sales business produced a contribution in line with last year.

Principal Risks and Uncertainties

The directors have reviewed the principal risks and uncertainties as follows:

- a) Global Economy - the new and used car markets are influenced by general economic conditions which affect levels of consumer confidence. These include changes in interest rates, fuel prices, indirect taxation and the availability of credit.
- b) Liquidity and Financing - The group uses a number of methods to fund its day-to-day business. These methods are (i) bank borrowing through an overdraft facility; (ii) from third party finance houses through uncommitted facilities to fund the purchase of stock; (iii) from suppliers by way of trade credit. A withdrawal of any of these financing facilities or a failure to renew them as they expire could lead to a significant reduction in the trading ability of the group.
- c) Exchange Rates - the group is affected by current fluctuations to the extent that a large proportion of our manufacturer partners either source parts or manufacture vehicles overseas.
- d) Competitive Nature of the Market - The motor vehicle distribution market is highly competitive and offers customers different options depending upon price and quality of service they wish to take. Owners of new and nearly new vehicles (still under manufacturers' warranty) tend to use franchised dealerships whilst owners of older vehicles tend towards using smaller independent operations. The group's used car business relies on the quality of its customer service and the ability to adjust pricing, enabling it to react to local competitive conditions.

RIVERVALE HOLDINGS LTD

GROUP STRATEGIC REPORT

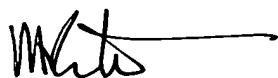
FOR THE PERIOD 7 SEPTEMBER 2021 TO 31 DECEMBER 2022

e) Government Legislation - In addition to franchise regulation referred to above, changes to the Government's transport policy could adversely affect the group's profitability if, as a result, customers choose to use alternative forms of transport.

Going Concern

The directors are satisfied that the group has adequate resources to continue to operate for the foreseeable future. For this reason, they continue to adopt the going concern basis for preparing the financial statements.

ON BEHALF OF THE BOARD:



.....
V A Pemberton - Director

Date: **14-9-2023**
.....

RIVERVALE HOLDINGS LTD

REPORT OF THE DIRECTORS **FOR THE PERIOD 7 SEPTEMBER 2021 TO 31 DECEMBER 2022**

The directors present their report with the financial statements of the company and the group for the period 7 September 2021 to 31 December 2022.

INCORPORATION

The company was incorporated on 7 September 2021 and commenced trading on 29 April 2022.

DIVIDENDS

No dividends will be distributed for the period ended 31 December 2022.

DIRECTORS

The directors who have held office during the period from 7 September 2021 to the date of this report are as follows:

N S Chapman - appointed 7 September 2021
V A Pemberton - appointed 24 March 2022
D J Stocks - appointed 29 April 2022
S A Fuller - appointed 29 April 2022

All the directors who are eligible offer themselves for election at the forthcoming first Annual General Meeting.

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 ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

RIVERVALE HOLDINGS LTD

REPORT OF THE DIRECTORS

FOR THE PERIOD 7 SEPTEMBER 2021 TO 31 DECEMBER 2022

AUDITORS

The auditors, Chariot House Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
V A Pemberton - Director

Date: **14-9-2023**
.....

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
RIVERVALE HOLDINGS LTD**

Opinion

We have audited the financial statements of Rivervale Holdings Ltd (the 'parent company') and its subsidiaries (the 'group') for the period ended 31 December 2022 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 31 December 2022 and of the group's loss for the period 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.

Conclusions relating to going concern

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

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

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

Other information

The 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
RIVERVALE HOLDINGS LTD**

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.

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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
RIVERVALE HOLDINGS LTD**

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.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud.

We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of legal counsel when considered necessary. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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. This description forms part of our Report of the Auditors.

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. This description forms part of our Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
RIVERVALE HOLDINGS LTD**

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.



John Thacker FCA DChA (Senior Statutory Auditor)
for and on behalf of Chariot House Limited
Chartered Accountants
44 Grand Parade
Brighton
East Sussex
BN2 9QA

Date:

17/09/2023

RIVERVALE HOLDINGS LTD**CONSOLIDATED INCOME STATEMENT**
FOR THE PERIOD 7 SEPTEMBER 2021 TO 31 DECEMBER 2022

	Notes	£
TURNOVER		16,354,427
Cost of sales		(14,621,963)
GROSS PROFIT		1,732,464
Administrative expenses		(1,524,570)
OPERATING PROFIT	4	207,894
Interest receivable and similar income		331
		208,225
Interest payable and similar expenses	5	(96,138)
PROFIT BEFORE TAXATION		112,087
Tax on profit	6	(133,849)
LOSS FOR THE FINANCIAL PERIOD		(21,762)
Loss attributable to: Owners of the parent		(21,762)

The notes form part of these financial statements

RIVERVALE HOLDINGS LTD

CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE PERIOD 7 SEPTEMBER 2021 TO 31 DECEMBER 2022

	Notes	£
LOSS FOR THE PERIOD		(21,762)
OTHER COMPREHENSIVE INCOME		-
		<hr/>
TOTAL COMPREHENSIVE INCOME		(21,762)
FOR THE PERIOD		<hr/> <hr/>
Total comprehensive income attributable to:		
Owners of the parent		(21,762)
		<hr/> <hr/>

The notes form part of these financial statements

RIVERVALE HOLDINGS LTD (REGISTERED NUMBER: 13606952)

CONSOLIDATED BALANCE SHEET
31 DECEMBER 2022

	Notes	£
FIXED ASSETS		
Intangible assets	8	788,706
Tangible assets	9	3,942,295
Investments	10	-
		<u>4,731,001</u>
CURRENT ASSETS		
Stocks	11	7,084,094
Debtors	12	3,676,870
Cash at bank and in hand		754,090
		<u>11,515,054</u>
CREDITORS		
Amounts falling due within one year	13	<u>(10,472,457)</u>
NET CURRENT ASSETS		<u>1,042,597</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,773,598</u>
CREDITORS		
Amounts falling due after more than one year	14	<u>(2,878,677)</u>
PROVISIONS FOR LIABILITIES	17	<u>(415,783)</u>
NET ASSETS		<u><u>2,479,138</u></u>
CAPITAL AND RESERVES		
Called up share capital	18	1,150
Share premium	19	2,499,750
Retained earnings	19	(21,762)
SHAREHOLDERS' FUNDS		<u><u>2,479,138</u></u>

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

14th September 2023



N S Chapman - Director

The notes form part of these financial statements

RIVERVALE HOLDINGS LTD (REGISTERED NUMBER: 13606952)

COMPANY BALANCE SHEET
31 DECEMBER 2022

	Notes	£
FIXED ASSETS		
Intangible assets	8	-
Tangible assets	9	-
Investments	10	1,150
		<u>1,150</u>
CURRENT ASSETS		
Debtors	12	87,456
Cash at bank		170,952
		<u>258,408</u>
CREDITORS		
Amounts falling due within one year	13	(16,220)
		<u>242,188</u>
NET CURRENT ASSETS		
		<u>242,188</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		
		243,338
CREDITORS		
Amounts falling due after more than one year	14	(248,000)
		<u>(4,662)</u>
NET LIABILITIES		
		<u>(4,662)</u>
CAPITAL AND RESERVES		
Called up share capital	18	1,150
Retained earnings	19	(5,812)
		<u>(4,662)</u>
SHAREHOLDERS' FUNDS		
		<u>(4,662)</u>
Company's loss for the financial year		<u>(5,812)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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

14th September 2023

N. S. Chapman

N S Chapman - Director

The notes form part of these financial statements

RIVERVALE HOLDINGS LTD

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 7 SEPTEMBER 2021 TO 31 DECEMBER 2022

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Changes in equity				
Issue of share capital	1,150	-	2,499,750	2,500,900
Total comprehensive income	-	(21,762)	-	(21,762)
Balance at 31 December 2022	<u>1,150</u>	<u>(21,762)</u>	<u>2,499,750</u>	<u>2,479,138</u>

The notes form part of these financial statements

RIVERVALE HOLDINGS LTD

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 7 SEPTEMBER 2021 TO 31 DECEMBER 2022

	Called up share capital £	Retained earnings £	Total equity £
Changes in equity			
Issue of share capital	1,150	-	1,150
Total comprehensive income	-	(5,812)	(5,812)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2022	1,150	(5,812)	(4,662)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The notes form part of these financial statements

RIVERVALE HOLDINGS LTD**CONSOLIDATED CASH FLOW STATEMENT**
FOR THE PERIOD 7 SEPTEMBER 2021 TO 31 DECEMBER 2022

	Notes	£
Cash flows from operating activities		
Cash generated from operations	1	(7,807,984)
Interest paid		(8,000)
Interest element of hire purchase payments paid		(88,138)
Net cash from operating activities		(7,904,122)
Cash flows from investing activities		
Purchase of intangible fixed assets		(845,042)
Purchase of tangible fixed assets		(4,468,190)
Sale of tangible fixed assets		46,171
Interest received		331
Net cash from investing activities		(5,266,730)
Cash flows from financing activities		
Increase/(Decrease) in Loans		7,556,615
(Decrease)/Increase in hire purchase		3,867,427
Share issue		2,500,900
Net cash from financing activities		13,924,942
Increase in cash and cash equivalents		754,090
Cash and cash equivalents at beginning of period	2	-
Cash and cash equivalents at end of period	2	754,090

The notes form part of these financial statements

RIVERVALE HOLDINGS LTD**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT**
FOR THE PERIOD 7 SEPTEMBER 2021 TO 31 DECEMBER 2022**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	£
Profit before taxation	112,087
Depreciation charges	540,954
Profit on disposal of fixed assets	(4,894)
Finance costs	96,138
Finance income	(331)
	<u>743,954</u>
Increase in stocks	(7,084,094)
Increase in trade and other debtors	(3,676,870)
Increase in trade and other creditors	<u>2,209,026</u>
Cash generated from operations	<u>(7,807,984)</u>

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:

Period ended 31 December 2022

	31/12/22	7/9/21
	£	£
Cash and cash equivalents	<u>754,090</u>	<u>-</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 7/9/21	Cash flow	At 31/12/22
	£	£	£
Net cash			
Cash at bank and in hand	-	754,090	754,090
	<u>-</u>	<u>754,090</u>	<u>754,090</u>
Debt			
Finance leases	-	(3,867,427)	(3,867,427)
Debts falling due within 1 year	-	(7,308,615)	(7,308,615)
Debts falling due after 1 year	-	(248,000)	(248,000)
	<u>-</u>	<u>(11,424,042)</u>	<u>(11,424,042)</u>
Total	<u>-</u>	<u>(10,669,952)</u>	<u>(10,669,952)</u>

The notes form part of these financial statements

RIVERVALE HOLDINGS LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **FOR THE PERIOD 7 SEPTEMBER 2021 TO 31 DECEMBER 2022**

1. STATUTORY INFORMATION

Rivervale Holdings Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

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.

The presentation currency of the financial statements is the Pound Sterling (£).

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2022, is being amortised evenly over its estimated useful life of ten years.

Tangible fixed assets

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

Plant and machinery	- 10% on cost
Computer equipment	- 25% and 50% on cost

Stocks

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

Taxation

Taxation for the period 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 period 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.

RIVERVALE HOLDINGS LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued **FOR THE PERIOD 7 SEPTEMBER 2021 TO 31 DECEMBER 2022**

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The group makes contributions to an auto enrolment pension scheme operated by NEST.

Leased assets

Where assets are leased to a third party and give rights approximating to ownership (finance leases), the assets are treated as if they have been sold outright. The amount removed from the fixed assets is the net book value on disposal of the asset. The profit on disposal, being the excess of the present value of the minimum lease payments over net book value is credited to profit or loss.

Finance lease payments are analysed between capital and interest components so that the interest element of the payment is credited to profit or loss over the term of the lease and represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts owed by the lessee.

All other leases are treated as operating leases. Their annual rentals are credited to profit or loss on a straight line basis over the term of the lease

Going concern

The directors consider that there are no material uncertainties about the company's ability to continue as a going concern.

3. EMPLOYEES AND DIRECTORS

The average number of employees for the year was 60.

Directors' remuneration	£ 206,703
-------------------------	--------------

Information regarding the highest paid director is as follows:

Emoluments etc	£ 112,446
----------------	--------------

4. OPERATING PROFIT

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

Depreciation - owned assets	£ 484,618
Profit on disposal of fixed assets	(4,894)
Goodwill amortisation	56,336
Auditors' remuneration	14,500

RIVERVALE HOLDINGS LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**
FOR THE PERIOD 7 SEPTEMBER 2021 TO 31 DECEMBER 2022**5. INTEREST PAYABLE AND SIMILAR EXPENSES**

	£
Other interest	8,000
Hire purchase	88,138
	<u>96,138</u>

6. TAXATION**Analysis of the tax charge**

The tax charge on the profit for the period was as follows:

	£
Deferred tax	133,849
Tax on profit	<u>133,849</u>

The tax charge for the year of £133,849 is in respect of deferred tax only and has been calculated at a corporation tax rate of 25% which will be applicable for the 2023 accounts onwards. Under the 2022 corporation tax rate of 19% the tax charge would have been £34,061 with the overall deferred tax liability being £315,995. £99,788 of the tax charge for the year relates to the change in the rate of corporation tax.

7. 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.

8. INTANGIBLE FIXED ASSETS

Group	Goodwill
	£
COST	
Additions	845,042
Business combination	130,735
At 31 December 2022	<u>975,777</u>
AMORTISATION	
Amortisation for period	56,336
Business combination	130,735
At 31 December 2022	<u>187,071</u>
NET BOOK VALUE	
At 31 December 2022	<u>788,706</u>

RIVERVALE HOLDINGS LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 7 SEPTEMBER 2021 TO 31 DECEMBER 2022****9. TANGIBLE FIXED ASSETS**

Group	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
COST				
Additions	16,683	1,049,091	97,690	1,163,464
Disposals	-	(41,277)	-	(41,277)
Reclassification/transfer	467,594	3,762,275	483,963	4,713,832
At 31 December 2022	484,277	4,770,089	581,653	5,836,019
DEPRECIATION				
Charge for period	33,302	416,255	35,061	484,618
Reclassification/transfer	167,577	937,955	303,574	1,409,106
At 31 December 2022	200,879	1,354,210	338,635	1,893,724
NET BOOK VALUE				
At 31 December 2022	283,398	3,415,879	243,018	3,942,295

10. FIXED ASSET INVESTMENTS

Company	Shares in group undertakings £
COST	
Additions	1,150
At 31 December 2022	1,150
NET BOOK VALUE	
At 31 December 2022	1,150

11. STOCKS

Group	£
Parts	87,490
Vehicles for resale	6,996,604
	7,084,094

RIVERVALE HOLDINGS LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**
FOR THE PERIOD 7 SEPTEMBER 2021 TO 31 DECEMBER 2022**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group	Company
	£	£
Trade debtors	2,829,275	-
Amounts owed by group undertakings	-	86,956
Other debtors	151,672	-
VAT	329,190	500
Prepayments	366,733	-
	<u>3,676,870</u>	<u>87,456</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	Company
	£	£
Other loans (see note 15)	7,308,615	-
Hire purchase contracts (see note 16)	1,236,750	-
Trade creditors	1,123,035	-
Social security and other taxes	94,443	12,963
Other creditors	35,057	257
Accrued expenses	674,557	3,000
	<u>10,472,457</u>	<u>16,220</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	Company
	£	£
Other loans (see note 15)	248,000	248,000
Hire purchase contracts (see note 16)	2,630,677	-
	<u>2,878,677</u>	<u>248,000</u>

RIVERVALE HOLDINGS LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**
FOR THE PERIOD 7 SEPTEMBER 2021 TO 31 DECEMBER 2022**15. LOANS**

An analysis of the maturity of loans is given below:

	Group £	Company £
Amounts falling due within one year or on demand:		
Other loans	<u>7,308,615</u>	<u>-</u>
Amounts falling due between one and two years:		
Other loans - more than 1 year	<u>248,000</u>	<u>248,000</u>

The bank overdraft and other loans are secured by way of fixed charge over the assets of Rivervale Cars Limited and Rivervale Holdings Limited. Hire purchase contracts, finance lease liabilities and other loans are secured by the related assets held under hire purchase contracts, finance lease liabilities and other loans.

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group	Hire purchase contracts £
Net obligations repayable:	
Within one year	1,236,750
Between one and five years	<u>2,630,677</u>
	<u>3,867,427</u>

17. PROVISIONS FOR LIABILITIES

	Group £
Deferred tax	<u>415,783</u>

RIVERVALE HOLDINGS LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**
FOR THE PERIOD 7 SEPTEMBER 2021 TO 31 DECEMBER 2022**17. PROVISIONS FOR LIABILITIES - continued****Group**

	Deferred tax £
Charge to Income Statement during period	415,783
Balance at 31 December 2022	<u>415,783</u>

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	£
900	Ordinary	£1	900
2,500,000	B Ordinary	£0.0001	250
			<u>1,150</u>

The following shares were allotted and fully paid for cash at par during the period:

900 Ordinary shares of £1 each
2,500,000 B Ordinary shares of £0.0001 each**19. RESERVES****Group**

	Retained earnings £	Share premium £	Totals £
Deficit for the period	(21,762)		(21,762)
Share issue	-	2,499,750	2,499,750
At 31 December 2022	<u>(21,762)</u>	<u>2,499,750</u>	<u>2,477,988</u>

Company

	Retained earnings £
Deficit for the period	(5,812)
At 31 December 2022	<u>(5,812)</u>

RIVERVALE HOLDINGS LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 7 SEPTEMBER 2021 TO 31 DECEMBER 2022

20. RELATED PARTIES

Rivervale Cars Limited has entered into property rental leases with Endeavour Holdings Ltd in the amount of £243,800 per annum from 29 April 2022 to 28 April 2027. N S Chapman is a director of both of these companies.