COMPANY REGISTRATION NUMBER: 00077180

George Thurlow and Sons (Holdings) Limited

Financial statements

31 December 2020

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Financial statements

Year ended 31 December 2020

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Officers and professional advisers

The board of directors	J R Thurlow S A Tew N J Titley J G Thurlow M A Thurlow
Registered office	Wisbech Road Littleport Ely Cambridgeshire CB6 1RA
Auditor	Lovewell Blake LLP Chartered accountants & statutory auditor Bankside 300 Peachman Way Broadland Business Park Norwich NR7 0LB

George Thurlow and Sons (Holdings) Limited

Strategic report

Year ended 31 December 2020

The board present the strategic report for the year ended 31 December 2020.

Business review

The performance of the group in 2020 was a profit of £2.32m (2019: profit of £0.03m) in the year with a reduction in turnover to £187m from £219m in the previous year.

George Thurlow and Sons (Holdings) Limited (company only) made a profit of £0.1m (2019: loss of £0.2m).

Motor vehicle dealership

The performance of Thurlow Nunn Limited (the subsidiary through which this activity is undertaken) in 2020 was a reported profit before tax of £689,000 in the year from a turnover of £113m

The result for the year of a pre-tax profit of £689,000 was considered satisfactory by the directors particularly as the years trading was substantially affected by the COVID-19 outbreak. The business, to a large extent, was closed for 11 weeks in the spring with only a gradual return thereafter. Again in November the showrooms were closed to customers. During the whole of 2020 from the first lockdown period the priority has been the safety of our staff and customers which at times as made trading difficult and has also cost the business a significant amount. However the business has also benefited from the governments rates support and grant packages together with the Furlough scheme for our employees. The latter amounts to £2.1m of support.

The business has a well-defined strategic leadership plan that is based around recognising that our people are our principal attribute. The strategic plan is based on the core values of professionalism, trust, respect, caring and working together.

Agricultural and horticultural business

The performance of Thurlow Nunn Standen Limited (the subsidiary through which this activity is undertaken) in 2020 was strong with a reported profit before tax of £1,920,000 (2019: £1,116,000) in the year from a turnover of £72.9 (2019: £71.3m).

The business benefited in the year from a delay in land preparation due to a very wet autumn in 2019 which brought some repairs and parts replacement into 2020 that in normal years would have been enjoyed in 2019.

The COVID-19 pandemic did have an adverse effect on trading in 2020 as the retail areas of the business were closed for a number of months. However the company did enjoy the benefit of some rates support, grants and the Furlough scheme for a limited number of staff. The latter amounted to £166,000 of support.

The business also benefited from strong bonus earnings from the manufacturer having achieved the set targets.

Key performance indicators

The directors consider the following key performance indicators as important to their business:

	2020	2019
Return on Sales	1.5%	0.1%
Return on Shareholders Funds	11.1%	0.6%
Gross Profit Margin	15.48%	14.96%
Current Ratio	1.10:1	1.04:1

George Thurlow and Sons (Holdings) Limited

Strategic report *(continued)*

Year ended 31 December 2020

Return on sales is calculated as profit before taxation relative to turnover. Return on shareholders' funds is calculated as profit before taxation relative to average shareholders' funds in the period. Gross profit margin is gross profit relative to turnover. Current ratio is current assets relative to current liabilities.

The directors consider the staff's performance and customer satisfaction scores to be key non-financial indicators. These are measured in a number of ways and in the context of the disruption caused by the ongoing Covid-19 pandemic, the directors consider the results of both to be very pleasing. In noting this fact we thank both staff and customers for their support.

Future developments

For the motor vehicle dealerships the trading in 2021 continues to be affected by the COVID-19 pandemic. The car showrooms have been closed to customers until mid-April which has resulted in a reduction of car sales. Also the business has been affected by the broken cycle of MOT and service work resulting from the business closure in 2020. However the company continues to take advantage of the Government's Furlough scheme and council rate supports.

For the agricultural and horticultural business the year 2021 will be affected by the Covid19 outbreak but as an essential business supporting food production the effect will be limited. The company has taken advantage of the Government's Furlough scheme together with some council rate support. Business levels have been slower than average due to an extremely wet winter. However the company should have a satisfactory year in 2021.

The UK is likely to see continued increase in the unemployment figures and the economic outlook is currently uncertain with the effect of the final exit from Europe and the trade agreements that will be agreed. However it is clear that interest rates should remain at low levels in the short and medium term. The directors are aware that the business plan going forward needs to be flexible to meet the market conditions.

The directors forecast that 2021 has and will continue to be challenging. But with a solid base, competent staff, good product range the forecast for the year will be an improvement on 2020. This is notwithstanding the events detailed in note 32 to the financial statements.

Financial risk management and objectives and policies

The group's treasury activities are operated with policies and procedures approved by the Board, which include defined controls on the use of financial instruments managing the group's risk. The main risks arising from the group's financial instruments are liquidity risk and credit risk.

Liquidity risk

The group finances its operations by a mixture of retained profits and cash and the group seeks to ensure there is short term flexibility by the availability of overdraft facilities and vehicle/equipment stocking loans. The group takes out longer term funding to finance major capital expenditure. The group monitors its cash balances and loans on a regular basis to ensure that all foreseeable future needs can be met from available resources.

Credit risk

The principal risk lies with trade receivables. The credit risk is managed by setting customer limits based on a combination of payment history, statutory accounts and third party references. These limits are reviewed on a regular basis in conjunction with debt aging and collection history.

Principal risks and uncertainties

Risk management remains a priority. We believe our key risks are detailed below:

- The success of the business depends to a large extent on the abilities of senior management and key employees.
- The operating companies operate franchises, the loss of which would have a significant impact on the business. The board maintains close relationships with its brand partners to mitigate this risk while noting that the ongoing reorganisation by Stellantis (the parent entity to our motor retail brands) raises particular challenges and opportunity in the short to medium term (refer to note 32 to the financial statements for further detail on this matter).
- The business has significant stocking loans with interest rates linked to base rate. While we believe that interest rates will not rise significantly in the medium term, we continue to monitor such rates.
- The motor retail industry is highly competitive. The company competes with other franchise dealers who have greater scale and financial resource. By providing excellent customer service we strive to be our customer's first choice.
- The agricultural supply business continues to face consolidation of its customer base which could result in reducing market opportunity in the future. To date this has not had a significant impact but we have plans in place to meet any such material change in the market.
- The group operates in a regulated environment, in particular with regard to the FCA concerning the selling of finance or insurance products. Non-compliance with these regulations could result in fines and ultimately suspension from selling such products. To ensure we do not commit any regulatory breaches we have a thorough training regime for all related staff.
- The motor retail industry is influenced by general economic conditions. Consumer confidence, interest rates and the availability of finance are key factors that influence the performance of the company. We monitor and react to changes in these factors.
- The impact of the UK's decision to leave the European Union is becoming clear but remains subject to longer-term establishment. In considering this factor we reflect that the UK is the second largest motor retail market within the current EU and expect that (given the significant numbers of EU staff in manufacturing) that any significant trading fluctuations would be supported by manufacturers to protect their share of the UK market.. To date the impact on our agricultural business has been limited.

Section 172 statement

This section serves as our section 172 statement. Section 172 of the Companies Act 2006 requires directors to take into consideration the interests of stakeholders in their decision making. The directors continue to have regard to the interests of the group's and company's employees and other stakeholders, including the impact of its activities on the community, the environment and the group's reputation, when making decisions. Acting in good faith and fairly between members, the directors consider what is most likely to promote the success of the group and company for its members in the long term. Whilst the importance of giving due consideration to our stakeholders is not new, we are explaining in more detail this year how the board engages with our stakeholders, thus complying with the requirement to include a statement setting out how our Directors have discharged this duty.

In this context we note the following:

- The directors are fully aware of their responsibilities to promote the success of the group and Company in accordance with section 172 of the Companies Act 2006. To ensure the group and company the board regularly reflects on how the group engages with its stakeholders and opportunities for enhancement in the future. Such reflections are facilitated by the board's composition; being made up of a mix of executive and non-executive members who combine a shareholder's perspective with that of management and independent members (who themselves have a wide range of experience).

- All strategic decisions are considered to account for the interests of the shareholder, employees, suppliers and customers of the group.

- The Board regularly reviews our principal stakeholders and how we engage with them. The stakeholder voice is brought into the boardroom through information provided by management and also by direct engagement with stakeholders themselves.

- Customers are placed at the heart of the group's proposition and significant resource is invested in compliance functions across the group to ensure that robust monitoring processes are in place.

- The importance of supplier relationships is also recognised, as evidenced by paying suppliers to agreed terms.

The fundamental overriding principle in the governance of the group and company is that of ensuring transparent conduct which reflects fairness in all dealings with the shareholder, employees, customers and suppliers. The group places a high degree of importance on its core values as published on the group's website: integrity, honest, equality, fairness, openness and transparency, humility, service, simplicity, trust, benevolence. A testament to this is reflected in the significantly long length of service by most of our senior employees and the several long-standing relationships with customers and suppliers.

SECR reporting

The Companies Act 2006 Regulations 2018 introduced requirements on streamlined energy and carbon reporting (SECR) for large unquoted companies to disclose their annual energy use and greenhouse gas emissions, and related information. As an entity George Thurlow and Sons (Holdings) Limited does not meet the criteria for mandatory disclosure. It is considered appropriate to give information concerning its two trading subsidiaries (which are both large).

Greenhouse Gas (GHG) Emissions

In line with the Greenhouse Gas Protocol (GHG) Corporate Accounting and Reporting Standard, the group has been engaged in a process aimed at reducing our energy and greenhouse gas emissions.

The group currently maintains scope 1 and 2 emissions, which are generated from the use of our offices and from transport through use of company vehicles and personal cars used for business purposes.

The group is currently devising a strategy to reduce our carbon footprint significantly including:

- Encouraging employees to purchase renewable technology where applicable,
- Purchasing energy efficient equipment where appropriate in our offices,
- Adopting behavioural change measures where possible.

We have a longstanding commitment to tackling climate change. Our calculated carbon footprint for our current financial year is 1,922.14 tCO2e, whilst energy consumption was 7,821,282 kWh.

Methodology:

We have reported all of our emission sources under the Companies Act 2006 (Strategic Report and Director's Reports) Regulations 2013 as required. We have calculated and reported our emissions in line with the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) and emission factors from the UK Government's GHG Conversion Factors for Company Reporting 2020.

The reporting period is the financial year 2020, the same as that covered by the Annual Report and Financial Statements. The boundaries of the GHG inventory are defined using the operational control approach. In general, the emissions reported are the same as those which would be reported based on a financial control boundary. Emissions for previous years are retrospectively adjusted as and when more accurate data is provided.

The emissions below include the subsidiary companies Thurlow Nunn Limited, Thurlow Nunn Standen Limited and Thurlow Nunn (Holdings) Limited.

2020 Emissions:

- Scope 1 (gas) – 262.73 Tonnes CO2 equivalent (tCO2e)
- Scope 2 (electricity) – 407.15 Tonnes CO2 equivalent (tCO2e)
- Scope 1 (transport) – 1,193.04 Tonnes CO2 equivalent (tCO2e)
- Scope 1 (other fuel) – 59.22 Tonnes CO2 equivalent (tCO2e)
- Total – 1,922.14 tCO2e
- Intensity ratio (total gross emissions) is 7.33 kgCO2e per sqft.

Efficiency Measures Taken:

We are committed to responsible energy management and will practise energy efficiency throughout our organisation, wherever it's cost effective. We recognise that climate change is one of the most serious environmental challenges currently threatening the global community and we understand we have a role to play in reducing greenhouse gas emissions.

We have implemented the policies below for the purpose of increasing the businesses energy efficiency in the relevant financial year.

- On-going lighting replacement program:
    - Kennett site
        - all the lighting in the showroom replaced with LED consoles.
        - Showroom light numbers reduced by 12 units.
        - lights in the service office replace to LED.
    - Attleborough site
        - all the lighting in the showroom replaced with LED units.
        - a small number of office fluorescent units replaced with LED units.
- Moved to remote home working due to Covid. Will review this position when the situation permits.
- Implemented and encouraged use of video conferencing.
- Travel reduced due to Covid.

Objectives for 2021:

- Reduce our baseline electricity consumption
- Continual review of existing office equipment and company policies
- Reviewing supply contracts to determine feasibility of renewable energy

The group will report on progress within our next set of financial statements.

This report was approved by the board of directors on 24th June 21 and signed on behalf of the board by:

J R Thurlow
Director

Registered office:
Wisbech Road
Littleport
Ely
Cambridgeshire
CB6 1RA

The directors present their report and the financial statements of the group for the year ended 31 December 2020.

Directors

The directors who served the company during the year were as follows:

J R Thurlow
S A Tew
N J Titley
J G Thurlow
M A Thurlow

Dividends

Particulars of recommended dividends are detailed in note 13 to the financial statements.

Employment of disabled persons

The group supports the employment of disabled people wherever possible, by recruitment, by giving special consideration to retraining those who become disabled during their employment and generally, through training, career development and promotion.

Employee involvement

The group maintains and develops the involvement of all employees through both formal and informal systems of communication.

The group regularly monitors all aspects of its business with regard to requirements and legislation relating to health and safety at work.

Disclosure of information in the strategic report

Information previously included in the Directors' report in respect of the business review, key performance indicators, future developments, principal risks and uncertainties and financial risk management can now be found in the Strategic report. Also included in the Strategic report are the section 172 statement and our SECR reporting.

Post balance sheet events

The group's motor retail franchise arrangements relate to the Vauxhall and Peugeot brands. On 19 May 2021 the group controlling these brands (Stellantis N.V. ('Stellantis')) announced that it would be terminating contracts with all its dealers (including Thurlow Nunn Limited) across Europe, with two years notice. Stellantis has indicated that the new distribution network will be selected shortly after the announcement and issuance of notices. As at the date of approving these financial statements such a process has not been completed and its final impact on the group remains uncertain.

Further details are given in note 32 to the financial statements but it is hoped that the reorganisation will, when completed, have a positive impact on the operations of the group (via Thurlow Nunn Limited) and the scale of its activities.

This and other factors (such as the ongoing Covid-19 pandemic and the impact of Brexit) has been taken into account when assessing the foreseeable future (being 12 months from the date of approving this report and the accompanying financial statements) of the group and company. Refer to note 3 to the financial statements for further comment on the basis of preparation.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and the profit or loss of the group for that period.

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the group and the company's auditor is unaware; and

- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group and the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 24th June 21 and signed on behalf of the board by:

J R Thurlow
Director

Registered office:
Wisbech Road
Littleport
Ely
Cambridgeshire
CB6 1RA

George Thurlow and Sons (Holdings) Limited

Independent auditor's report to the members of George Thurlow and Sons (Holdings) Limited

Year ended 31 December 2020

Opinion

We have audited the financial statements of George Thurlow and Sons (Holdings) Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2020 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other Information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

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:

- we identified the principal laws and regulations applicable to the group and parent company through discussions with management and our wider knowledge and experience; and
- identified laws and regulations were considered in our planning of the audit.

We assessed the susceptibility of the group and parent 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.

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- reviewed journal entries to identify material unusual transactions; and
- assessed whether judgements and assumptions made in determining material accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to enquiring of management and directors as to actual and potential litigation and claims.

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.

Lovewell Blake LLP

Tobias Wilson BA (Hons) FCA (Senior Statutory Auditor)

For and on behalf of
Lovewell Blake LLP
Chartered accountants & statutory auditor
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

2 July 2021

George Thurlow and Sons (Holdings) Limited

Consolidated statement of comprehensive income

Year ended 31 December 2020

	Note	2020 £000	2019 £000
Turnover	**4**	186,524	219,258
Cost of sales		(157,630)	(186,461)
Gross profit		28,894	32,797
Administrative expenses		(27,881)	(31,814)
Other operating income	**5**	2,474	248
Operating profit	**6**	3,487	1,231
Other interest receivable and similar income	**10**	1	–
Interest payable and similar expenses	**11**	(777)	(1,083)
Profit before taxation		2,711	148
Tax on profit	**12**	(391)	(111)
Profit for the financial year		2,320	37
Remeasurement of the net defined benefit plan		(975)	(425)
Total comprehensive income for the year		1,345	(388)

All the activities of the group are from continuing operations.

The notes on pages 22 to 43 form part of these financial statements.

George Thurlow and Sons (Holdings) Limited

Consolidated statement of financial position

31 December 2020

	Note	2020 £000	2019 £000
Fixed assets			
Tangible assets	15	23,263	25,155
Current assets			
Stocks	17	43,755	48,999
Debtors	18	10,349	10,348
Cash at bank and in hand		75	95
		54,179	59,442
Creditors: Amounts falling due within one year	19	(49,266)	(56,920)
Net current assets		4,913	2,522
Total assets less current liabilities		28,176	27,677
Creditors: Amounts falling due after more than one year	20	(2,737)	(3,812)
Provisions	22	(146)	(471)
Net assets excluding defined benefit pension plan liability		25,293	23,394
Defined benefit pension plan liability	24	(898)	(161)
Net assets including defined benefit pension plan liability		24,395	23,233
Capital and reserves			
Called up share capital	26	74	74
Revaluation reserve	27	3,549	4,063
Profit and loss account	27	20,772	19,096
Shareholders funds		24,395	23,233

These financial statements were approved by the board of directors and authorised for issue on 24th June 21, and are signed on behalf of the board by:

J R Thurlow
Director

Company registration number: 00077180

The notes on pages 22 to 43 form part of these financial statements.

George Thurlow and Sons (Holdings) Limited

Company statement of financial position

31 December 2020

	Note	2020 £000	2019 £000
Fixed assets			
Tangible assets	15	1,250	1,250
Investments	16	1,389	1,389
		2,639	2,639
Current assets			
Debtors	18	16	29
Cash at bank and in hand		69	89
		85	118
Creditors: Amounts falling due within one year	19	(19)	(18)
Net current assets		66	100
Total assets less current liabilities		2,705	2,739
Provisions	22	(62)	(60)
Net assets		2,643	2,679
Capital and reserves			
Called up share capital	26	74	74
Revaluation reserve	27	285	285
Profit and loss account	27	2,284	2,320
Shareholders funds		2,643	2,679

The profit for the financial year of the parent company was £147,000 (2019: £203,000 loss).

These financial statements were approved by the board of directors and authorised for issue on 24th June 21, and are signed on behalf of the board by:

J R Thurlow
Director

Company registration number: 00077180

The notes on pages 22 to 43 form part of these financial statements.

George Thurlow and Sons (Holdings) Limited

Consolidated statement of changes in equity

Year ended 31 December 2020

		Called up share capital £000	Revaluation reserve £000	Profit and loss account £000	Total
At 1 January 2019		74	4,063	19,484	23,621
Profit for the year				37	37
Other comprehensive income for the year:					
Remeasurement of the net defined benefit plan	24	–	–	(425)	(425)
Total comprehensive income for the year		–	–	(388)	(388)
At 31 December 2019		74	4,063	19,096	23,233
Profit for the year				2,320	2,320
Other comprehensive income for the year:					
Remeasurement of the net defined benefit plan	24	–	–	(975)	(975)
Reclassification from revaluation reserve to profit and loss account		–	(514)	514	–
Total comprehensive income for the year		–	(514)	1,859	1,345
Dividends paid and payable	13	–	–	(183)	(183)
Total investments by and distributions to owners		–	–	(183)	(183)
At 31 December 2020		74	3,549	20,772	24,395

The notes on pages 22 to 43 form part of these financial statements.

George Thurlow and Sons (Holdings) Limited

Company statement of changes in equity

Year ended 31 December 2020

		Called up share capital £000	Revaluation reserve £000	Profit and loss account £000	Total £000
At 1 January 2019		74	285	2,523	2,882
Loss for the year				(203)	(203)
Total comprehensive income for the year		–	–	(203)	(203)
At 31 December 2019		74	285	2,320	2,679
Profit for the year				147	147
Total comprehensive income for the year		–	–	147	147
Dividends paid and payable	13	–	–	(183)	(183)
Total investments by and distributions to owners		–	–	(183)	(183)
At 31 December 2020		74	285	2,284	2,643

The notes on pages 22 to 43 form part of these financial statements.

George Thurlow and Sons (Holdings) Limited

Consolidated statement of cash flows

Year ended 31 December 2020

	2020 £000	2019 £000
Cash flows from operating activities		
Profit for the financial year	2,320	37
Adjustments for:		
Depreciation of tangible assets	1,078	987
Government grant income	(2,259)	–
Other interest receivable and similar income	(1)	–
Interest payable and similar expenses	777	1,085
(Gains)/loss on disposal of tangible assets	(386)	81
Defined benefit pension plan employer contributions	(382)	(384)
Tax on profit/(loss)	391	111
Changes in:		
Stocks	5,244	5,374
Trade and other debtors	(1)	2,291
Trade and other creditors	(4,555)	(5,720)
Cash generated from operations	2,226	3,862
Interest paid	(777)	(1,085)
Interest received	1	–
Tax paid	(260)	–
Net cash from operating activities	1,190	2,777
Cash flows from investing activities		
Purchase of tangible assets	(636)	(3,225)
Proceeds from sale of tangible assets	1,836	–
Net cash from/(used in) investing activities	1,200	(3,225)
Cash flows from financing activities		
Proceeds from borrowings	–	900
Repayments of borrowings	(298)	(595)
Government grant income	2,259	–
Dividends paid	(183)	–
Net cash from financing activities	1,778	305
Net increase/(decrease) in cash and cash equivalents	4,168	(143)
Cash and cash equivalents at beginning of year	(4,561)	(4,418)
Cash and cash equivalents at end of year	(393)	(4,561)

The notes on pages 22 to 43 form part of these financial statements.

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Wisbech Road, Littleport, Ely, Cambridgeshire, CB6 1RA.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

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 judgment in applying the company's accounting policies (see later in note 3).

The following principal accounting policies have been applied:

Disclosure exemptions

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

(a) No cash flow statement has been presented for the company.
(b) the requirements of disclosing key management personnel remuneration

Consolidation

The financial statements consolidate the financial statements of George Thurlow and Sons (Holdings) Limited and all of its subsidiary undertakings.

The results of subsidiaries acquired or disposed of during the year are included from or to the date that control passes.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account.

3. Accounting policies *(continued)*

Going concern

The group has generated sufficient financial resources from its activities to allow the directors to believe that it is well placed to manage its business risks successfully in the current challenging economic climate. This is notwithstanding the effect on the group's motor retail business of the ongoing Stellantis re-organisation of its dealership network (refer to note 32), which has resulted in all Stellantis' retail partners (including this group) being given two years notice that franchise arrangements will be terminated. It is hoped that ultimately the reorganisation of the Stellantis dealer network will, when completed, have a positive impact on the operations of the group and specifically Thurlow Nunn Limited and the scale of its activities. In any event the effect in the foreseeable future (being 12 months from the approval of these financial statements) is not expected to materially impact the day-to-day operations of the group.

In reviewing the application of going concern the directors have also recognised that the ongoing COVID-19 pandemic has changed the environment in which the group presently operates. In this context the directors have sought to take into account a number of specific factors when preparing the forecasts for the 12 months following the signing of the financial statements. Such factors include (but are not limited to) the following:

- Uncertainty as to the timing and level of retail demand.
- Disruption to the supply chain of our activities.

While not directly linked to the ongoing pandemic, consideration has also been given to the potential effect of the UK's departure from the European Union and any related disruption to supply chain and general economic conditions. To date the effect has not been significant.

After taking account of such factors and the availability of working capital facilities (whether via banking facilities, manufacturer credit or stocking loans), the directors have a reasonable expectation that the company and group has adequate resources to continue in operational existence for the foreseeable future. In reaching this conclusion the directors have confirmed that the announcement relating to the group's motor retail activities by Stellantis of its reorganisation (see above and note 32) does not in itself impair access to its various sources of working capital for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

3. Accounting policies ***(continued)***

Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the Directors are required to make judgments, estimates and assumptions. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Stock, against which an estimated provision has been made. For motor vehicle stock, provision has been made for specific vehicles in line with available published industry data and taking into account further anticipated costs to sell. Agricultural machinery has been provided for at different rates determined by the age of the machinery in stock. Parts have been provided for at different rates determined by the age of the parts in stock. The carrying value of stock can be found in note 17.

Fair value of properties - Investment properties and properties used by the group are recorded at their fair value. Such values require the application of judgment with regard to the nature of such properties relative to those that underpin the general indices used by the directors as the basis for the estimation of the value. In the current environment there is generally a higher level of estimation uncertainty that directors consider is offset by the established lease terms in place and quality of underlying covenants. The carrying value of properties can be found in note 15.

Defined benefit pension scheme - The company and group has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management utilise the services of a third-party actuary in determining the net pension obligation that takes account of such factors. The assumptions reflect historical experience and current trends but are inherently subject to estimation uncertainty and change over time. Further details in respect of the pension fund can be found in note 24.

3. Accounting policies *(continued)*

Revenue recognition

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 group has transferred the significant risks and rewards of ownership to the buyer;
- the group 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 group 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 group 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.

Manufacturer bonuses

Manufacturer bonuses and related income are recognised in the period to which they relate providing they can be estimated with reasonable certainty.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

3. Accounting policies *(continued)*

Income tax *(continued)*

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Lease income is recognised in profit or loss on a straight line basis over the lease term. The aggregate cost of lease incentives are recognised as a reduction to income over the lease term on a straight-line basis. Costs, including depreciation, incurred in earning the lease income are recognised as an expense. Any initial direct costs incurred in negotiating and arranging the operating lease are added to the carrying amount of the lease and recognised as an expense over the lease term on the same basis as the lease income.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	-	33% straight line
Development costs	-	33% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

3. Accounting policies *(continued)*

Research and development

Research expenditure is written off in the period in which it is incurred.

Development expenditure incurred is capitalised as an intangible asset only when all of the following criteria are met:

- It is technically feasible to complete the intangible asset so that it will be available for use or sale;
- There is the intention to complete the intangible asset and use or sell it;
- There is the ability to use or sell the intangible asset;
- The use or sale of the intangible asset will generate probable future economic benefits;
- There are adequate technical, financial and other resources available to complete the development and to use or sell the intangible asset; and
- The expenditure attributable to the intangible asset during its development can be measured reliably.

Expenditure that does not meet the above criteria is expensed as incurred.

Tangible assets

Excepting freehold land and buildings, tangible assets are initially recorded at cost and subsequently stated at cost less any accumulated depreciation and impairment losses. Land and buildings are carried at revalued amounts.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	50 years
Plant and machinery	-	2 to 15 years
Motor vehicles	-	2 to 8 years

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

3. Accounting policies *(continued)*

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

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

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

3. Accounting policies ***(continued)***

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

3. Accounting policies *(continued)*

Defined benefit plans

The defined benefit scheme is a multi-employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the shares of underlying assets and liabilities belonging to individual participating employers. Therefore, the defined benefit scheme is accounted for and full within the accounts of Thurlow Nunn (Holdings) Limited. This has been agreed with the individual participating employers, who will continue to pay contributions into the scheme to fund the deficit.

The company recognises a defined net benefit pension asset or liability in the statement of financial position as the net total of the present value of its obligations and the fair value of plan assets out of which the obligations are to be settled. The defined benefit liability is measured on a discounted present value basis using a rate determined by reference to market yields at the reporting date on high quality corporate bonds. Defined benefit obligations and the related expenses are measured using the projected unit credit method. Plan surpluses are recognised as a defined benefit asset only to the extent that the surplus is recoverable either through reduced contributions in the future or through refunds from the plan.

Changes in the net defined benefit asset or liability arising from employee service are recognised in profit or loss as a current service cost where it relates to services in the current period and as a past service cost where it relates to services in prior periods. Costs relating to plan introductions, benefit changes, curtailments and settlements are recognised in profit or loss in the period in which they occur.

Net interest is determined by multiplying the net defined benefit liability by the discount rate, both as determined at the start of the reporting period, taking account of any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. Net interest is recognised in profit or loss.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Turnover

Turnover arises from:

	2020	2019
	£000	£000
Sale of goods	160,477	193,916
Rendering of services	23,340	22,697
Other income	2,707	2,645
	186,524	219,258

The whole of the turnover is attributable to the principal activities of the group wholly undertaken in the United Kingdom.

5. Other operating income

	2020 £000	2019 £000
Rental income	201	234
Government grant income	2,259	–
Other operating income	14	14
	2,474	248

6. Operating profit

Operating profit or loss is stated after charging/crediting:

	2020 £000	2019 £000
Depreciation of tangible assets	1,078	987
Gains on disposal of tangible assets	(386)	–
Operating lease rentals	1,072	1,027

7. Auditor's remuneration

	2020 £000	2019 £000
Fees payable for the audit of the group's financial statements (Company £6,000)	52	50
Fees payable to the company's auditor and its associates for other services:		
Taxation compliance services	14	11

8. Staff costs

The average number of persons employed by the group during the year, including the directors, amounted to:

	2020 No.	2019 No.
Sales and service	504	548
Office and management	90	93
	594	641

The aggregate payroll costs incurred during the year, relating to the above, were:

	2020 £000	2019 £000
Wages and salaries	17,238	18,884
Social security costs	1,563	1,809
Other pension costs	437	438
	19,238	21,131

9. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2020	2019
	£000	£000
Remuneration	395	417
Company contributions to defined contribution pension plans	5	3
	400	420

Remuneration of the highest paid director in respect of qualifying services:

	2020	2019
	£000	£000
Aggregate remuneration	238	116

During the year retirement benefits were accruing to 1 directors (2019 - 1) in respect of defined contribution pension schemes.

The key management personnel are considered to be the directors of the group

10. Other interest receivable and similar income

	2020	2019
	£000	£000
Interest on cash and cash equivalents	1	–

11. Interest payable and similar expenses

	2020	2019
	£000	£000
Interest on banks loans and overdrafts	226	292
Net finance costs in respect of defined benefit pension plans	–	(2)
Other interest payable and similar charges	551	793
	777	1,083

12. Tax on profit/(loss)

Major components of tax expense

	2020	2019
	£000	£000
Current tax:		
UK current tax income	572	–
Adjustments in respect of prior periods	14	1
Total current tax	586	1
Deferred tax:		
Origination and reversal of timing differences	(195)	110
Tax on profit/(loss)	391	111

12. Tax on profit/(loss) *(continued)*

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2019: higher than) the standard rate of corporation tax in the UK of 19% (2019: 19%).

The differences are explained below:-

	2020	2019
	£000	£000
Profit on ordinary activities before taxation	2,711	148
Profit on ordinary activities by rate of tax	515	28
Adjustment to tax charge in respect of prior periods	14	1
Effect of expenses not deductible for tax purposes	32	5
Utilisation of tax losses	(197)	24
Other adjustments	27	53
Tax on profit/(loss)	391	111

Factors that may affect future tax charges

Legislation to reduce the main rate of corporation tax from 20% to 17% by 1 April 2020 was substantively enacted on 15 September 2016. On 11 March 2020, the Government announced that the main rate of corporation tax for the years starting 1 April 2020 and 1 April 2021 would remain at 19%. Due to uncertainty of tax rates, deferred tax provision has increased to 19% (2019: 17%).

13. Dividends

	2020	2019
	£000	£000
Dividends paid during the year	183	–

14. Intangible assets

Group	Goodwill	Customer databases	**Total**
	£000	£000	**£000**
Cost			
At 1 January 2020 and 31 December 2020	556	557	1,113
Amortisation			
At 1 January 2020 and 31 December 2020	556	557	1,113
Carrying amount			
At 1 January 2020 and 31 December 2020	–	–	–
At 31 December 2019	–	–	–

The company has no intangible assets.

15. Tangible assets

Group	Freehold property £000	Plant and machinery £000	Motor vehicles £000	**Total £000**
Cost				
At 1 January 2020	22,306	7,800	2,368	32,474
Additions	25	419	192	636
Disposals	(1,370)	(87)	(365)	(1,822)
At 31 December 2020	20,961	8,132	2,195	31,288
Depreciation				
At 1 January 2020	475	5,373	1,471	7,319
Charge for the year	179	542	357	1,078
Disposals	–	(64)	(308)	(372)
At 31 December 2020	654	5,851	1,520	8,025
Carrying amount				
At 31 December 2020	20,307	2,281	675	23,263
At 31 December 2019	21,831	2,427	897	25,155

Company	**Freehold property £000**
Cost	
At 1 January 2020 and 31 December 2020	1,250
Depreciation	
At 1 January 2020 and 31 December 2020	–
Carrying amount	
At 31 December 2020	1,250
At 31 December 2019	1,250

Included within the above is investment property as follows:

	Group £000	**Company** £000
At 1 January 2020	4,175	1,250
Disposals	(1,370)	–
At 31 December 2020	2,805	1,250

For group and company the most recent third-party assessment of fair values (for investment property and property utilised by the group in the course of its business) was carried out by Rapleys LLP as at 31 December 2018, on an open market value for existing use basis. The directors have estimated value at 31 December 2020 and 2019 having regard to the third-party valuation, published indices, lease terms in place and other factors including quality of covenants.

15. Tangible assets *(continued)*

Tangible assets held at valuation

In respect of tangible assets held at valuation, aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

Group	**Freehold property £000**
At 31 December 2020	
Aggregate cost	17,319
Aggregate depreciation	(1,656)
Carrying value	15,663
At 31 December 2019	
Aggregate cost	17,294
Aggregate depreciation	(1,835)
Carrying value	15,459

The historic cost of the company's property is £600,000

16. Investments

The group has no investments.

Company	**Shares in group undertakings £000**
Cost	
At 1 January 2020 and 31 December 2020	1,389
Impairment	
At 1 January 2020 and 31 December 2020	–
Carrying amount	
At 1 January 2020 and 31 December 2020	1,389
At 31 December 2019	1,389

16. Investments *(continued)*

Subsidiaries, associates and other investments

Details of the investments in which the parent company has an interest of 20% or more are as follows:

The registered office for all of the below companies is Wisbech Road, Littleport, Cambridgeshire, CB6 1RA

	Class of share	Percentage of shares held
Subsidiary undertakings		
Thurlow Nunn (Holdings) Limited	Ordinary	100
Thurlow Nunn Standen Limited	Ordinary	100
Thurlow Nunn Limited	Ordinary	100
Thurlow Nunn (MV) Limited	Ordinary	100
Thurlow Nunn (Motor Vehicles) Limited	Ordinary	100
WS East Anglia Limited	Ordinary	100

17. Stocks

	Group		Company	
	2020	2019	**2020**	2019
	£000	£000	**£000**	£000
Work in progress	71	53	–	–
Finished goods and goods for resale	43,684	48,946	–	–
	43,755	48,999	–	–

Refer to note 19 for details concerning funding arrangements relating to stock.

18. Debtors

	Group		Company	
	2020	2019	**2020**	2019
	£000	£000	**£000**	£000
Trade debtors	7,955	7,820	–	–
Prepayments and accrued income	651	725	–	–
Other debtors	1,743	1,803	16	29
	10,349	10,348	16	29

Other debtors includes £1,494,000 due from manufacturers (2019: £1,353,000).

19. Creditors: Amounts falling due within one year

	Group		Company	
	2020	2019	**2020**	2019
	£000	£000	**£000**	£000
Other loans	900	–	–	–
Bank loans and overdrafts	900	5,197	–	–
Trade creditors	21,947	23,889	–	–
Amounts owed to group undertakings	–	–	6	–
Accruals and deferred income	2,192	2,775	13	18
Corporation tax	326	–	–	–
Social security and other taxes	542	2,111	–	–
Obligations under finance leases and hire purchase contracts	4	–	–	–
Vehicle stocking loans	21,941	22,948	–	–
Other creditors	514	–	–	–
	49,266	56,920	19	18

The bank overdraft and bank loans are secured by a charge over certain freehold properties of the group and company, and by a debenture over all the assets of the group and company. The loans are repayable over five years and bear interest at 2.75% over LIBOR. The other loan is secured by a charge over certain freehold properties of the group, and bears interest at a rate of 4% per annum.

The vehicle stocking loans represent amounts advanced to finance the purchase of goods for resale. The finance is secured on the underlying assets.

Included with trade creditors is £14,895,706 (2019: £15,872,000) relating to vehicles consigned from Groupe PSA. The creditor is secured against the vehicles which are included within the year end stock.

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

	Group		Company	
	2020	2019	**2020**	2019
	£000	£000	**£000**	£000
Other loans	–	900	–	–
Bank loans and overdrafts	2,723	2,912	–	–
Obligations under finance leases and hire purchase contracts	14	–	–	–
	2,737	3,812	–	–

The bank overdraft and bank loans are secured by a charge over certain freehold properties of the group and company, and by a debenture over all the assets of the group and company. The loans are repayable over five years and bear interest at 2.75% over LIBOR. The other loan is secured by a charge over certain freehold properties of the group, and bears interest at a rate of 4% per annum.

The loans fall due as follows:

	Group		Company	
	2020	2019	**2020**	2019
	£000	£000	**£000**	£000
Amounts falling due within a year	1,333	541	1,333	541
Amounts falling due 1-2 years	379	1,279	379	1,279
Amounts falling due 2-5 years	2,344	2,533	2,344	2,533
	4,056	4,353	4,056	4,353

21. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

		Group		Company
	2020	2019	**2020**	2019
	£000	£000	**£000**	£000
Not later than 1 year	4	–	–	–
Later than 1 year and not later than 5 years	14	–	–	–
	18	–	–	–

22. Provisions

Group	**Deferred tax (note 23)**
	£000
At 1 January 2020	471
Additions	(180)
Charge against provision	(145)
At 31 December 2020	146

Company	**Deferred tax (note 23)**
	£000
At 1 January 2020	60
Additions	2
At 31 December 2020	62

23. Deferred tax

The deferred tax included in the statement of financial position is as follows:

		Group		Company
	2020	2019	**2020**	2019
	£000	£000	**£000**	£000
Included in provisions (note 22)	146	471	62	60

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

		Group		Company
	2020	2019	**2020**	2019
	£000	£000	**£000**	£000
Accelerated capital allowances	156	13	–	1
Revaluation of tangible assets	434	379	65	59
Pension plan obligations	(171)	(27)	–	–
Other timing differences	(273)	106	(3)	–
	146	471	62	60

24. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £437,187 (2019: £438,165).

Defined benefit plans

The group operates a Defined Benefit Pension scheme which, although not contracted out of the earnings related part of the state pension scheme, cover the group's obligations to provide pensions to its retired employees and the current work force. The assets of the fund are held independently of the group's finances. The Directors consider that the funding arrangements are satisfactory and adequate to meet the liabilities of the fund. The funding rate of the fund is determined in accordance with the advice of an independent professional actuary on the basis of triennial valuation. The latest valuation of the fund was carried out as at 6 April 2020. Allowance was made for post-retirement pension increases at the rate of between 2.8% and 3%. At 6 April 2020 the market value of the investments of the fund was £25 million. This was sufficient to cover 74% of the benefits that had accrued to the members allowing for the future salary increases for active members and other assumptions. Following the introduction of a defined contribution scheme in 1994, the defined benefit fund was closed to new entrants as from that point. The funding rate of the scheme recognises that the fund is closed to new entrants and whose active membership can therefore be expected to exhibit a steadily increasing average age profile. The current service cost may increase as the members of this scheme approach retirement. The plan was closed to any future accrual of benefit on 6 April 2016. The Employer will continue to pay deficit reduction contributions of £31,833 per month and will also pay additional contributions at a level which is linked to the dividends paid to shareholders. This will continue until the next Actuarial Valuation as at 6 April 2023 is signed off, at which point it will be reviewed.

The statement of financial position net defined benefit liability is determined as follows:

	2020	2019
	£000	£000
Present value of defined benefit obligations	(32,096)	(29,842)
Fair value of plan assets	31,198	29,681
	(898)	(161)

Changes in the present value of the defined benefit obligations are as follows:

	2020
	£000
At 1 January 2020	29,842
Interest expense	614
Benefits paid	(1,290)
Remeasurements:	
Actuarial gains and losses	2,930
At 31 December 2020	32,096

24. Employee benefits *(continued)*

Changes in the fair value of plan assets are as follows:

	2020 £000
At 1 January 2020	29,681
Interest income	614
Benefits paid	(1,290)
Contributions by employer	382
Remeasurements:	
Return on plan assets, excluding amount included in interest income	1,811
At 31 December 2020	31,198

The total costs for the year in relation to defined benefit plans are as follows:

	2020 £000	2019 £000
Recognised in profit or loss:		
Net interest income	–	2
Recognised in other comprehensive income:		
Remeasurement of the liability:		
Actuarial gains and losses	(2,930)	(3,199)
Return on plan assets, excluding amounts included in net interest	1,811	2,766
	(1,119)	(433)

The fair value of the major categories of plan assets are as follows:

	2020 £000	2019 £000
Equity instruments	17,123	16,117
Property	555	613
Cash and cash equivalents	1,019	1,700
Bonds	–	314
Diversified Growth Fund	7,534	6,811
Insurance Policies	524	515
LDI Funds	4,443	3,611
	31,198	29,681

The principal actuarial assumptions as at the statement of financial position date were:

	2020 %	2019 %
Discount rate	1.44	2.10
Expected rate of increase in pensions	3.08	3.12
Inflation assumption	2.28	2.12
Mortality rates:		
Current pensioners at 65 - male	21.80	21.60
Current pensioners at 65 - female	24.10	23.90
Future pensioners at 65 - male	22.80	22.60
Future pensioners at 65 - female	25.20	25.00

25. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	Group		Company	
	2020	2019	**2020**	2019
	£000	£000	**£000**	£000
Recognised in other operating income:				
Government grants	2,259	–	–	–

26. Called up share capital

Issued, called up and fully paid

	2020		2019	
	No.	**£**	No.	£
Ordinary shares of £1 each	73,630	73,630	73,630	73,630

27. Reserves

Revaluation reserve

Includes all current and prior periods property revaluations.

Profit and loss account

Includes all current and prior period retained profits and losses and actuarial movements on the pension scheme.

28. Analysis of changes in net debt

	1 Jan 2020	Cash flows	**31 Dec 2020**
	£000	£000	**£000**
Cash at bank and in hand	95	(20)	75
Bank overdraft	(4,656)	4,188	(468)
Debt due within one year	(541)	(796)	(1,337)
Debt due after one year	(3,812)	1,075	(2,737)
	(8,914)	4,447	(4,467)

29. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	2020	2019	**2020**	2019
	£000	£000	**£000**	£000
Not later than 1 year	607	288	–	–
Later than 1 year and not later than 5 years	1,185	1,630	–	–
Later than 5 years	1,174	–	–	–
	2,966	1,918	–	–

30. Pension commitments

The group is a participating employer of both the defined contribution and defined benefit schemes jointly operated by the group and other companies. The assets of the schemes are held in separate trustee administered funds.

The pension cost of the defined contribution scheme represents the contributions payable for the year.

The defined benefit scheme was closed to new members in 1994 and to future accrual on 6 April 2016. Contributions of £32,000 per month are made for the funding requirements. The group's share of the contributions has been made on this basis.

The most recent triennial valuation was 6 April 2020 and full details of this valuation, updated to December 2020 are shown in note 24.

31. Contingencies

The company, together with Thurlow Nunn Standen Limited, Thurlow Nunn (Holdings) Limited, Thurlow Nunn (Motor Vehicles) Limited, Thurlow Nunn Limited, WS East Anglia Limited and Thurlow Nunn (MV) Limited form a VAT group. All companies concerned are jointly and severally liable for the VAT liabilities of the other group members. At 31 December 2020 £56,000 (2019: £1,488,000 due to HMRC) was payable from HM Revenue & Customs to the group.

The group's bankers hold a corporate guarantee that encompasses all borrowings owed to the bank by Thurlow Nunn (Holdings) Limited, Thurlow Nunn Standen Limited, Thurlow Nunn (Motor Vehicles) Limited, WS East Anglia Limited, Thurlow Nunn (MV) Limited and Thurlow Nunn Limited. At 31 December 2020, the total borrowing of the group companies amounted to £3,155,500 (2019: £3,453,000).

32. Events after the end of the reporting period

The group's motor retail franchise arrangements (operated by Thurlow Nunn Limited) relate to the Vauxhall and Peugeot brands. On 16 January 2021 the parent entities of these brands were part of a larger merger to form the Stellantis Group (headed by Stellantis N.V. a publicly traded entity). On 19 May 2021 Stellantis N.V. ('Stellantis') announced that it would be terminating contracts with all its dealers (including Thurlow Nunn Limited) across Europe, with two years notice. It is understood that this announcement has been made to promote a sustainable distribution model with an efficient, optimised and effective Stellantis distribution network.

Stellantis has indicated that the new distribution network will be selected shortly after the announcement and issuance of notices. As at the date of approving these financial statements such a process has not been completed.

The group and Thurlow Nunn Limited considers that it has a strong relationship with Stellantis and has performed operationally for its brand partners at a high level for a sustained period of time. Thurlow Nunn Limited also has a strong regional (East Anglia) presence and customer brand recognition. Consequently, the group is hopeful that the reorganisation of the Stellantis dealer network will, when completed, have a positive impact on the operations of Thurlow Nunn Limited and the scale of its activities. It is however acknowledged that the final form and impact of the Stellantis reorganisation on this group and Thurlow Nunn Limited (as for other affected retailers) has yet to be determined.

33. Related party transactions

Group

Included in other debtors is a loan of £9,000 (2019 - £13,000) made to N Titley, a director. The maximum amount outstanding during the year was £13,000 (2019 - £16,000). During the year £NIL (2019 - £16,000) was advanced. During the year £4,000 (2019 - £3,000) was written off the loan.

Included in other debtors is a loan of £82,000 (2019 - £128,000) made to J R Thurlow, a director. The maximum amount outstanding during the year was £212,000 (2019 - £245,000). During the year £106,000 (2019 - £218,000) was advanced and £22,000 (2019: £93,000) was repaid. During the year £130,000 (2019 - £90,000) was written off the loan.

Included in other debtors is a loan of £40,000 (2019 - £48,000) made to S A Tew, a director. The maximum amount outstanding during the year was £48,000 (2019 - £72,000). During the year £41,000 (2019 - £48,000) was advanced and £NIL (2019: £NIL) was repaid. During the year £49,000 (2019 - £29,000) was written off the loan.

Included in other debtors is a loan of £53,000 (2019 - £39,000) made to C Tew, a director of Thurlow Nunn Standen Limited. The maximum amount outstanding during the year was £67,000 (2019 - £44,000). During the year £53,000 (2019 - £NIL) was advanced and £33,000 (2019: £NIL) was repaid. During the year £6,000 (2019: £6,000) was written off the loan.

The above loans are all interest free and repayable on demand.

At the year end the group had a creditor balances of £NIL (2019 - £485,000) with Balsham (Buildings) Limited, a company under common control. During the year the group purchased building supplies amounts to £495,000 (2019 - £1,718,000).

During the year the group received management charges totalling £14,000 (2019: £14,000) from Balsham (Buildings) Limited, a company under common control.

Company

Included in other debtors is a loan of £9,000 (2019 - £13,000) made to N Titley, a director. The maximum amount outstanding during the year was £13,000 (2019 - £16,000). During the year £NIL (2019 - £16,000) was advanced. During the year £4,000 (2019 - £3,000) was written off the loan.

During the year the company received management charges totalling £14,000 (2018: £14,000) from Balsham (Buildings) Limited, a company under common control.

34. Controlling party

There is no ultimate controlling party