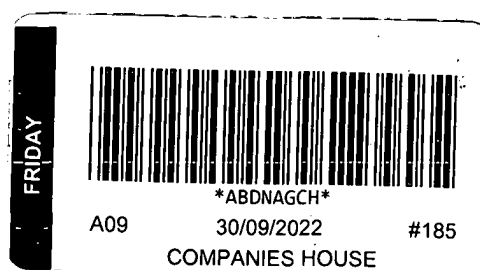


COMPANY REGISTRATION NUMBER: 00492217

**Thurlow Nunn (Holdings) Limited**  
**Financial statements**  
**31 December 2021**



# **Thurlow Nunn (Holdings) Limited**

## **Financial statements**

**Year ended 31 December 2021**

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# **Thurlow Nunn (Holdings) Limited**

## **Officers and professional advisers**

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### **The board of directors**

S A Tew  
A Lewis  
W C Tew  
J R Thurlow

### **Company secretary**

A Lewis

### **Registered office**

Wisbech Road  
Littleport  
Cambridgeshire  
CB6 1RA

### **Auditor**

Lovewell Blake LLP  
Chartered accountants & statutory auditor  
Bankside 300  
Peachman Way  
Broadland Business Park  
Norwich  
NR7 0LB

# **Thurlow Nunn (Holdings) Limited**

## **Strategic report**

**Year ended 31 December 2021**

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### **Business review**

The group has two trading subsidiaries, the performance of which are considered below. The company undertakes a limited level of property investment activity, the results of which are also considered below.

The performance of the group in 2021 was a profit of £3.3m (2020: profit of £2.4m) with an increase in turnover to £227m from £187m in the previous year.

Thurlow Nunn (Holdings) Limited (company only) made a profit of £2.6m (2020: loss of £0.03m).

### **Motor vehicle dealership**

The performance of the business in 2021 (before consolidation adjustments) was a reported profit before tax of £3.3m in the year from a turnover of £156m.

The result for the year was considered satisfactory by the directors particularly as the year's trading continued to be affected by the COVID-19 outbreak. This represented a significant improvement on the prior year's results as the COVID-19 closures in 2020 were more extreme.

During 2021 the business was able to remain partially open, with new safety measures in place to protect both our customers and employees. Our aftersales business was able to remain open while the vehicle retail showrooms were closed to the public until 12 April, when non-essential retail was able to re-open. The impact of the showroom closures was a reduction in car sales volumes versus a normalised non-COVID year, but volumes were positive compared to 2020, where our sales teams adapted to selling cars online and over the telephone.

The effect of the broken cycle of MOT and service work resulted in a change of our normal seasonal trading pattern, however, our teams adjusted well and the business was able to utilise the flexible furlough scheme during this period.

The business continued to benefit from government rates support, plus the furlough scheme continued to be relied upon for a small number of employees, with almost all employees returning to work when non-essential retail opened in April.

The business' retail franchise arrangements relate to the Vauxhall and Peugeot brands, and in January 2021 the shareholders of Fiat Chrysler Automobiles and PSA, the French maker of Peugeot, Citroën and Vauxhall cars, approved a merger to form the Stellantis Group, in an effort to acquire the scale necessary to thrive in an industry gripped by technological changes and impacted by the pandemic. In May 2021, Stellantis announced that it would be terminating contracts for all dealers across Europe, including Thurlow Nunn Limited, with two years notice. The vision of Stellantis is to rely on a performing, efficient and optimised distribution model delivering benefits to Stellantis, its distribution network and to the end customers.

We are pleased to confirm we have since received written confirmation that new contracts will be awarded to us for all of our current market areas, effective 1 June 2023. We have confirmed our interest in being appointed as a member of the future network, and we remain positive about the future.

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 the business in 2021 (before consolidation adjustments) was strong, with a reported profit before tax of £1.7m (2020: £1.9m) in the year from a turnover of £70.5m (2020: £72.9m).

The business was able to continue to trade, with new safety measures in place to protect both customers and employees, during the COVID-19 pandemic as they were classed as essential retail.

# Thurlow Nunn (Holdings) Limited

## Strategic report *(continued)*

### Year ended 31 December 2021

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Trading was positive overall but walk-in retail trade was affected by the continued impact of the pandemic, with only essential visits encouraged. The sale of new product continued to be affected by delay in product deliveries, as a result of supply chain challenges. Aftersales had a good year, particularly when considering the 2020 result had the benefit of a late season due to the very wet autumn in 2019.

The business continued to benefit from rates and grants support, plus a small number of employees remained on the furlough scheme. The business also benefited from strong bonus earnings from the manufacturer, having achieved the set targets.

#### Investment property

The company holds a portfolio of investment properties from which it earns rental income. During the year it disposed of its property at Downham Market.

#### Key performance indicators

The directors consider the following KPI's (presented for the group) as important to their business:

	2021	2020
Return before tax on sales	1.8%	1.5%
Return on shareholders funds	16.2%	12.1%
Gross profit margin	15.8%	15.5%
Current ratio	1.16:1	1.10:1

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 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, trading in 2022 continues to be affected by delays in new car orders, however the order bank is positive and in Q1 the volume of used car sales has largely offset the reduction in new car volumes. The main issues affecting new car supply is a global shortage of semiconductors, or "chips", which feature in most electrical items. This shortage has been caused by the high demand for electrical items during the COVID-19 pandemic, and is expected to continue for the rest of 2022.

For the agricultural and horticultural business, trading in 2022 is affected by the COVID-19 outbreak but as an essential business supporting food production, the effect is expected to be limited. The company has to date taken further advantage of the Government's furlough scheme, together with some council rate support. Business levels have been slower than average due to a very dry summer. However, the company should have a satisfactory year in 2022.

So far this year the inflationary effects of the war in Ukraine and lockdowns in China have added to existing price pressures, hitting consumer confidence. The UK continues to see low rates of unemployment and the economic outlook is currently uncertain, affected by high inflation and a volatile energy market. We expect further rises in interest rates as a measure to address the high inflation, with the consequence of further damage to consumer confidence. The directors are aware that the business plan going forward needs to be flexible to meet the market conditions. The directors forecast that 2022 will continue to be challenging as a result of lower consumer confidence and the impact of high inflation.

The directors forecast that the group will face challenges but with a solid base, competent staff, good product range the forecast for the future is satisfactory.

# Thurlow Nunn (Holdings) Limited

## Strategic report *(continued)*

Year ended 31 December 2021

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### Principal risks and uncertainties

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

- The success of the group's business depends to a large extent on the abilities of senior management and key employees. We invest in recruitment and training for all staff.
- 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 opportunities, and we are keen to grow our business and multi-brand other sites with the introduction of brands offered by Stellantis.
- The group has significant stock funding arrangements 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 retail sector is highly competitive. The group competes with other franchised dealers who have greater scale and financial resource. By providing excellent customer service we strive to be our customers' 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.
- Across many of our product lines there remains the risk of supply chain disruption. Such a risk can lead to delays in delivery of product and challenges in meeting customer demand. We continue to work closely with our suppliers to optimise availability of affected products and to communicate regularly with customers to minimise the risk of lost revenue.
- 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.

### 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 while seeking 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.

# Thurlow Nunn (Holdings) Limited

## Strategic report *(continued)*

Year ended 31 December 2021

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### 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.

### 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 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 meet such responsibilities the board regularly reflects on how the group engages with its stakeholders and opportunities for enhancement of such engagement in the future. These reflections are facilitated by the board's composition; being made up of members who combine a shareholder's perspective with that of management.
- 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: professional, trust, respect, caring and working together. A testament to this is reflected in the 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 Thurlow Nunn (Holdings) Limited does not meet the criteria for mandatory disclosure. It is considered appropriate to give aggregate information concerning its two trading subsidiaries (which are both large).

# Thurlow Nunn (Holdings) Limited

## Strategic report *(continued)*

### Year ended 31 December 2021

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#### 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 2,268 (2020: 1,922) tCO<sub>2</sub>e, whilst energy consumption was 8,144,730 (2020: 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 2021, 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 aggregate those relating to the subsidiary companies, Thurlow Nunn Limited and Thurlow Nunn Standen Limited.

#### Emissions:

- Scope 1 (gas) - 349 Tonnes (2020: 263 Tonnes) CO<sub>2</sub> equivalent (tCO<sub>2</sub>e)
- Scope 2 (electricity) - 602 Tonnes (2020: 407 Tonnes) CO<sub>2</sub> equivalent (tCO<sub>2</sub>e)
- Scope 1 (transport) - 1,219 Tonnes (2020: 1,193 Tonnes) CO<sub>2</sub> equivalent (tCO<sub>2</sub>e)
- Scope 1 (other fuel) - 98 Tonnes (2020: 59 Tonnes) CO<sub>2</sub> equivalent (tCO<sub>2</sub>e)
- Total - 2,268 (2020: 1,922) tCO<sub>2</sub>e
- Intensity ratio (total gross emissions) is 7.92 (2020: 7.32) kgCO<sub>2</sub>e 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 implemented the policies below for the purpose of increasing the businesses' energy efficiency during the prior year:

- On-going lighting replacement program,
- Replacing aging office equipment with energy efficient products,
- Continual review of car policy to replace vehicles with more energy efficient models,
- Expanded video conferencing and online meetings to reduce travel.



# Thurlow Nunn (Holdings) Limited

## Strategic report *(continued)*

### Year ended 31 December 2021

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Progress has been made against the above, and whilst employees have largely returned to all sites, an element of remote working still takes place and there has been increased use of video conferencing.

#### Objectives for 2022:

- Reduce our baseline electricity consumption by installing solar panels in a number of sites
- Continual review of existing office equipment and company policies
- Reviewing supply contracts to determine feasibility of renewable energy
- Installation of additional electric car charging points at all sites

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

This report was approved by the board of directors on 28/9/2022 and signed on behalf of the board by:

*James Thurlow*

J R Thurlow  
Director

Registered office:  
Wisbech Road  
Littleport  
Cambridgeshire  
CB6 1RA

# **Thurlow Nunn (Holdings) Limited**

## **Directors' report**

### **Year ended 31 December 2021**

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The directors present their report and the financial statements of the group for the year ended 31 December 2021.

#### **Principal activities**

The principal activity of the company during the year was to act as an investment and property holding company.

The principal activities of the group's trading subsidiaries during the year were that of retailing and servicing of motor vehicles, retailing of vehicle parts and other ancillary services, and agricultural machinery distribution including sales, service and parts supply, alongside the construction of agricultural buildings.

#### **Directors**

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

S A Tew	
W C Tew	
J R Thurlow	
A Lewis	(Appointed 1 March 2021)
P H Addinall	(Resigned 25 June 2021)

#### **Dividends**

The directors do not recommend the payment of a dividend.

#### **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.

#### **Events after the end of the reporting period**

Particulars of events after the reporting date are detailed in note 32 to the financial statements.

#### **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.

#### **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.

# Thurlow Nunn (Holdings) Limited

## Directors' report *(continued)*

Year ended 31 December 2021

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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 28/9/2022 ..... and signed on behalf of the board by:

*James Thurlow*

J R Thurlow  
Director

Registered office:  
Wisbech Road  
Littleport  
Cambridgeshire  
CB6 1RA

# **Thurlow Nunn (Holdings) Limited**

## **Independent auditor's report to the members of Thurlow Nunn (Holdings) Limited**

**Year ended 31 December 2021**

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### **Opinion**

We have audited the financial statements of Thurlow Nunn (Holdings) Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 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 2021 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.

# **Thurlow Nunn (Holdings) Limited**

## **Independent auditor's report to the members of Thurlow Nunn (Holdings) Limited** *(continued)*

**Year ended 31 December 2021**

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### **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.

# **Thurlow Nunn (Holdings) Limited**

## **Independent auditor's report to the members of Thurlow Nunn (Holdings) Limited** *(continued)*

**Year ended 31 December 2021**

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### **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 undertook a range of testing that included but was not limited to the following:

- 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.

# Thurlow Nunn (Holdings) Limited

## Independent auditor's report to the members of Thurlow Nunn (Holdings) Limited *(continued)*

Year ended 31 December 2021

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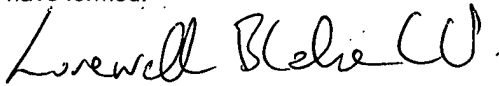
In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to enquiring of management and directors as to actual and potential litigation and claims.

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](http://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.



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

28 September 2022

# Thurlow Nunn (Holdings) Limited

## Consolidated statement of comprehensive income

Year ended 31 December 2021

		2021 £000	2020 £000
<b>Turnover</b>	<b>Note 4</b>	226,547	186,524
Cost of sales		(190,792)	(157,633)
<b>Gross profit</b>		35,755	28,891
Administrative expenses		(32,429)	(27,835)
Other operating income	<b>5</b>	1,206	2,460
<b>Operating profit</b>	<b>6</b>	4,532	3,516
Interest payable and similar expenses	<b>10</b>	(487)	(777)
<b>Profit before taxation</b>		4,045	2,739
Tax on profit	<b>11</b>	(788)	(388)
<b>Profit for the financial year</b>		3,257	2,351
Remeasurement of the net defined benefit plan		526	(1,119)
Movement on deferred tax relating to defined benefit pension plan		(170)	145
<b>Other comprehensive income for the year</b>		356	(974)
<b>Total comprehensive income for the year</b>		3,613	1,377

All the activities of the group are from continuing operations.

The notes on pages 20 to 41 form part of these financial statements.



# Thurlow Nunn (Holdings) Limited

## Consolidated statement of financial position

31 December 2021

	Note	2021 £000	2020 £000
<b>Fixed assets</b>			
Tangible assets	14	22,280	22,090
<b>Current assets</b>			
Stocks	16	42,346	43,755
Debtors	17	11,137	10,333
Cash at bank and in hand		—	6
		53,483	54,094
<b>Creditors: Amounts falling due within one year</b>	19	(46,046)	(49,249)
<b>Net current assets</b>		7,437	4,845
<b>Total assets less current liabilities</b>		29,717	26,935
<b>Creditors: Amounts falling due after more than one year</b>	20	(2,344)	(2,737)
<b>Provisions</b>	22	(544)	(84)
<b>Net assets excluding defined benefit pension plan liability</b>		26,829	24,114
Defined benefit pension plan liability	24	—	(898)
<b>Net assets including defined benefit pension plan liability</b>		26,829	23,216
<b>Capital and reserves</b>			
Called up share capital	26	180	180
Revaluation reserve	27	2,653	3,803
Profit and loss account	27	23,996	19,233
<b>Shareholders funds</b>		26,829	23,216

These financial statements were approved by the board of directors and authorised for issue on 28/9/2022....., and are signed on behalf of the board by:

*James Thurlow*

J R Thurlow  
Director

Company registration number: 00492217

The notes on pages 20 to 41 form part of these financial statements.

**Thurlow Nunn (Holdings) Limited**  
**Company statement of financial position**  
**31 December 2021**

	Note	2021 £000	2020 £000
<b>Fixed assets</b>			
Tangible assets	14	18,557	18,563
Investments	15	5,723	5,723
		<u>24,280</u>	<u>24,286</u>
<b>Current assets</b>			
Debtors	17	1,150	139
<b>Creditors: Amounts falling due within one year</b>	19	(7,452)	(8,456)
<b>Net current liabilities</b>		<u>(6,302)</u>	<u>(8,317)</u>
<b>Total assets less current liabilities</b>		17,978	15,969
<b>Creditors: Amounts falling due after more than one year</b>	20	(2,344)	(2,723)
<b>Provisions</b>	22	(678)	(336)
<b>Net assets excluding defined benefit pension plan liability</b>		14,956	12,910
Defined benefit pension plan liability	24	—	(898)
<b>Net assets including defined benefit pension plan liability</b>		<u>14,956</u>	<u>12,012</u>
<b>Capital and reserves</b>			
Called up share capital	26	180	180
Revaluation reserve	27	2,053	3,203
Profit and loss account	27	12,723	8,629
<b>Shareholders funds</b>		<u>14,956</u>	<u>12,012</u>

The profit for the financial year of the parent company was £2,588,000 (2020: £35,000 loss).

These financial statements were approved by the board of directors and authorised for issue on 28/9/2022....., and are signed on behalf of the board by:

*James Thurlow*  
J R Thurlow  
Director

Company registration number: 00492217

The notes on pages 20 to 41 form part of these financial statements.

# Thurlow Nunn (Holdings) Limited

## Consolidated statement of changes in equity

Year ended 31 December 2021

	Called up share capital £000	Revaluation reserve £000	Profit and loss account £000	Total
<b>At 1 January 2020</b>	180	4,317	17,523	22,020
Profit for the year	–	–	2,351	2,351
Other comprehensive income for the year:				
Remeasurement of the net defined benefit plan <b>24</b>	–	–	(1,119)	(1,119)
Reclassification from revaluation reserve to profit and loss account	–	(514)	514	–
Movement on deferred tax relating to defined benefit pension plan	–	–	145	145
<b>Total comprehensive income for the year</b>	–	(514)	1,891	1,377
Dividends paid and payable <b>12</b>	–	–	(181)	(181)
<b>Total investments by and distributions to owners</b>	–	–	(181)	(181)
<b>At 31 December 2020</b>	180	3,803	19,233	23,216
Profit for the year	–	–	3,257	3,257
Other comprehensive income for the year:				
Remeasurement of the net defined benefit plan <b>24</b>	–	–	526	526
Reclassification from revaluation reserve to profit and loss account	–	(1,150)	1,150	–
Movement on deferred tax relating to defined benefit pension plan	–	–	(170)	(170)
<b>Total comprehensive income for the year</b>	–	(1,150)	4,763	3,613
<b>At 31 December 2021</b>	<u>180</u>	<u>2,653</u>	<u>23,996</u>	<u>26,829</u>

The notes on pages 20 to 41 form part of these financial statements.

# Thurlow Nunn (Holdings) Limited

## Company statement of changes in equity

Year ended 31 December 2021

	Called up share capital £000	Revaluation reserve £000	Profit and loss account £000	Total £000
<b>At 1 January 2020</b>	180	3,717	9,305	13,202
Loss for the year	–	–	(35)	(35)
Other comprehensive income for the year:				
Remeasurement of the net defined benefit plan	–	–	(1,119)	(1,119)
Reclassification from revaluation reserve to profit and loss account	–	(514)	514	–
Movement on deferred tax relating to defined benefit pension plan	–	–	144	144
<b>Total comprehensive income for the year</b>	–	(514)	(496)	(1,010)
Dividends paid and payable	–	–	(180)	(180)
<b>Total investments by and distributions to owners</b>	–	–	(180)	(180)
<b>At 31 December 2020</b>	180	3,203	8,629	12,012
Profit for the year	–	–	2,588	2,588
Other comprehensive income for the year:				
Remeasurement of the net defined benefit plan	–	–	526	526
Reclassification from revaluation reserve to profit and loss account	–	(1,150)	1,150	–
Movement on deferred tax relating to defined benefit pension plan	–	–	(170)	(170)
<b>Total comprehensive income for the year</b>	–	(1,150)	4,094	2,944
<b>At 31 December 2021</b>	<u>180</u>	<u>2,053</u>	<u>12,723</u>	<u>14,956</u>

The notes on pages 20 to 41 form part of these financial statements.

# Thurlow Nunn (Holdings) Limited

## Consolidated statement of cash flows

Year ended 31 December 2021

	Note	2021 £000	2020 £000
<b>Cash flows from operating activities</b>			
Profit for the financial year		3,257	2,351
<i>Adjustments for:</i>			
Depreciation of tangible assets		1,064	1,079
Government grant income		(1,094)	(2,259)
Interest payable and similar expenses		487	777
Loss/(gains) on disposal of tangible assets		135	(386)
Defined benefit pension plan employer contributions		(382)	(382)
Tax on profit		788	388
Taxation recognised in respect of defined benefit obligation		–	144
<i>Changes in:</i>			
Stocks		1,409	5,244
Trade and other debtors		(804)	(14)
Trade and other creditors		(1,841)	(3,580)
Cash generated from operations		3,019	3,362
Interest paid		(477)	(777)
Tax paid		(220)	(389)
Net cash from operating activities		<u>2,322</u>	<u>2,196</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible assets		(2,698)	(618)
Proceeds from sale of tangible assets		1,328	1,835
Net cash (used in)/from investing activities		<u>(1,370)</u>	<u>1,217</u>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		–	2
Repayments of borrowings		(1,953)	(1,305)
Government grant income		1,094	2,259
Payments of finance lease liabilities		(10)	–
Dividends paid		–	(181)
Net cash (used in)/from financing activities		<u>(869)</u>	<u>775</u>
<b>Net increase in cash and cash equivalents</b>		83	4,188
<b>Cash and cash equivalents at beginning of year</b>		<u>(462)</u>	<u>(4,650)</u>
<b>Cash and cash equivalents at end of year</b>	18	<u>(379)</u>	<u>(462)</u>

The notes on pages 20 to 41 form part of these financial statements.

# Thurlow Nunn (Holdings) Limited

## Notes to the financial statements

Year ended 31 December 2021

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### 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, CB6 1RA, Cambridgeshire. The principal activity of the company during the year was to act as an investment and property holding company. The principal activities of the group's trading subsidiaries during the year were that of retailing and servicing of motor vehicles, retailing of vehicle parts and other ancillary services, and agricultural machinery distribution including sales, service and parts supply, alongside the construction of agricultural buildings.

### 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:

#### Going concern

The group has generated sufficient financial resources from its activities to allow the directors to believe that it and this company are well placed to manage its business risks successfully in the current challenging economic climate.

In reviewing the application of going concern the directors have also recognised that the 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 effect of the UK's departure from the European Union, any related disruption to supply chains and the potential for a deterioration in 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.

# Thurlow Nunn (Holdings) Limited

## Notes to the financial statements *(continued)*

Year ended 31 December 2021

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

#### Disclosure exemptions

The parent 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 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements George Thurlow and Sons (Holdings) Limited as at 31 December 2021, which may be obtained from Companies House.

#### Consolidation

The financial statements consolidate the financial statements of Thurlow Nunn (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.

#### 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 - Estimated provisions are made to reduce stock to net realisable value, if lower than cost. 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 16.

# Thurlow Nunn (Holdings) Limited

## Notes to the financial statements *(continued)*

Year ended 31 December 2021

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

Fair value of properties - Investment properties 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.

The areas of material judgement applied in preparing these financial statements are outlined below.

Recognition of inventory - New motor vehicle stock is recognised at the point of consignment, which is the point in time at which the original equipment manufacturer agrees to provide the vehicle to the group but there is not yet a contractual obligation to pay for the vehicle. Historic practise has shown that once a vehicle has been consigned there is a very low likelihood of the vehicle being relinquished and going to another dealer. Once the vehicle is consigned to the group the group is able to sell the vehicle. Management have applied judgement to determine this to be the point at which the risks and rewards are transferred to the group and therefore the appropriate point for recognition on the balance sheet. An alternative treatment would be to recognise new vehicle stock at the point of adoption, when the vehicle is required to be paid for by the group with no further possibility of it being relinquished and going to another dealer. Should this accounting treatment be applied, the stock balance would decrease by £9.8m (2020: £14.9m), with a corresponding decrease in trade creditors as referred to in note 19.

Limitation of defined benefit pension surplus - As noted in note 24 the company and group's defined benefit pension scheme was in surplus (as calculated under Financial Reporting Standard 102) at 31 December 2021. Such a calculation is distinct from calculations prepared to support actuarial funding arrangements. The value of the surplus calculated under Financial Reporting Standard 102 at 31 December 2021 was £3.5m. This surplus has not been recognised, as the directors (having considered advice provided by the scheme's actuary) do not consider that the company and group have access to the benefit of that surplus. This takes account of various factors including that the scheme is closed to future accrual of benefits. If an alternative judgement had been made the pension asset would increase by £3.5m, the value of the associated deferred tax liability would increase by £0.9m. Accordingly, other comprehensive income and net assets for the year ended 31 December 2021 would increase by £2.6m.



# Thurlow Nunn (Holdings) Limited

## Notes to the financial statements *(continued)*

Year ended 31 December 2021

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

#### Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group 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. They are either included in turnover or are netted against the cost of sale dependent upon their nature and terms.

#### 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.

# Thurlow Nunn (Holdings) Limited

## Notes to the financial statements *(continued)*

### Year ended 31 December 2021

---

#### 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.

##### Tangible assets

Tangible fixed assets (excepting investment properties) are initially recorded at cost and subsequently stated at cost less any accumulated depreciation and impairment losses other than land and buildings which are carried at group level 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.

Investment property is carried at fair value determined annually by the directors, having regard to third party valuations undertaken, current rentals and yield levels for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset.

The company holds property that is let to subsidiary entities for use in their operational activities. Such properties are accounted for by the company at historic cost (being their deemed cost on adoption of this policy in line with transitional arrangements permitted by the 2018 triennial review of FRS 102) and are depreciated. On consolidation such properties are regarded as functional fixed assets and accounted for at revalued amounts subject to depreciation.

##### 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	-	25 to 50 years
Plant and machinery	-	2 to 15 years
Motor vehicles	-	2 to 8 years

# Thurlow Nunn (Holdings) Limited

## Notes to the financial statements *(continued)*

Year ended 31 December 2021

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

#### Investments

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

#### Foreign currency translation

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the date 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 translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

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

#### 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.

#### 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.

#### 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.

# Thurlow Nunn (Holdings) Limited

## Notes to the financial statements *(continued)*

Year ended 31 December 2021

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

#### Government grants *(continued)*

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.

#### 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.

#### Creditors

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

#### 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.

# Thurlow Nunn (Holdings) Limited

## Notes to the financial statements *(continued)*

Year ended 31 December 2021

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

#### Financial instruments *(continued)*

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.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

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.

#### 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 in 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.

# Thurlow Nunn (Holdings) Limited

## Notes to the financial statements *(continued)*

### Year ended 31 December 2021

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

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:

	2021 £000	2020 £000
Sale of goods	199,400	160,477
Rendering of services	23,898	23,340
Other income	3,249	2,707
	<u>226,547</u>	<u>186,524</u>

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

#### 5. Other operating income

	2021 £000	2020 £000
Rental income	110	201
Management charges receivable	2	—
Government grant income	1,094	2,259
	<u>1,206</u>	<u>2,460</u>

#### 6. Operating profit

Operating profit or loss is stated after charging/crediting:

	2021 £000	2020 £000
Depreciation of tangible assets	1,064	1,079
Loss/(gains) on disposal of tangible assets	135	(386)
Impairment of trade debtors	734	—
Operating lease rentals	893	1,504
Provision against amounts due from related parties	<u>330</u>	<u>—</u>

# Thurlow Nunn (Holdings) Limited

## Notes to the financial statements *(continued)*

Year ended 31 December 2021

### 7. Auditor's remuneration

	2021 £000	2020 £000
Fees payable for the audit of the financial statements	<u>46</u>	<u>46</u>
Fees payable to the company's auditor and its associates for other services: Taxation compliance services	<u>9</u>	<u>9</u>

### 8. Staff costs

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

	2021 No.	2020 No.
Sales and service	514	504
Office and management	<u>90</u>	<u>90</u>
	<u>604</u>	<u>594</u>

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

	2021 £000	2020 £000
Wages and salaries	18,745	17,238
Social security costs	1,795	1,563
Other pension costs	<u>558</u>	<u>421</u>
	<u>21,098</u>	<u>19,222</u>

### 9. Directors' remuneration

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

	2021 £000	2020 £000
Remuneration	1,043	700
Company contributions to defined contribution pension plans	<u>5</u>	<u>20</u>
	<u>1,048</u>	<u>720</u>

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

	2021 £000	2020 £000
Aggregate remuneration	<u>510</u>	<u>238</u>

During the year retirement benefits were accruing to 2 directors (2020: 2) in respect of defined contribution pension schemes.

The key management personnel are considered to be the directors.

# Thurlow Nunn (Holdings) Limited

## Notes to the financial statements (continued)

Year ended 31 December 2021

### 10. Interest payable and similar expenses

	2021 £000	2020 £000
Interest on banks loans and overdrafts	96	226
Net finance costs in respect of defined benefit pension plans	10	—
Other interest payable and similar charges	381	551
	<u>487</u>	<u>777</u>

### 11. Tax on profit

#### Major components of tax (income)/expense

	2021 £000	2020 £000
<b>Current tax:</b>		
UK current tax expense	890	572
Adjustments in respect of prior periods	(392)	14
Total current tax	<u>498</u>	<u>586</u>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	290	(198)
<b>Tax on profit</b>	<u>788</u>	<u>388</u>

#### Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2020: lower than) the standard rate of corporation tax in the UK of 19% (2020: 19%).

The differences are explained below:-

	2021 £000	2020 £000
Profit on ordinary activities before taxation	4,045	2,739
Profit on ordinary activities by rate of tax	782	521
Adjustment to tax charge in respect of prior periods	(249)	14
Effect of expenses not deductible for tax purposes	139	31
Effect of capital allowances and depreciation	65	—
Utilisation of tax losses	—	(197)
Effect of change in tax rate for deferred tax	131	19
Effect of group relief	(5)	—
Effect of pension scheme deficit contributions	(71)	—
Effect of other adjustments	(4)	—
<b>Tax on profit</b>	<u>788</u>	<u>388</u>

#### Factors that may affect future tax expense

Legislation to increase the main rate of corporation tax from 19% to 25% effective 1 April 2023 was substantively enacted on 24 May 2021 and therefore the rate used to determine the deferred tax provision has increased to 25% (2020: 19%).



# Thurlow Nunn (Holdings) Limited

## Notes to the financial statements *(continued)*

Year ended 31 December 2021

### 12. Dividends

	2021 £000	2020 £000
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	—	181

### 13. Intangible assets

Group	Goodwill £000	Customer databases £000	Total £000
<b>Cost</b>			
At 1 January 2021 and 31 December 2021	556	557	1,113
<b>Amortisation</b>			
At 1 January 2021 and 31 December 2021	556	557	1,113
<b>Carrying amount</b>			
At 1 January 2021 and 31 December 2021	—	—	—
At 31 December 2020	—	—	—

The company has no intangible assets.

### 14. Tangible assets

Group	Freehold property £000	Plant and machinery £000	Motor vehicles £000	Total £000
<b>Cost or valuation</b>				
At 1 January 2021	19,788	8,132	2,195	30,115
Additions	1,885	480	352	2,717
Disposals	(1,180)	(606)	(252)	(2,038)
<b>At 31 December 2021</b>	<b>20,493</b>	<b>8,006</b>	<b>2,295</b>	<b>30,794</b>
<b>Depreciation</b>				
At 1 January 2021	654	5,851	1,520	8,025
Charge for the year	200	541	323	1,064
Disposals	—	(411)	(164)	(575)
<b>At 31 December 2021</b>	<b>854</b>	<b>5,981</b>	<b>1,679</b>	<b>8,514</b>
<b>Carrying amount</b>				
At 31 December 2021	19,639	2,025	616	22,280
At 31 December 2020	19,134	2,281	675	22,090

# Thurlow Nunn (Holdings) Limited

## Notes to the financial statements (continued)

Year ended 31 December 2021

### 14. Tangible assets (continued)

Company	Freehold property £000	Plant and machinery £000	Motor vehicles £000	Total £000
<b>Cost or valuation</b>				
At 1 January 2021	18,653	248	67	18,968
Additions	1,367	10	–	1,377
Disposals	(1,180)	–	(67)	(1,247)
<b>At 31 December 2021</b>	<b>18,840</b>	<b>258</b>	<b>–</b>	<b>19,098</b>
<b>Depreciation</b>				
At 1 January 2021	216	189	–	405
Charge for the year	106	30	–	136
<b>At 31 December 2021</b>	<b>322</b>	<b>219</b>	<b>–</b>	<b>541</b>
<b>Carrying amount</b>				
<b>At 31 December 2021</b>	<b>18,518</b>	<b>39</b>	<b>–</b>	<b>18,557</b>
At 31 December 2020	18,437	59	67	18,563

Included within the above is investment property as follows:

	Group £000	Company £000
At 1 January 2021	1,555	1,555
Disposals	(1,180)	(1,180)
<b>At 31 December 2021</b>	<b>375</b>	<b>375</b>

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 2021 and 2020 having regard to the third-party valuation, published indices, lease terms in place and other factors including quality of covenants.

### 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
<b>At 31 December 2021</b>	
Aggregate cost	18,604
Aggregate depreciation	(2,035)
<b>Carrying value</b>	<b>16,569</b>
<b>At 31 December 2020</b>	
Aggregate cost	16,719
Aggregate depreciation	(1,835)
<b>Carrying value</b>	<b>14,884</b>

# Thurlow Nunn (Holdings) Limited

## Notes to the financial statements *(continued)*

Year ended 31 December 2021

### 14. Tangible assets *(continued)*

The company has no tangible assets held at valuation.

### 15. Investments

The group has no investments.

Company	Shares in group undertakings £000
<b>Cost</b>	
At 1 January 2021 and 31 December 2021	6,708
<b>Impairment</b>	
At 1 January 2021 and 31 December 2021	985
<b>Carrying amount</b>	
At 1 January 2021 and 31 December 2021	5,723
At 31 December 2020	5,723

### Subsidiaries, associates and other investments

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

	Nature of business	Class of share	Shares held
Thurlow Nunn Standen Limited	Motor retail	Ordinary	100%
Thurlow Nunn Limited	Agricultural machinery	Ordinary	100%
Thurlow Nunn (MV) Limited	Dormant	Ordinary	100%
Thurlow Nunn (Motor Vehicles) Limited	Dormant	Ordinary	100%
WS East Anglia Limited	Dormant	Ordinary	100%

The registered office of the above companies is Wisbech Road, Littleport, Cambridgeshire, CB6 1RA.

### 16. Stocks

	2021 £000	Group 2020 £000	2021 £000	Company 2020 £000
Work in progress	99	71	—	—
Finished goods and goods for resale	42,247	43,684	—	—
	<u>42,346</u>	<u>43,755</u>	<u>—</u>	<u>—</u>

Refer to note 20 for details concerning funding arrangements relating to stock.

# Thurlow Nunn (Holdings) Limited

## Notes to the financial statements (continued)

Year ended 31 December 2021

### 17. Debtors

	2021	Group	2021	Company
	£000	2020	£000	2020
		£000		£000
Trade debtors	8,653	7,955	—	—
Amounts owed by group undertakings	—	—	174	—
Prepayments and accrued income	600	651	27	27
Other debtors	1,884	1,727	949	112
	<u>11,137</u>	<u>10,333</u>	<u>1,150</u>	<u>139</u>

Group: Other debtors includes £1,241,000 due from manufacturers (2020: £1,494,000).

Company: Other debtors includes £807,000 due in respect of non-corporation taxes.

### 18. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2021	2020
	£000	£000
Cash at bank and in hand	—	6
Bank overdrafts	(379)	(468)
	<u>(379)</u>	<u>(462)</u>

The company has overdrafts amounting to £1,910,490 (2020: £1,699,687).

### 19. Creditors: Amounts falling due within one year

	2021	Group	2021	Company
	£000	2020	£000	2020
		£000		£000
Debenture loans	—	900	—	900
Bank loans and overdrafts	758	900	2,289	2,133
Trade creditors	19,353	21,945	—	—
Amounts owed to group undertakings	—	—	4,263	4,176
Accruals and deferred income	2,425	2,177	2	2
Corporation tax	604	326	13	185
Social security and other taxes	674	542	—	546
Obligations under finance leases and hire purchase contracts	27	4	—	—
Vehicle stocking loans	21,320	21,941	—	—
Other creditors	885	514	885	514
	<u>46,046</u>	<u>49,249</u>	<u>7,452</u>	<u>8,456</u>

# Thurlow Nunn (Holdings) Limited

## Notes to the financial statements (continued)

### Year ended 31 December 2021

#### 19. Creditors: Amounts falling due within one year (continued)

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 between 2.8% and 3.0% per annum, variable. The other loan was secured by a charge over certain freehold properties of the group and company, and bore 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 £9,838,947 (2020: £14,895,706) relating to vehicles consigned from manufacturers. 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

	2021	Group	2021	Company
	£000	2020	£000	2020
		£000		£000
Bank loans and overdrafts	2,344	2,723	2,344	2,723
Obligations under finance leases and hire purchase contracts	—	14	—	—
	<u>2,344</u>	<u>2,737</u>	<u>2,344</u>	<u>2,723</u>

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 between 2.8% and 3.0% per annum, variable.

The loans fall due as follows:

	2021	Group	2021	Company
	£000	2020	£000	2020
		£000		£000
Amounts falling due within a year	379	432	379	432
Amounts falling due within 1 to 2 years	379	379	379	379
Amounts falling due within 2 to 5 years	1,965	2,344	1,956	2,344
	<u>2,723</u>	<u>3,155</u>	<u>2,723</u>	<u>3,155</u>

#### 21. Finance leases and hire purchase contracts

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

	2021	Group	2021	Company
	£000	2020	£000	2020
		£000		£000
Not later than 1 year	27	4	—	—
Later than 1 year and not later than 5 years	—	14	—	—
	<u>27</u>	<u>18</u>	<u>—</u>	<u>—</u>

# Thurlow Nunn (Holdings) Limited

## Notes to the financial statements *(continued)*

Year ended 31 December 2021

### 22. Provisions

Group	Deferred tax (note 23) £000
At 1 January 2021	84
Additions	289
Charge against provision	171
<b>At 31 December 2021</b>	<b>544</b>

Company	Deferred tax (note 23) £000
At 1 January 2021	336
Additions	172
Charge against provision	170
<b>At 31 December 2021</b>	<b>678</b>

### 23. Deferred tax

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

	2021 £000	Group 2020 £000	2021 £000	Company 2020 £000
Included in provisions (note 22)	544	84	678	336

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

	2021 £000	Group 2020 £000	2021 £000	Company 2020 £000
Pension plan obligations	—	(171)	—	(171)
Fixed asset timing differences	165	156	174	138
Capital gains	504	369	504	369
Other timing differences	(125)	(270)	—	—
	544	84	678	336

### 24. Employee benefits

#### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £558,497 (2020: £420,712).

# Thurlow Nunn (Holdings) Limited

## Notes to the financial statements (continued)

Year ended 31 December 2021

### 24. Employee benefits (continued)

#### Defined benefit plans

The group and company 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 company's and 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:

	2021	2020
	£000	£000
Present value of defined benefit obligations	(30,168)	(32,096)
Fair value of plan assets	33,636	31,198
	3,468	(898)
Irrecoverable surplus	(3,468)	—
	—	(898)

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

	2021
	£000
At 1 January 2021	32,096
Interest expense	456
Benefits paid	(811)
Remeasurements:	
Actuarial gains and losses	(1,573)
<b>At 31 December 2021</b>	<b>30,168</b>

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

	2021
	£000
At 1 January 2021	31,198
Interest income	446
Benefits paid	(811)
Contributions by employer	382
Remeasurements:	
Return on plan assets, excluding amount included in interest income	2,421
<b>At 31 December 2021</b>	<b>33,636</b>

# Thurlow Nunn (Holdings) Limited

## Notes to the financial statements (continued)

### Year ended 31 December 2021

#### 24. Employee benefits (continued)

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

	2021 £000	2020 £000
Recognised in other comprehensive income:		
Not recognised due to Surplus Limitation	(3,468)	—
Remeasurement of the liability:		
Actuarial gains and losses	1,573	(2,930)
Return on plan assets, excluding amounts included in net interest	2,421	1,811
	<u>526</u>	<u>(1,119)</u>

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

	2021 £000	2020 £000
Equity instruments	7,252	17,123
Property	324	555
Cash and cash equivalents	476	1,019
Bonds	8,636	—
Diversified Growth Fund	8,229	7,534
Insurance Policy	464	524
LDI	8,255	4,443
	<u>33,636</u>	<u>31,198</u>

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

	2021 %	2020 %
Discount rate	1.99	1.44
Expected rate of increase in pensions	3.60	3.08
Inflation assumption	2.80	2.28
Mortality rates:		
Current pensioners at 65 - male	21.80	21.80
Current pensioners at 65 - female	24.10	24.10
Future pensioners at 65 - male	22.70	22.80
Future pensioners at 65 - female	25.30	25.20

#### 25. Government grants

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

	2021 £000	Group 2020 £000	2021 £000	Company 2020 £000
Recognised in other operating income:				
Government grants recognised directly in income	<u>1,094</u>	<u>2,259</u>	<u>—</u>	<u>—</u>

#### 26. Called up share capital

Issued, called up and fully paid

	2021 No.	£	2020 No.	£
Ordinary shares of £1 each	<u>180,000</u>	<u>180,000</u>	<u>180,000</u>	<u>180,000</u>



# Thurlow Nunn (Holdings) Limited

## Notes to the financial statements (continued)

Year ended 31 December 2021

### 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

	At 1 January 2021	Cash flows	Other changes	At 31 December 2021
	£000	£000	£000	£000
Cash at bank and in hand	6	(6)	—	—
Bank overdrafts	(468)	89	—	(379)
Debt due within one year	(23,277)	1,570	(19)	(21,726)
Debt due after one year	(2,737)	393	—	(2,344)
	<u>(26,476)</u>	<u>2,046</u>	<u>(19)</u>	<u>(24,449)</u>

### 29. Operating leases

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

	2021	Group 2020	2021	Company 2020
	£000	£000	£000	£000
Not later than 1 year	2,936	2,293	—	—
Later than 1 year and not later than 5 years	4,564	5,249	—	—
Later than 5 years	709	1,229	—	—
	<u>8,209</u>	<u>8,771</u>	<u>—</u>	<u>—</u>

### 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 31 December 2021 are shown in note 24.

# Thurlow Nunn (Holdings) Limited

## Notes to the financial statements *(continued)*

### Year ended 31 December 2021

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#### 31. Contingencies

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 2021, the total borrowing of the group companies amounted to £2,723,000 (2020: £3,115,000).

The company, together with Thurlow Nunn Standen Limited, George Thurlow and Sons (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 2021 £807,000 (2020: £56,000) was payable from HM Revenue & Customs to the group.

#### 32. Events after the end of the reporting period

The group's motor retail franchise arrangements relate to the Vauxhall and Peugeot brands and in January 2021 the shareholders of Fiat Chrysler Automobiles and PSA, the French maker of Peugeot, Citroën and Vauxhall cars, approved a merger to form the Stellantis Group ('Stellantis') in an effort to acquire the scale necessary to thrive in an industry gripped by technological changes and impacted by the pandemic. In May 2021, Stellantis announced that it would be terminating contracts for all dealers across Europe, including Thurlow Nunn Limited, with two years notice. The vision of Stellantis is to rely on a performing, efficient and optimised distribution model delivering benefits to Stellantis, its distribution network and to the end customers.

We are pleased to confirm that subsequent to the year end we have received written confirmation from Stellantis that new contracts will be awarded to us for all of our current market areas effective 1 June 2023. We have confirmed our interest in being appointed as a member of the future network and we remain positive about the future.

#### 33. Related party transactions

##### Group

Included in other debtors is a loan of £61,161 (2020: £81,161) made to J R Thurlow, a director. The maximum amount outstanding during the year was £315,496 (2020: £209,333). During the year £254,335 (2020: £105,672) was advanced and £nil (2020: £22,000) was repaid. During the year £274,835 (2020: £129,162) was written off the loan.

Included in other debtors is a loan of £32,750 (2020: £40,250) made to S A Tew, a director. The maximum amount outstanding during the year was £161,547 (2020: £81,026). During the year £128,797 (2020: £40,776) was advanced and £nil (2020: £nil) was repaid. During the year £136,297 (2020: £48,276) was written off the loan.

Included in other debtors is a loan of £39,716 (2020: £30,000) made to W C Tew, a director. The maximum amount outstanding during the year was £39,716 (2020: £30,000). During the year £9,716 (2020: £nil) was advanced and £nil (2020: £nil) was repaid. During the year £nil (2020: £nil) was written off the loan.

Included in other debtors is a loan of £46,515 (2020: £52,515) made to C Tew. The maximum amount outstanding during the year was £52,515 (2020: £86,765). During the year £nil (2020: £53,515) was advanced. During the year £6,000 (2020: £39,250) was written off the loan and £nil (2020: £nil) was repaid.

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

# Thurlow Nunn (Holdings) Limited

## Notes to the financial statements *(continued)*

### Year ended 31 December 2021

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At the year end the group had creditor balances of £nil (2020: £nil) with Balsham (Buildings) Limited, a company under common control until 6 August 2021. During the year the group contracted building work to Balsham (Buildings) Limited amounting to £424,000 (2020: £495,000). During the year £330,000 (2020: £nil) was advanced by the group to Balsham (Buildings) Limited. On 6 August 2021, Balsham (Buildings) Limited went into voluntary liquidation and the group ceased trading with Balsham (Buildings) Limited. At that date the group made provision against amounts advanced totalling £330,000.

#### **Company**

Included in other debtors is a loan of £61,161 (2020: £81,161) made to J R Thurlow, a director. The maximum amount outstanding during the year was £315,496 (2020: £209,333). During the year £254,335 (2020: £105,672) was advanced and £nil (2020: £22,000) was repaid. During the year £274,835 (2020: £129,162) was written off the loan.

At the year end the company had creditor balances of £nil (2020: £nil) with Balsham (Buildings) Limited, a company under common control until 6 August 2021. During the year £330,000 (2020: £nil) was advanced by the company to Balsham (Buildings) Limited. On 6 August 2021, Balsham (Buildings) Limited went into voluntary liquidation and the company ceased trading with Balsham (Buildings) Limited. At that date the company made provision against amounts advanced totalling £330,000.

The company has taken advantage of the exemption by FRS 102, Section 33, not to disclose related party transactions which occurred during the year with other group companies included in the group's consolidated financial statements.

#### **34. Controlling party**

The company is controlled by George Thurlow and Sons (Holdings) Limited, which is considered to be the ultimate parent company.

George Thurlow and Sons (Holdings) Limited prepare consolidated financial statements, and copies of these statements are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.