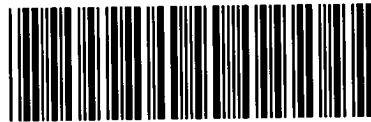


Registered number: SC147093

ALLIED VEHICLES LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

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ALLIED VEHICLES LIMITED

COMPANY INFORMATION

Directors	Gerry Facenna Brian Ritchie David Facenna Peter Facenna Gerald Facenna (appointed 15 August 2022)
Registered number	SC147093
Registered office	230 Balmore Road Glasgow G22 6LJ
Independent auditor	French Duncan LLP Chartered Accountants and Statutory Auditor 133 Finnieston Street Glasgow G3 8HB
Bankers	Bank of Scotland 110 St Vincent Street Glasgow G2 5ER
Solicitors	BTO Solicitors 48 St Vincent Street Glasgow G2 5HS

ALLIED VEHICLES LIMITED

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ALLIED VEHICLES LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 APRIL 2022

Introduction

The directors present their strategic report and the audited financial statements for the year ended 30 April 2022.

Business review

The Directors are extremely pleased with the performance of the business in this period. Following on from the difficulties and challenges caused by the pandemic, the business performed well, demonstrating its resilience, and produced an outstanding result. This was during a period when there were still many restrictions in place.

We continued our focus on our people, and their wellbeing, through strong engagement and communication. Following on from periods of working from home, we continued this flexible working model and allowed our people to continue to work from home where appropriate, whilst coming into the workplace on a regular basis, keeping in touch and collaborating with colleagues. The Operations Board have continued to communicate regularly with colleagues, both face to face and through regular video blogs.

We took advantage of the last period of the government Coronavirus Job Retention Scheme, to allow us to retain people.

A major challenge for the business during this reporting period and continuing into the current period, is that of the global semiconductor shortage, which has severely impacted the supply of motor vehicles to the whole motor retail industry. Given our strong relationships with our OEM partners, and the scale of our purchasing, we have regular robust meetings to secure as much supply as possible. The situation is improving and following periods of reduced production, we are now heading back to normal and increased levels to satisfy our order book. Our order intake has continued at high levels and with the poor supply of vehicles from manufacturers, this has led to high levels of unfulfilled orders, which will be delivered to customers over coming months, and allow the recognition of profit.

Despite all these challenges, we are happy to have delivered an increase in profits in the company to £9.75m. We have continued a focus on cost management and reduction to put the business in a strong position for delivering strong growth going forward. The business has a strong asset and cash basis, and this allows us to make long-term decisions and investment.

The Operations Board have continued working on the 3-year strategy, which was started just before the pandemic and has been somewhat disrupted during this period. This will deliver a significant increase in profits, development of new products, process and administrative efficiencies, and a drive to become one of Scotland's best employers.

During the period we acquired and opened two new sites, both of which have performed ahead of our business plan. Both were acquired outright from cash resources. Our motor retail dealership in Coventry sells our wheelchair accessible vehicles throughout England and builds on the success of our Glasgow dealership and our online sales channel. The new parts operation in Aberdeen services the north of Scotland market. After the reporting period we have opened an additional parts operation in Edinburgh, serving Edinburgh, Fife and the Borders. We continue to look at new business development opportunities, staying within niche sectors of the automotive industry.

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. The Operations Board has continued to develop, and we are seeing the results of the focus that this has brought across all aspects of the business. We have invested in our learning and development offering, sponsoring many employees through university degrees and other business courses.

During the first few months of the current financial year, the Directors have recognised the challenges facing employees with the rising cost of living. The Directors have made the decision to bring forward the annual pay review from January 2023 to September 2022 and have implemented a pay review from September 2022. This

ALLIED VEHICLES LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2022

has focussed on colleagues on lower salaries where the increase is 10%. Over 60% of our colleagues will receive an increase of over 8%, with the remainder receiving an increase of 5%.

Vehicle Sales

Across the business we sold and delivered 6,271 vehicles to customers, up 1,532 units from the previous period. This total was impacted by pandemic restrictions and also the supply restrictions of base vehicles, due to the global semiconductor shortages.

We developed our taxi partnership with Mercedes and continued to sell significant volumes of hackney taxi sales as we come out of the pandemic. Taxi business, representing 22% of units sold, was impacted severely by the pandemic, but has bounced back well during this period. Our partnership with Mercedes has grown significantly in the 2021-22 year and seen a large year on year increase.

Our Motability UK market share has increased by 5% over a 2-year period, and our customer satisfaction levels, measured independently, remain high at 94%. The opening of our new retail site in Coventry will allow us to grow our market share in used cars, and we will look to acquire additional sites as the right opportunities arise.

Fleet sales increased sales significantly during the period, as we rebranded as 'The Minibus Centre'. We will see a drop in deliveries in the current period due to vehicle supply issues, but we expect this to grow further once normal supply levels resume.

Our international division, selling wheelchair accessible vehicles predominantly into Europe, had a great year with sales increasing by 47%. We have established a French business to operate sales within Europe and increased our team there.

The Wheelchair Accessible Vehicle Rental division, impacted during the pandemic, increased its turnover above pre-pandemic levels, and significantly increased profitability through strong fleet management. We have developed a campervan product and after the year end, we have introduced these into the rental fleet. We will build this during the 2022-23 season and will see the real benefits in 2023-24. We will also introduce new and used campervan sales during the current financial year.

Aftersales

Our Mobile Servicing division has continued its strong growth and has also helped customers, some of which have underlying health conditions, to have their vehicles checked and serviced at their homes in a contactless way. Motability plc 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 Stellantis OEM parts and others to motor retail outlets throughout Scotland, continues to expand. From January 2020 we started supplying Vauxhall (which is part of the Stellantis stable) parts. With this new Vauxhall business, and despite the pandemic, turnover grew by 19%.

Our Allied Autocare Service department, increased turnover by 30%, and increased profitability. We hold Authorised Repairer and warranty status for Ford and Peugeot.

In our Accident Repair and Defleet departments, we appointed a new management team and with several new contracts and revised terms, we have achieved a good increase in profitability. We are Ford and Peugeot approved, alongside approvals from major insurers and fleets.

Our Mobility Solutions stores increased turnover above pre-pandemic levels. Strong purchasing, increasing gross margin, more focussed marketing and development of online sales, have helped increase profitability of this division.

ALLIED VEHICLES LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2022

Principal risks and uncertainties

The impact of 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.

Supply in the automotive sector has been impacted severely by the global semiconductor shortage, which has been worsened by the ongoing situation in the Ukraine. However, the industry has benefited from strong residual values of products, which has allowed increases in profitability.

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. We have recruited numerous additional engineers, to allow us to increase our product development.

Throughout the pandemic we have continued to closely manage all operations and cashflow to ensure any risks to the business are addressed.

Financial key performance indicators

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

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 have continued our production of regular board video and email updates for all colleagues now that we have introduced hybrid flexible working. All staff have access to directors if they have any concerns, and through emails and staff surveys, we are pleased that colleagues recognise the efforts the Board made in communicating with teams. Directors do regular video and email updates to all colleagues through our employee engagement platform. We recognise that this last couple of years has been a tough time for our teams and that this can impact on mental health, and we have focussed and made available our Occupational Health team, HR team and Directors, to do whatever we can to help people through this. We are pleased to have re-introduced in person team building and social activities to develop and bring teams together.

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

ALLIED VEHICLES LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2022**

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 is wholly-owned by Gerry Facenna and his three sons. 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. During this period, we have increased our giving through the Allied Vehicles Charitable Trust. We have set up an employee charity committee, which considers good causes and initiatives, put forward by the wider business. They make proposals on a monthly basis which are then considered and approved by the Trustees. This has grown to £120k of annual giving on a pro-rata basis.

This report was approved by the board and signed on its behalf.

DocuSigned by:

3767DD41DFB94EF...
Gerry Facenna
Director

Date: 22 September 2022

ALLIED VEHICLES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2022

The directors present their report and the financial statements for the year ended 30 April 2022.

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.

Results and dividends

The profit for the year, after taxation, amounted to £7,620,710 (2021 - £4,763,212).

£15,000,000 of dividends were paid for the year ended 30 April 2022 (2021 - £Nil).

Directors

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

Gerry Facenna
Brian Ritchie
David Facenna
Peter Facenna
Gerald Facenna (appointed 15 August 2022)

Future developments

The future developments are disclosed in the strategic report under business review.

ALLIED VEHICLES LIMITED

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2022

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.

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

Streamlined Energy & Carbon Reporting (SECR) is a mandatory UK Government initiative aimed at reducing the energy consumption of large companies operating in the UK. It provides a standardised reporting framework that can be used to assess the environmental impact of the activities undertaken by an organisation across different industries and sectors. SECR defines an initial baseline year (typically the first annual submission, which covered the period 01 May 2019 - 30 April 2020 for Allied Vehicles) and then encourages the implementation of measures to reduce carbon emissions.

This report details the analysis undertaken for Allied Vehicles operations across the third reporting period covering 01 May 2021 to 30 April 2022. During this time, the total electricity and gas consumption across all sites and activities has been calculated as 7,349,265 kWh which corresponded to emissions of 1,358.89 tonnes of carbon dioxide equivalent (tCO₂e). Transport emissions added a further 2,621.31 tCO₂e giving total emissions over the period of 3,980.20 tCO₂e.

The total carbon emissions associated with the company's operations over the reporting period, have been normalised against metrics based on annual revenue and staff headcount. Based on the reported revenue of £179.2m and employee headcount of 573 this gives intensity metric outputs of 22.36 tCO₂e/£m and 6.95 tCO₂e/employee compared with 24.09 tCO₂e/£m and 5.53 tCO₂e/employee for the baseline year.

	Baseline	2020/21	2021/22	Current over Baseline
Turnover (£m)	158.5	131.2	180.0	13.56%
Intensity Metric	24.09	26.52	22.36	-7.19%
Headcount (FTE)	690	593	573	-16.96%
Intensity Metric	5.53	5.87	6.95	25.51%

The carbon intensity in the reporting period over the baseline period was down 7.19% when measured against revenue and up 25.51% compared to headcount. This variation can be explained by the increased revenue (an increase of 13.10% over the baseline) which was delivered with a reduced headcount (down 16.96%).

ALLIED VEHICLES LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2022**

	Energy Consumption (kWh)	Energy Consumption vs Baseline	Emissions (tCO₂e)	Current over Baseline
Gas	5,748,510	-2.69%	1049.3	-3.39%
Electricity	1,600,756	-13.07%	309.55	-27.89%
Transport	n/a	n/a	2,621.31	13.80%
Total	7,349,265	n/a	3,980.20	4.23%

The company's unweighted impact on the environment during the reporting period, increased over the baseline by 4.23%, equivalent to an additional CO₂e emissions of 161.36 tonnes (the increase was higher over the previous reporting period at 14.40% and 500.92 tonnes). Boxfish note that this increase can be attributed to an increase in transport emissions as the consumption of gas and electricity decreased over the baseline and previous reporting periods. The root cause of the increase is likely to be a return of normal operational activity after the restrictions imposed by Covid.

Note: While electricity consumption is down 13.07%, the associated carbon emissions are down by a much larger percentage (27.89%) because the UK electricity grid is gradually becoming "greener" over time as the contribution of renewable generation to the overall mix increases. This is also seen with the gas data, although to a much smaller degree.

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

- we continue to upgrade our lighting across the business, with installation of LED and light sensors;
- insulation of roof voids;
- we continue to move as many company vehicles as we can to all electric, or hybrid (89% of the operational board now drive fully electric or hybrid cars);
- we continue to monitor and regularly review gas and electricity consumption across our sites; and
- a major focus on printing of paper, reducing print volumes significantly with a view to being as close to paperless as possible in the next few years

Research and Development

The business has a strong and experienced Development engineering team, who are continually working on creating new and enhanced products, predominantly for the Wheelchair Accessible Vehicle Market. We engage with customers to establish what the market requirements are, to ensure we develop the right products and technologies to maintain our position as the leading player in this industry.

Disclosure of information to auditor

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 auditor is 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 auditor is aware of that information.

ALLIED VEHICLES LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2022**

Auditor

Under section 487(2) of the Companies Act 2006, French Duncan LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf.

DocuSigned by:

Gerry Facenna

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Gerry Facenna
Director

Date: 22 September 2022

ALLIED VEHICLES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALLIED VEHICLES LIMITED

Opinion

We have audited the financial statements of Allied Vehicles Limited (the 'Company') for the year ended 30 April 2022, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes, 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 2022 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 opinion.

Conclusions relating to going concern

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

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

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

ALLIED VEHICLES LIMITED

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 or the Directors' report.

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

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

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 5, 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.

ALLIED VEHICLES LIMITED

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed high level analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- review of board minutes.

ALLIED VEHICLES LIMITED

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

The extent to which the audit was considered capable of detecting irregularities including fraud (continued)

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Auditor's report.

Use of our report

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

DocuSigned by:

French Duncan

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Stephen G Hughes (Senior statutory auditor)

for and on behalf of
French Duncan LLP

Chartered Accountants and Statutory Auditor

133 Finnieston Street

Glasgow

G3 8HB

Date: 22 September 2022

ALLIED VEHICLES LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 APRIL 2022

	Note	2022 £	2021 £
Turnover	4	180,024,249	131,205,517
Cost of sales		(148,507,648)	107,760,946)
Gross profit		31,516,601	23,444,571
Administrative expenses		(22,240,618)	(21,277,617)
Other operating income	5	763,104	3,735,815
Operating profit	6	10,039,087	5,902,769
Interest receivable and similar income	10	41,597	44,456
Interest payable and similar expenses	11	(242,745)	(69,271)
Profit before tax		9,837,939	5,877,954
Tax on profit	12	(2,217,229)	(1,114,742)
Profit for the financial year		7,620,710	4,763,212
Other comprehensive income for the year			
Unrealised surplus on revaluation of tangible fixed assets		1,297,524	-
Other comprehensive income for the year		1,297,524	-
Total comprehensive income for the year		8,918,234	4,763,212

The notes on pages 18 to 37 form part of these financial statements.

ALLIED VEHICLES LIMITED
REGISTERED NUMBER: SC147093

STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2022


	Note	2022 £	2021 £
Fixed assets			
Intangible assets	14	1,094,654	1,043,218
Tangible assets	15	19,574,429	15,384,414
Investments	16	839	1
Investment property	17	1,390,000	960,000
		<u>22,059,922</u>	<u>17,387,633</u>
Current assets			
Stocks	18	14,159,600	13,107,104
Debtors: amounts falling due after more than one year	19	627,346	944,295
Debtors: amounts falling due within one year	19	28,217,570	19,717,734
Cash at bank and in hand	20	3,479,471	3,254,729
		<u>46,483,987</u>	<u>37,023,862</u>
Creditors: amounts falling due within one year	21	(35,105,359)	(15,979,730)
Net current assets		<u>11,378,628</u>	<u>21,044,132</u>
Total assets less current liabilities		<u>33,438,550</u>	<u>38,431,765</u>
Creditors: amounts falling due after more than one year	22	(1,492,819)	(797,888)
Provisions for liabilities			
Deferred tax	23	(638,033)	(244,413)
Net assets		<u><u>31,307,698</u></u>	<u><u>37,389,464</u></u>
Capital and reserves			
Called up share capital	24	56,667	56,667
Share premium account	25	1,663,343	1,663,343
Revaluation reserve	25	6,314,094	5,130,583
Other reserves	25	20,001	20,001
Profit and loss account	25	23,253,593	30,518,870
		<u><u>31,307,698</u></u>	<u><u>37,389,464</u></u>

ALLIED VEHICLES LIMITED
REGISTERED NUMBER: SC147093

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 APRIL 2022

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

DocuSigned by:


3767DD41DFB94EF...

Gerry Facenna
Director

Date: 22 September 2022

The notes on pages 18 to 37 form part of these financial statements.

ALLIED VEHICLES LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2022

	Called up share capital	Share premium account	Revaluation reserve	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£	£
At 1 May 2021	56,667	1,663,343	5,130,583	20,001	30,518,870	37,389,464
Comprehensive income for the year						
Profit for the year	-	-	-	-	7,620,710	7,620,710
Surplus on revaluation of freehold property	-	-	1,297,524	-	-	1,297,524
Other comprehensive income for the year	-	-	1,297,524	-	-	1,297,524
Total comprehensive income for the year	-	-	1,297,524	-	7,620,710	8,918,234
Dividends: Equity capital	-	-	-	-	(15,000,000)	(15,000,000)
Transfer to/from profit and loss account	-	-	(114,013)	-	114,013	-
Total transactions with owners	-	-	(114,013)	-	(14,885,987)	(15,000,000)
At 30 April 2022	56,667	1,663,343	6,314,094	20,001	23,253,593	31,307,698

The notes on pages 18 to 37 form part of these financial statements.

ALLIED VEHICLES LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2021

	Called up share capital	Share premium account	Revaluation reserve	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£	£
At 1 May 2020	56,667	1,663,343	5,244,596	20,001	25,641,645	32,626,252
Comprehensive income for the year						
Profit for the year	-	-	-	-	4,763,212	4,763,212
Other comprehensive income for the year						
	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	4,763,212	4,763,212
Transfer to/from profit and loss account	-	-	(114,013)	-	114,013	-
Total transactions with owners	-	-	(114,013)	-	114,013	-
At 30 April 2021	56,667	1,663,343	5,130,583	20,001	30,518,870	37,389,464

The notes on pages 18 to 37 form part of these financial statements.

ALLIED VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2022

1. General information

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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 the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Allied Vehicles Group Limited as at 30 April 2022 and these financial statements may be obtained from 230 Balmore Road, Glasgow, G22 6LJ.

ALLIED VEHICLES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

2. Accounting policies (continued)

2.3 Going concern

The directors are pleased to report strong results in the reported financial year.

The group has sufficient financial resources due to the cash balances held and available facilities. We have maintained strong sales levels and continue to increase profitability, and continue strong cashflow generation. We carry out regular ongoing forecasting, reviewing both profitability and cashflow.

As a consequence, the directors believe that the company is well placed to manage its business risks successfully. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

2.4 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'.

ALLIED VEHICLES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

2. Accounting policies (continued)**2.5 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.

2.6 Operating leases: the Company as lessor

Rental income from operating leases is credited to profit or loss on a straight line basis over the lease term.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

2.7 Operating leases: the Company as lessee

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

ALLIED VEHICLES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

2. Accounting policies (continued)**2.8 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2.9 Interest income

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

2.10 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.

2.11 Pensions

The Company operates two defined contribution plans for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plans are held separately from the company in independently administered funds.

2.12 Employee Benefits

Short-term employee benefits are recognised as an expense in the period in which they are incurred.

ALLIED VEHICLES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

2. Accounting policies (continued)**2.13 Current and deferred taxation**

The tax expense for the year comprises current 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 reporting 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 reporting 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 reporting date.

2.14 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Development expenditure	-	between 3 and 5 years over the term of the project
-------------------------	---	--

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 2022**

2. Accounting policies (continued)**2.15 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.

2.16 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value 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 reporting date.

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

Revaluation gains and losses are recognised in 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.

2.17 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 2022.**

2. Accounting policies (continued)**2.18 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

2.19 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. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.20 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.

2.21 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.

2.22 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.

2.23 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 ordinary shares.

2.24 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.

ALLIED VEHICLES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

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. 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' expectation of net realisable value.

4. Turnover

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

	2022 £	2021 £
Sale and repair of vehicles	178,934,496	130,417,672
Vehicle rental income	1,089,753	787,845
	<u>180,024,249</u>	<u>131,205,517</u>

Analysis of turnover by country of destination:

	2022 £	2021 £
United Kingdom	166,088,233	122,559,546
Rest of Europe	13,936,016	8,645,971
	<u>180,024,249</u>	<u>131,205,517</u>

ALLIED VEHICLES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

5. Other operating income

	2022 £	2021 £
Other operating income	338,659	386,228
Net rents receivable	164,394	168,686
Security income	-	23,175
Government grants receivable	180,104	3,092,726
RDEC	79,947	65,000
	<u>763,104</u>	<u>3,735,815</u>

6. Operating profit

The operating profit is stated after charging:

	2022 £	2021 £
Research & development charged as an expense	70,469	46,547
Depreciation of tangible fixed assets	1,063,106	1,067,360
Amortisation of intangible fixed assets	563,538	807,771
Exchange differences	111,919	193,392
Other operating leases	180,895	412,772
	<u>1,969,927</u>	<u>2,498,842</u>

7. Auditor's remuneration

	2022 £	2021 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	50,453	30,875
	<u>50,453</u>	<u>30,875</u>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

ALLIED VEHICLES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

8. Employees

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

	2022 £	2021 £
Wages and salaries	19,739,657	18,497,813
Social security costs	2,020,541	1,552,942
Cost of defined contribution scheme	449,951	355,882
	<u>22,210,149</u>	<u>20,406,637</u>

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

	2022 No.	2021 No.
Manufacturing	186	189
Sales	83	96
After sales	211	214
Group administration	93	94
	<u>573</u>	<u>593</u>

9. Directors' remuneration

	2022 £	2021 £
Directors' emoluments	1,560,197	1,092,968
Company contributions to defined contribution pension schemes	40,030	35,359
	<u>1,600,227</u>	<u>1,128,327</u>

During the year retirement benefits were accruing to 3 directors (2021 - 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £480,861 (2021 - £478,247).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2021 - £NIL).

ALLIED VEHICLES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

10. Interest receivable

	2022 £	2021 £
Other interest receivable	41,597	44,456

11. Interest payable and similar expenses

	2022 £	2021 £
Other interest payable	242,745	69,271

Interest is now payable on vehicle manufacturer stock funding lines.

12. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on profits for the year	1,961,841	1,196,393
Adjustments in respect of previous periods	(138,232)	2,766
	<u>1,823,609</u>	<u>1,199,159</u>
Total current tax	<u>1,823,609</u>	<u>1,199,159</u>
Deferred tax		
Short term timing differences	(345,083)	(167)
Fixed asset timing differences	332,818	(80,306)
Capital gains	405,885	(1)
Adjustments in respect of previous periods	-	(3,943)
Total deferred tax	<u>393,620</u>	<u>(84,417)</u>
Taxation on profit on ordinary activities	<u>2,217,229</u>	<u>1,114,742</u>

ALLIED VEHICLES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

12. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2021 - lower than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Profit on ordinary activities before tax	9,837,939	5,877,954
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	1,869,208	1,116,811
Effects of:		
Expenses not deductible for tax purposes	13,907	33,426
Income not deductible for tax purposes	(142,500)	-
Adjustments to tax charge in respect of prior periods	(138,232)	2,766
Patent box additional deduction	-	(95,000)
Adjustments to tax charge in respect of previous periods - deferred tax	137,910	(3,943)
Chargeable gains	436,583	-
Fixed asset differences	40,353	60,682
Total tax charge for the year	2,217,229	1,114,742

13. Dividends

	2022 £	2021 £
Dividends paid to group	15,000,000	-

ALLIED VEHICLES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

14. Intangible assets

	Development expenditure £
Cost	
At 1 May 2021	4,388,188
Additions	614,974
Disposals	(798,742)
At 30 April 2022	<u>4,204,420</u>
Amortisation	
At 1 May 2021	3,344,970
Charge for the year on owned assets	563,538
On disposals	(798,742)
At 30 April 2022	<u>3,109,766</u>
Net book value	
At 30 April 2022	<u><u>1,094,654</u></u>
At 30 April 2021	<u><u>1,043,218</u></u>

ALLIED VEHICLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022

15. Tangible fixed assets

	Land and buildings £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 May 2021	14,458,128	5,669,150	299,177	20,426,455
Additions	3,468,479	752,008	-	4,220,487
Disposals	(136,835)	(1,267,539)	(500)	(1,404,874)
Revaluations	(205,772)	-	-	(205,772)
At 30 April 2022	17,584,000	5,153,619	298,677	23,036,296
Depreciation				
At 1 May 2021	1,017,021	3,827,292	197,728	5,042,041
Charge for the year on owned assets	369,240	663,441	30,425	1,063,106
Disposals	(136,835)	(1,256,519)	(500)	(1,393,854)
On revalued assets	(1,249,426)	-	-	(1,249,426)
At 30 April 2022	-	3,234,214	227,653	3,461,867
Net book value				
At 30 April 2022	17,584,000	1,919,405	71,024	19,574,429
At 30 April 2021	13,441,107	1,841,858	101,449	15,384,414

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

	2022 £	2021 £
Freehold	17,208,156	13,020,404
Long leasehold	375,844	420,704
	<u>17,584,000</u>	<u>13,441,108</u>

ALLIED VEHICLES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

The freehold land and buildings was independently valued on an open market existing use basis by Gerald Eve LLP in July 2022 and was effective from April 2022.

Cost or valuation at 30 April 2022 is as follows:

	Land and buildings £
At cost	13,976,081
At valuation:	
Valuation at April 2022 on Existing Use basis	3,607,919
	<u><u>17,584,000</u></u>

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2022 £	2021 £
Cost	<u><u>13,976,081</u></u>	<u><u>10,644,437</u></u>

16. 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 2022.

The company owns 100% of the ordinary share capital of Allied Mobility SAS, a trading company with capital and reserves of (£3,232) as at 30 April 2022.

17. Investment property

	Freehold investment property £
Valuation	
At 1 May 2021	960,000
Additions at cost	176,130
Surplus on revaluation	253,870
At 30 April 2022	<u><u>1,390,000</u></u>

The investment property was independently valued on a market value basis by Gerald Eve LLP in July 2022 and was effective from April 2022.

ALLIED VEHICLES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

18. Stocks

	2022 £	2021 £
Raw materials and consumables	1,217,970	1,185,192
Work in progress (goods to be sold)	1,324,783	999,498
Finished goods and goods for resale	11,616,847	10,922,414
	<u>14,159,600</u>	<u>13,107,104</u>

19. Debtors

	2022 £	2021 £
Due after more than one year		
Other debtors	<u>627,346</u>	<u>944,295</u>

	2022 £	2021 £
Due within one year		
Trade debtors	7,563,919	5,983,122
Amounts owed by group undertakings	15,890,149	9,769,903
Amounts owed by joint ventures and associated undertakings	81,299	55,109
Other debtors	2,175,880	2,078,870
Prepayments and accrued income	2,506,323	1,830,730
	<u>28,217,570</u>	<u>19,717,734</u>

20. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	<u>3,479,471</u>	<u>3,254,729</u>

ALLIED VEHICLES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

21. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	13,035,610	9,371,100
Amounts owed to group undertakings	15,839,201	1,044,912
Corporation tax	1,000,972	610,052
Other taxation and social security	1,066,034	1,491,937
Other creditors	1,154,031	1,236,591
Accruals and deferred income	3,009,511	2,225,138
	<u>35,105,359</u>	<u>15,979,730</u>

The bank holds standard securities over some of the freehold property assets of Allied Vehicles Limited, and a bond of floating charge over the whole assets of the company. The securities are held in relation to a revolving credit and overdraft facility that were not utilised at the year end.

22. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Accruals and deferred income	<u>1,492,819</u>	<u>797,888</u>

23. Deferred taxation

	2022 £
At beginning of year	(244,413)
Charged to profit or loss	(393,620)
At end of year	<u>(638,033)</u>

ALLIED VEHICLES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

23. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Fixed asset timing differences	(332,818)	(219,854)
Short term timing differences	345,250	33,211
Capital gains	(650,465)	(57,770)
	<u>(638,033)</u>	<u>(244,413)</u>

24. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
56,667 (2021 - 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.

25. Reserves**Share premium account**

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

Revaluation reserve

This reserve 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.

26. Pension commitments

The company operates two defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension costs and charges represent contributions payable by the company to the schemes in the year and amounted to £449,951 (2021 - £355,882). Contributions due to the fund at 30 April 2022 were £69,672 (2021 - £73,639), included within other creditors.

ALLIED VEHICLES LIMITED

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27. Commitments under operating leases

At 30 April 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Land and buildings		
Not later than 1 year	129,496	171,615
Later than 1 year and not later than 5 years	180,271	309,767
	<u>309,767</u>	<u>481,382</u>
	2022 £	2021 £
Other operating leases		
Not later than 1 year	286,912	246,693
Later than 1 year and not later than 5 years	196,757	14,727
	<u>483,669</u>	<u>261,420</u>

28. Transactions with directors

A director had an overdrawn loan account in the year with a maximum balance outstanding in the year of £2,121,452 (2021 - £2,007,576). At the year end, the balance was £2,121,452 owed to the company (2021 - £2,007,576). Interest payable of £41,596 (2021 - £44,176) was calculated at the HMRC beneficial loan interest rate of 2% (2021 - 2.25%).

ALLIED VEHICLES LIMITED

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29. 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 the company undertook the following transactions with entities under common control:

	2022 £	2021 £
Wages recharged	112,375	64,461
Reimbursed expenses	94,910	12,850
Sponsorship paid	(71,402)	(69,140)
Recharged expenses	(105,864)	(29,908)
Rent paid	(141,138)	(329,626)
Purchase of goods/services	6,976	(450,000)
Pension contributions made	-	(4,900)
Properties purchased	(2,064,326)	-

At the statement of financial position date the company was due £81,299 (2021 - £31,769) from entities under common control.

30. 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. These financial statements are consolidated into the financial statements of Allied Vehicles Group Limited. Copies of Allied Vehicles Group Limited consolidated financial statements can be obtained from its registered office at 230 Balmore Road, Glasgow, G22 6LJ.

The ultimate controlling party is Gerry Facenna.