

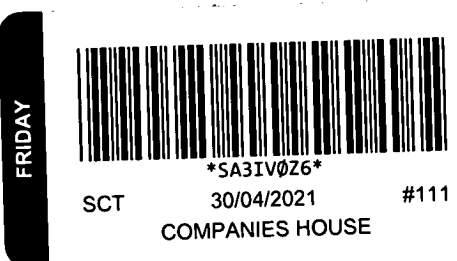


ALLIED VEHICLES LIMITED

Company registration number SC147093

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2020



ALLIED VEHICLES LIMITED

COMPANY INFORMATION

Directors	G Facenna B Ritchie D Facenna P Facenna
Registered number	SC147093
Registered office	230 Balmore Road Glasgow G22 6LJ
Independent auditors	Azets Audit Services Chartered Accountants Titanium 1 King's Inch Place Renfrew PA4 8WF
Bankers	Bank of Scotland 110 St Vincent Street Glasgow G2 5ER Santander 147 Sauchiehall Street Glasgow G2 3EW

ALLIED VEHICLES LIMITED

CONTENTS

	Page
Strategic Report	1 - 5
Directors' Report	6 - 8
Independent Auditors' Report	9 - 11
Statement of Comprehensive Income	12
Balance Sheet	13
Statement of Changes in Equity	14
Notes to the Financial Statements	15 - 33

ALLIED VEHICLES LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 APRIL 2020

Introduction

The directors present their strategic report and the audited financial statements for the year ended 30 April 2020.

Principal activity

The principal activity and core business of the company continued to be the sale and repair of motor vehicles and other ancillary vehicles.

Business review and future developments

The Directors are pleased with the performance of the business in this year. Due to the pandemic, it was disappointing to have to temporarily suspend trading on 23 March 2020, resulting in the loss of the final five weeks trading of our financial year, in a period which included the end of the main March registration plate change. We continued to operate a limited part of our Aftersales business, in servicing of vehicles and supply of parts, to support emergency services and key workers. We re-commenced full trading from June 2020.

The business was on track for a successful year, delivering a 5.4% increase in turnover, and even with this pandemic setback, managed to deliver an operating profit of £3.42m, £0.41m behind the previous year. Our forecasts indicate that operating profit would have been c.£1.5m greater, if we had not had to close for lockdown.

We have taken advantage of the government Coronavirus Job Retention Scheme and have continued to do so in the financial year 2020-21. During this reporting year, we received £1.19m support under this scheme.

The board have created a 3-year strategy to grow the current business, both in terms of turnover and profitability, and to enter new niche markets. This has been worked on during the last year and is currently in rollout phase, to go live for the financial year 2021-22.

We are currently looking at several exciting new business development opportunities, staying within niche sectors of the automotive industry. With the experience that we now have on the Operations Board, there is a great opportunity to broaden our horizons and look to enter new markets.

In March 2020, a new top Company, Allied Vehicles Group Limited, was formed to acquire the 49% shareholding held by Michael Facenna and his family. This transaction utilised existing cash resources, with new facilities being put in place to ensure the Group had sufficient cash headroom, where required, to fund the growth aspirations of the business. Michael and his brother Gerry, assisted by their sisters, Christina and Marissa, commenced trading as Allied Vehicles Ltd in 1993. Michael has now retired from the company and the Board would like to thank Michael for his contribution to the company over the last 27 Years. The group is now wholly owned by Gerry and his family.

We continue to invest significantly in our management infrastructure to create a strong platform for our next stage of growth and have made a significant investment in people, processes, and upgrades to premises. We have created an Operations Board, reporting to the Main statutory board. This is led by the Managing Director and covers all disciplines of the business. During the reported year, we appointed a new Operations Director who brings considerable experience of automotive manufacturing, and a new IT director, again with significant automotive and development skills.

ALLIED VEHICLES LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2020

Business review and future developments (continued)

Vehicle Sales

Across the business we sold and delivered 6,429 vehicles to customers, down 138 units from the previous year. This total was impacted by lockdown and our forecasts were to have exceeded 7,000 vehicles had lockdown not been necessary.

We are looking to expand both new and used vehicles sales and are currently looking at opportunities, including the potential to open a retail sales outlet in the Midlands, to increase our sale of used wheelchair accessible vehicles and other products.

We have recently launched a range of new drive-from wheelchair accessible vehicles and these will bring great benefits to our customers and will increase our market share.

Our Mobility vehicles division sold 34 vehicles more than the previous year, despite not delivering c.450 vehicles in the final five weeks. This growth run rate has continued in the current financial year, albeit with the loss of several months of sales during each lockdown. We had to completely stop delivering any vehicles from late March 2020 to the end of May 2020, and then gradually reopened thereafter. We have continued to sell and deliver vehicles throughout lockdown 2, albeit at a reduced level, to ensure the needs and safety of our sometimes vulnerable customers.

Our Motability UK market share has increased over a 2-year period from 40.7% to a current level of 44.9%, and our customer satisfaction levels, measured independently, remain high at 94%.

Fleet sales grew significantly during the period, and even with the temporary closure, delivered 379 vehicles, 128 units greater than the previous year. This division focuses on sales of minibuses into the school market and has been impacted heavily during the pandemic. We anticipate that this market will return in time for the new school year in late summer 2021.

Our international division, selling wheelchair accessible vehicles into predominantly Europe, has seen growth of 11.4% and has seen significant further growth during the current year, despite the pandemic. We undertook planning for the uncertainties of Brexit and were pleased to see a last-minute deal agreed. The first few weeks of 2021 saw a delay in delivering vehicles into Europe due to new Customs regulations and paperwork, but this settled quickly, and growth has continued.

Taxi business, representing 30% of our unit sales in this year, has been suppressed over recent years and has been severely impacted due to the pandemic, and this area of the business will be slower to recover. The Hackney Taxi market has been impacted with the growth of operations like Uber, and we have a strong representation into that lower margin market. We have taken successful actions over the last few years to offset this anticipated decline, by growing sales in our other main markets.

The Wheelchair Accessible Vehicle Rental division, on a similar level of turnover, produced an increased contribution, through fleet management and improved GP.

Aftersales

Our Mobile Servicing division has grown significantly during the reported year, and further during the current year. We carry out WAV checks at the homes of our customers, with a national fleet of 35 service vehicles. Motability plc has started a managed dealer programme during 2020, and we are now managing the servicing and repair for our fleet of vehicles across the UK.

The Parts division, supplying PSA/Stellantis OEM parts and others to motor retail outlets throughout Scotland, continues to expand. Turnover grew by 11.5%. From January 2020 we started supplying Vauxhall (which is part of the Stellantis stable) parts and this will show growth in turnover and profitability in 2020/2021 and beyond. We have acquired premises in Aberdeen to create a new parts hub in May 2021 to increase sales and provide faster service in that territory.

ALLIED VEHICLES LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2020

Business review and future developments (continued)

Our Allied Autocare Service department continued to grow and has grown further during the current year. We put in place new management and with a review of our service offering and rates, the area will show good growth in 2020-21. We now hold Authorised Repairer and warranty status for Ford and Peugeot.

In our Accident Repair and Defleet departments, we reviewed several contracts and negotiated revised terms to ensure an increase in profitability. Following this reporting period, a competitor in accident repair went into administration, and we have taken over some of their major contracts, increasing the scale of our operation. We are now Ford and Peugeot approved and along with major insurers and fleets.

Our Mobility Solutions stores performed at a similar level to the prior year. We currently operate our main store in Glasgow and took the decision not to reopen the small garden centre concession in Lanarkshire after the first lockdown. We have seen a growth in online sales in the current year during lockdown and have plans to increase this channel further.

Results and dividends

The profit for the year, after taxation, amounted to £2,679,225 (2019: £3,262,130). A dividend of £Nil was distributed for the year ended 30 April 2020 (2019: £Nil).

Principal risks and uncertainties

The impact of the vote for Brexit inevitably caused uncertainty in the industry and all UK converters are experiencing higher costs from overseas suppliers due to the decrease in value of the pound. Allied is better positioned than its competitors due to the close relationships built up over many years with its principal suppliers. As mentioned above, we are taking full advantage of currency differentials by marketing our WAVs in Europe.

The automotive sector is well down year on year, but operating in a niche sector, we are not impacted to the same extent as the volume market.

Over the next few years, we will continue the transition to hybrid and then fully electric vehicles, working closely with our OEM partners to take their roadmap and quickly and efficiently develop our conversions on their new platforms, always ensuring the new models will be competitive in terms of price and quality.

As the pandemic has continued beyond the reporting period, we have continued to closely manage all operations and cashflow to ensure any risks to the business are addressed. As noted in the employee section, we have been praised for our communication with employees during this period. We have also worked closely with customers and suppliers to ensure our needs and aspirations are aligned with theirs. We have maintained a strong cashflow and have only used our bank lending facilities for very short periods of time.

At the time of writing, there is a global shortage of semiconductors, which is causing havoc with OEM production throughout the globe. We do not yet know the full impact of this, but it is likely we will have some supply challenges over the next few months.

Financial key performance indicators

The key indicators which are monitored closely by the board and senior management are: sales order intake; weekly build of vehicles; customer satisfaction, overheads, gross margins and cashflow.

Other key performance indicators

The directors believe that non-financial indicators are as important as the financial ones. These are the performance and stability of the workforce; the marketing of the business and its products; the quality of its products, the levels of customer service provided, and its general reputation.

ALLIED VEHICLES LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2020

Directors' statement of compliance with duty to promote the success of the company

Section 172(1) of the Companies Act 2006 imposes an obligation on the company's Board of Directors to promote the success of the company as a whole for the benefit of all stakeholders. The following disclosure describes how the directors have responded to the requirements of Section 172(1) and details the actions and procedures in place to ensure compliance.

Employee Engagement

We recognise the importance of our people and with that in mind, we created the role of Corporate Culture Director during 2019-20, with a supporting team and along with our HR team, they have continued our focus on our employees with new initiatives, including regular email and video updates across the business.

This has worked very well during the pandemic and has allowed us to keep in touch with and support our people, many of whom have been working from home and some of whom have been on furlough. This has been extremely important for us to ensure their physical and mental wellbeing. We were highly rated by our colleagues for communication throughout the pandemic.

We regularly carry out colleague surveys to quantify satisfaction and highlight areas for improvement, and recent results have shown great improvements in satisfaction levels.

We hold weekly 'Lunch with the Directors' (currently virtual) for a small group to meet with Directors for a 2-way business discussion, and for the employees to share with the Directors, what is happening 'on the ground' in a safe space. The most important part of this is to hear how employees are feeling and to listen to any suggestions for improvement. This provides good feedback for the board and this feedback is acted on quickly. All managers are encouraged to hold one to one meetings with their team members on a regular basis.

Allied Extra is an online employee platform for the distribution of information, recognition, videos, and discounts with high street names, and this is widely used and provides good engagement with our people.

Customer Engagement

We work closely with our customers both on a transactional basis and also to ensure that we are developing products to suit their needs. We meet regularly with Motability, our biggest customer, to ensure that our goals are aligned and that we are performing at high levels in terms of delivery, product quality and customer satisfaction, and this is demonstrated in our independently measured customer satisfaction scores.

Supplier Engagement

We pride ourselves in paying suppliers within our credit terms, and this continued during pandemic lockdowns so that our suppliers, including small businesses were not impacted. We work with suppliers to support the development of new products for our vehicles.

Shareholder Engagement

The business has been owned historically by two sides of an extended family, and since March 2020, one side of that family. Shareholders are directors of one or more of the Group businesses, so attend monthly board meetings and in many cases are executive directors involved in the day-to-day management of the business. They receive regular management and financial information to ensure they are fully aware of the business performance.

Community Engagement

The company is engaged with the local community in several initiatives and the wider UK community, supporting causes related to disability. We support several local initiatives, including Charities and sports, in particular through support of Glasgow Tigers Speedway, and wider national charities.

ALLIED VEHICLES LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2020**

This report was approved by the board on 27 April 2021 and signed on its behalf by:



G. Facenna
Director

ALLIED VEHICLES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2020

The directors present their report and the financial statements for the year ended 30 April 2020.

The information regarding principal activity, business review and future developments, results and dividends, principal risks and uncertainties, financial key performance indicators and other key performance indicators is shown in the Strategic Report and not in the Directors' Report.

Directors' responsibilities statement

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 financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

- select suitable accounting policies for the company's financial statements 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 to 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.

Directors

The directors who served during the year and up to the date of the signing were:

G Facenna
B Ritchie
D Facenna
P Facenna
K Facenna (resigned 6 March 2020)
G Gillies (resigned 13 February 2020)
M Facenna (resigned 6 March 2020)

Engagement with employees

It is the company's policy that employees should be kept as fully informed as possible about the activities of the company. This is achieved through internal communications such as the staff newsletter, notice boards and regular briefings.

ALLIED VEHICLES LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2020

Disabled employees

The company recognises its obligation towards disabled persons and endeavours to provide as many employment, training and career opportunities as the demand of the company's operations and the abilities of the disabled persons allow.

Greenhouse gas emissions, energy consumption and energy efficiency action

This section includes our mandatory reporting of energy and greenhouse gas emissions for the period to 30 April 2020, pursuant to the Companies (Directors Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, implementing the governments streamlined Energy and Carbon Reporting (SECR) policy.

Our methodology to calculate our greenhouse gas emissions is based on the 'Environmental Reporting Guidelines: Including Streamlined energy and carbon reporting guidance (March 2019)' issued by DEFRA's 2019 conversion factors. In some cases, consumption has been extrapolated from available data.

We report using a financial control approach to define our organisational boundary. We have reported all material emission sources required by the regulations for which we deem ourselves to be responsible and have maintained records of all source data and calculations.

During the reporting period, the following energy efficiency actions have been taken:

Various upgrades of lighting from CFL to LED in offices, production, parts departments, and workshops. These lighting upgrades are part of a continued roll out across the business.

Energy Savings Opportunity Scheme (ESOS) Phase 2 compliance completed and reviewed.

We continue to monitor and regularly review gas and electricity consumption across our sites.

The table below includes total energy consumption (Reported as kWh) and greenhouse gas emissions for the sources required by the regulation, along with our intensity ratio.

Total Energy Consumption - Used for Emissions Calculation (kWh)		tCO₂e
Gas Consumption Emissions, Scope 1 (tCO ₂ e)		1,086
Purchased Electricity Emissions, Scope 2 (tCO ₂ e)		429
Vehicle Fuel Combustion Emissions, Scope 1 (tCO ₂ e)		2,303
Vehicle Fuel Combustion Emissions, Scope 3 (tCO ₂ e)		-
Total Gross Reported Emissions (tCO ₂ e)		3,819
Turnover		158.5
Intensity Ratio		
Turnover (tCO ₂ e/£m)		24.1
Turnover (tCO ₂ e/employee)		5.5

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ALLIED VEHICLES LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2020**

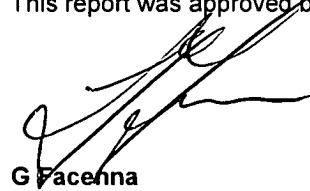
Post balance sheet events

Following the year end, the company announced and completed a redundancy programme.

Auditors

The appointed auditor, Scott-Moncrieff, tendered their resignation during the year and were replaced by Azets Audit Services.

This report was approved by the board on 27 April 2021 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'G. Facenna', written over a horizontal line.

**G Facenna
Director**

ALLIED VEHICLES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALLIED VEHICLES LIMITED

Opinion

We have audited the financial statements of Allied Vehicles Limited for the year ended 30 April 2020, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the 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 company's affairs as at 30 April 2020 and of its profit 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 audit opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

ALLIED VEHICLES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALLIED VEHICLES LIMITED (CONTINUED)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report 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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALLIED VEHICLES LIMITED (CONTINUED)

Responsibilities of the directors

As explained more fully in the Directors' Responsibilities Statement on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

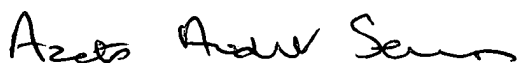
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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. The description forms part of our Auditor's Report.

Use of our report

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



Bernadette Higgins (Senior Statutory Auditor)
for and on behalf of
Azets Audit Services, Statutory Auditor
Chartered Accountants
Titanium 1
King's Inch Place
Renfrew
PA4 8WF

27 April 2021

ALLIED VEHICLES LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 APRIL 2020**

	Note	2020 £	2019 £
Turnover	4	158,577,436	150,386,805
Cost of sales		(128,763,348)	(120,319,643)
Gross profit		29,814,088	30,067,162
Administration expenses		(27,925,386)	(26,613,676)
Other operating income	5	1,527,219	369,016
Operating profit	6	3,415,921	3,822,502
Interest receivable and similar income		82,475	84,513
Interest payable and similar charges		(15,339)	(33,132)
R & D expenditure credit		65,478	86,218
Profit before taxation		3,548,535	3,960,101
Tax on profit	9	(869,310)	(697,971)
Profit for the financial year		2,679,225	3,262,130

There was no other comprehensive income for 2020 (2019: £NIL).

The notes on pages 15 to 33 form part of these financial statements.

ALLIED VEHICLES LIMITED
REGISTERED NUMBER: SC147093

BALANCE SHEET
AS AT 30 APRIL 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	10	1,351,364	1,881,742
Tangible assets	11	15,970,066	15,421,630
Investments	12	1	1
Investment property	13	960,000	960,000
		<u>18,281,431</u>	<u>18,263,373</u>
Current assets			
Stocks	15	14,686,930	14,087,051
Debtors: amounts falling due within one year	16	16,393,842	12,171,768
Cash at bank and in hand	17	479	3,314,536
		<u>31,081,251</u>	<u>29,573,355</u>
Creditors: amounts falling due within one year	18	(16,407,600)	(17,581,879)
Net current assets		<u>14,673,651</u>	<u>11,991,476</u>
Total assets less current liabilities		<u>32,955,082</u>	<u>30,254,849</u>
Provisions for liabilities			
Deferred tax	19	(328,830)	(307,822)
Net assets		<u><u>32,626,252</u></u>	<u><u>29,947,027</u></u>
Capital and reserves			
Called up share capital	20	56,667	56,667
Share premium account	21	1,663,343	1,663,343
Revaluation reserve	21	5,244,596	5,358,609
Capital redemption reserve	21	20,001	20,001
Profit and loss account	21	25,641,645	22,848,407
		<u><u>32,626,252</u></u>	<u><u>29,947,027</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 April 2021 by:


G. Facenna
 Director

The notes on pages 15 to 33 form part of these financial statements.

ALLIED VEHICLES LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2020

	Called up share capital £	Share premium account £	Revaluation reserve £	Other reserves £	Profit and loss account £	Total equity £
At 1 May 2018	56,667	1,663,343	5,472,622	20,001	19,472,264	26,684,897
Comprehensive income for the year						
Profit for the year	-	-	-	-	3,262,130	3,262,130
Surplus on revaluation of freehold property	-	-	-	-	114,013	114,013
Total comprehensive income for the year	-	-	-	-	3,376,143	3,376,143
Transfer to/from profit and loss account	-	-	(114,013)	-	-	(114,013)
At 1 May 2019	56,667	1,663,343	5,358,609	20,001	22,848,407	29,947,027
Comprehensive income for the year						
Profit for the year	-	-	-	-	2,679,225	2,679,225
Surplus on revaluation of freehold property	-	-	-	-	114,013	114,013
Total comprehensive income for the year	-	-	-	-	2,793,238	2,793,238
Transfer to/from profit and loss account	-	-	(114,013)	-	-	(114,013)
At 30 April 2020	56,667	1,663,343	5,244,596	20,001	25,641,645	32,626,252

The notes on pages 15 to 33 form part of these financial statements.

ALLIED VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

1. General information

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which the majority of the company's transactions are denominated. They comprise the financial statements of the company drawn up for the year ended 30 April 2020.

The continuing activities of Allied Vehicles Limited ('the company') is that of the sales and repair of motor vehicles and other ancillary vehicles.

The company is a private company limited by shares and is incorporated in the United Kingdom and registered in Scotland. Details of the registered office can be found on the company information page of the financial statements. The company's registered number is SC147093.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with 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).

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c); and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Allied Holdings (UK) 2014 Limited as at 30 April 2020 and these financial statements may be obtained from 230 Balmore Road, Glasgow, G22 6LJ.

2.3 Going concern

The Directors anticipate that a profit will be generated in the year to 30 April 2021. The company has a healthy reserves position and thus the Board of Directors is satisfied that there are sufficient resources in place to continue operating for the foreseeable future. Thus the Directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

As part of this assessment, the directors have taken into account the impact of COVID-19 on future trading and cash requirements.

ALLIED VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Intangible assets

Research and developments costs for projects with a defined term and which meet the criteria for recognition as development costs are capitalised and are stated at cost less accumulated amortisation. Amortisation is provided to write off the cost of the intangible fixed assets as follows:

The estimated useful lives range as follows:

Development expenditure	-	between 3 and 5 years over the term of the project
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Research and development costs that do not meet the criteria for recognition as development costs are charged to the Statement of Comprehensive Income as they occur.

ALLIED VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

2. Accounting policies (continued)

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using both the straight line basis and the reducing balance basis.

Depreciation is provided on the following basis:

Freehold property	- 2 - 4% straight line
Plant and machinery	- 15-20% reducing balance & 10-33% straight line
Motor vehicles	- 20 - 33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.7 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance Sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Other Comprehensive Income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.8 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

ALLIED VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

2. Accounting policies (continued)

2.9 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the period of the lease.

2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.11 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

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

2.12 Debtors

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

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.14 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

ALLIED VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

2. Accounting policies (continued)

2.14 Financial instruments (continued)

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the company has transferred substantially all the risks and rewards of ownership.

Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

2.15 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.16 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in the Statement of Comprehensive Income on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate.

ALLIED VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

2. Accounting policies (continued)

2.17 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.18 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.19 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.20 Pensions

The company operates two defined contribution pension schemes in respect of its employees. The assets of the schemes are held separately from those of the company. The pension cost charge represents the amount of the contributions payable to the schemes in respect of the period.

2.21 Interest income

Interest income is recognised in profit or loss using the effective interest method.

ALLIED VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

2. Accounting policies (continued)

2.22 Current and deferred taxation

The tax expense for the year comprises corporation and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The directors are satisfied that accounting policies are appropriate and applied consistently. Key sources of accounting estimation have been applied to the depreciation rates which are deemed to be appropriate for the class of assets, the amortisation rates which are deemed to be appropriate for the research and development assets and the provision for losses on vehicle stock which are reasonable based on the directors' expectations of net realisable value.

ALLIED VEHICLES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

4. Turnover

An analysis of turnover by class of business is as follows:

	2020 £	2019 £
Sale and repair of vehicles	157,283,283	149,301,349
Vehicle rental income	1,294,153	1,085,456
	<u>158,577,436</u>	<u>150,386,805</u>

Analysis of turnover by country of destination:

	2020 £	2019 £
United Kingdom	151,588,460	144,378,373
Rest of European Union	6,769,477	5,494,940
Rest of world	219,499	513,492
	<u>158,577,436</u>	<u>150,386,805</u>

5. Other operating income

	2020 £	2019 £
Other operating income	161,119	142,038
Net rents receivable	146,359	141,032
Management charge income - group	-	60,000
Security income	23,800	23,800
Government grants receivable	1,190,374	-
Profit on disposal of tangible assets	5,567	2,146
	<u>1,527,219</u>	<u>369,016</u>

ALLIED VEHICLES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020****6. Operating profit**

The operating profit is stated after charging:

	2020 £	2019 £
Research & development charged as an expense	143,532	324,796
Depreciation of tangible fixed assets	1,065,090	992,650
Amortisation of intangible fixed assets	820,003	842,529
Auditor's remuneration - audit fee	33,000	31,500
Auditor's remuneration - non-audit fees	11,330	11,500
Defined contribution pension cost	430,087	358,432

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2020 £	2019 £
Wages and salaries	20,078,845	18,412,206
Social security costs	1,803,316	1,678,286
Cost of defined contribution scheme	430,087	358,432
	<u>22,312,248</u>	<u>20,448,924</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2020 No.	2019 No.
Manufacturing	229	216
Sales	96	99
After sales	252	262
Group administration	113	105
	<u>690</u>	<u>682</u>

ALLIED VEHICLES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

8. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	1,235,233	1,292,841
Company contributions to defined contribution pension schemes	47,229	69,673
Compensation for loss of office	62,824	-
	<u>1,345,286</u>	<u>1,362,514</u>

During the year retirement benefits were accruing to 4 directors (2019 - 7) in respect of defined contribution pension schemes.

The emoluments of the highest paid director were £447,105 (2019 - £443,758). £8,400 (2019 - £20,538) was paid into the pension scheme of the highest paid director.

9. Taxation

	2020 £	2019 £
Corporation tax		
Current tax on profits for the year	674,791	516,824
Adjustments in respect of previous periods	173,511	190,106
Total current tax	<u>848,302</u>	<u>706,930</u>
Deferred tax		
Short term timing differences	(2,589)	(8,959)
Fixed asset timing differences	17,516	-
Capital gains	6,081	-
Total deferred tax	<u>21,008</u>	<u>(8,959)</u>
Taxation on profit on ordinary activities	<u>869,310</u>	<u>697,971</u>

ALLIED VEHICLES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2019 - *lower than*) the standard rate of corporation tax in the UK of 19.00% (2019 - 19.00%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	3,548,535	3,960,101
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2019 - 19.00%)	674,222	752,419
Effects of:		
Expenses not deductible for tax purposes	18,546	31,224
Adjustments to tax charge in respect of prior periods	173,511	190,106
Income not taxable for tax purposes	-	(276,775)
Patent box additional deduction	(90,555)	-
Remeasurement of deferred tax for changes in tax rates	36,214	1,054
Deferred tax not recognised	(4)	-
Fixed asset differences	57,382	56,686
Other tax adjustments, reliefs and transfers	-	91
Group relief (claimed)	(6)	(56,834)
Total tax charge for the year	869,310	697,971

ALLIED VEHICLES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

10. Intangible assets

	Development expenditure £
Cost	
At 1 May 2019	3,704,654
Additions	449,191
Disposals	(265,282)
	<hr/>
At 30 April 2020	3,888,563
	<hr/>
Amortisation	
At 1 May 2019	1,822,912
Charge for the year	820,003
On disposals	(105,716)
	<hr/>
At 30 April 2020	2,537,199
	<hr/>
Net book value	
At 30 April 2020	1,351,364
	<hr/> <hr/>
At 30 April 2019	1,881,742
	<hr/> <hr/>

ALLIED VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

11. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 May 2019	13,475,672	5,878,725	312,491	19,666,888
Additions	866,498	732,778	14,250	1,613,526
Disposals	(77,867)	(278,113)	(24,306)	(380,286)
At 30 April 2020	14,264,303	6,333,390	302,435	20,900,128
Depreciation				
At 1 May 2019	561,386	3,522,781	161,091	4,245,258
Charge for the year	297,184	735,823	32,083	1,065,090
Disposals	(77,867)	(278,113)	(24,306)	(380,286)
At 30 April 2020	780,703	3,980,491	168,868	4,930,062
Net book value				
At 30 April 2020	13,483,600	2,352,899	133,567	15,970,066
At 30 April 2019	12,914,286	2,355,944	151,400	15,421,630

The freehold land and buildings was independently valued on an open market existing use basis by David Allison & Company, Chartered Surveyors in June 2016 and was effective from April 2016. This was incorporated into the 2016 financial statements.

The net book value of land and buildings may be further analysed as follows:

	2020 £	2019 £
Freehold	12,985,427	12,362,701
Long leasehold	498,173	551,585
	13,483,600	12,914,286

12. Fixed asset investments

The company owns 100% of the ordinary share capital of Ashfield Motors Limited, a dormant company with capital and reserves of £1 as at 30 April 2020.

ALLIED VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

13. Investment property

	Freehold investment property £
Valuation	
At 1 May 2019	960,000
At 30 April 2020	960,000

The investment property was independently valued on an open market bases by David Allison & Company, Chartered Surveyors in June 2016 and was effective from April 2016. The directors are of the opinion that this valuation has not materially changed as at 30 April 2020.

14. Future operating lease income

At 30 April 2020 the company was due future minimum lease income under non-cancellable operating leases as follows:

	2020 £	2019 £
Land and buildings		
Not later than one year	177,400	141,232
Later than 1 year and not later than 2 years	50,542	44,000
Later than 2 years and not later than 5 years	-	3,667
	<u>227,942</u>	<u>188,899</u>

15. Stocks

	2020 £	2019 £
Raw materials and consumables	3,458,828	3,452,007
Work in progress	417,951	606,774
Finished goods and goods for resale	10,810,151	10,028,270
	<u>14,686,930</u>	<u>14,087,051</u>

Stock recognised in cost of sales during the year as an expense was £127,117,064 (2019 - £120,004,516).

ALLIED VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

16. Debtors

	2020 £	2019 £
Trade debtors	2,841,408	5,268,141
Amounts owed by group undertakings	7,852,750	1,703,783
Amounts owed by related companies	645,243	18,910
Other debtors	3,197,470	4,130,646
Prepayments and accrued income	1,856,971	1,050,288
	<u>16,393,842</u>	<u>12,171,768</u>

17. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	<u>479</u>	<u>3,314,536</u>

18. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank overdrafts	445,546	-
Bank loans	3,000,000	-
Trade creditors	6,927,233	13,322,225
Amounts owed to group companies	760,641	644,504
Amounts owed to related companies	33,201	17,067
Other taxation and social security	2,098,472	1,109,470
Other creditors	877,834	968,929
Accruals and deferred income	2,264,673	1,519,684
	<u>16,407,600</u>	<u>17,581,879</u>

Bank borrowings of £3,445,546 (2019 - £nil) are secured by standard securities over certain properties of the company, including a negative pledge, and by a bond and floating charge over the whole assets of the company.

Included within other taxation and social security are outstanding pension contributions of £69,769 (2019 - £79,770).

ALLIED VEHICLES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

19. Deferred taxation

	2020 £
At beginning of year	(307,822)
Charged to the profit or loss	(21,008)
At end of year	<u>(328,830)</u>

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	304,104	286,589
Short term timing differences	(33,044)	(30,456)
Capital gains	57,770	51,689
	<u>328,830</u>	<u>307,822</u>

20. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
56,667 (2019 - 56,667) ordinary shares of £1 each	<u>56,667</u>	<u>56,667</u>

The ordinary shareholders are entitled to dividends and shares rank equally for voting purposes.

ALLIED VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

21. Reserves

Share premium account

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Revaluation reserve

This reserves records the amount above historic costs for the revaluation of assets.

Capital redemption reserve

This reserve records the nominal value of shares repurchased by the company.

Profit and loss account

The profit and loss account includes all current and prior year retained profits or losses.

22. Capital commitments

At 30 April 2020 the company had capital commitments as follows:

	2020 £	2019 £
Contracted for but not provided in these financial statements	179,766	-
	<u>179,766</u>	<u>-</u>

23. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost and charge represents contributions payable by the company to the scheme in the year and amounted to £430,087 (2019 - £358,432). Contributions payable to the fund at 30 April 2020 were £69,769 (2019 - £79,770) included within other taxation and social security.

ALLIED VEHICLES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

24. Commitments under operating leases

At 30 April 2020 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020 £	2019 £
Land and buildings		
Not later than 1 year	253,137	224,940
Later than 1 year and not later than 5 years	48,229	63,587
Later than 5 years	-	30,000
	<u>301,366</u>	<u>318,527</u>
	2020 £	2019 £
Other operating leases		
Not later than 1 year	65,443	81,566
Later than 1 year and not later than 5 years	-	1,786
	<u>65,443</u>	<u>83,352</u>

ALLIED VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

25. Related party transactions

The company has taken advantage of the disclosure exemption from the requirement of FRS 102 Section 33 Related Party Disclosures paragraph 33.7 from disclosing transactions with group undertakings on the basis that consolidated financial statements are available.

During the year contributions of £16,213 (2019 - £40,000) and rent of £127,332 (2019 - £181,080) were paid by the company to the Facenna Family Trust. The company also purchased a property from the Facenna Family Trust in the year for £800,000. At the balance sheet date, a balance of £33,201 is included within amounts owed to related undertakings (2019 - £nil).

During the year, the company paid expenses on behalf of Glasgow Tigers Speedway Limited, a company related by common control, amounting to £38,485 (2019 - £237,225). During the year, the company received services amounting to £10,417 from Glasgow Tigers Speedway Limited (2019 - £218,315). At the balance sheet date, a balance of £28,068 is included within amounts owed from related undertakings (2019 - £18,910).

During the year the company paid expenses on behalf of Lemac Propco Limited, a company related by common control, amounting to £31,680 (2019 - £29,258). During the year, the company advanced a loan to Lemac Propco Limited amounting to £650,000 (2019 - £nil). During the year, Lemac Propco Limited made repayments to the company amounting to £92,893 (2019 - £nil). At the balance sheet date £617,175 is included within amounts owed from related undertakings (2019 - £17,067 included within amounts owed to related undertakings).

During the year, the company made a loan of £6,161,528 (2019 - £nil) to Allied Vehicles Group Limited, the ultimate parent company. At the balance sheet date, the balance included in amounts owed from related undertakings was £6,161,528 (2019 - £nil).

26. Transactions with directors

M Facenna had an overdrawn loan account in the year with a maximum balance outstanding in the year of £1,050,008 (2019 - £1,013,524). At the year end, the balance was £nil owed to the company (2019 - £1,013,524). Interest payable of £25,476 (2019 - £29,281) is calculated at the HMRC beneficial loan interest rate of 3%.

G Facenna had an overdrawn loan account in the year with a maximum balance outstanding in the year of £1,963,399 (2019 - £1,893,515). At the year end, the balance was £1,963,399 owed to the company (2019 - £1,893,515). Interest payable of £56,999 (2019 - £54,926) is calculated at the HMRC beneficial loan interest rate of 3%.

During the year, the company paid expenses on behalf of the directors totalling £23,894 (2019 - £133,959) which have been charged against the respective director's loan account.

27. Post balance sheet events

Following the year end, the company announced and completed a redundancy programme.

28. Controlling party

The immediate parent company is Allied Holdings (UK) Limited, a company registered within the UK. The ultimate parent company is Allied Vehicles Group Limited, a company registered within the UK. The ultimate controlling party is Gerry Facenna. Copies of the consolidated financial statements of Allied Holdings (UK) 2014 Limited can be obtained from the company's registered office.