

DIRECTORS' REPORT AND FINANCIAL
STATEMENTS

FOR THE YEAR ENDED

30 NOVEMBER 2021

IAN ALLAN GROUP LIMITED

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IAN ALLAN GROUP LIMITED

COMPANY INFORMATION

Directors	B. F. Allan N. D. Allan S. Blaney M. A. Smith (BA, BFP, FCA)
Registered number	00739567
Registered office	Terminal House Station Approach Shepperton Middlesex TW17 8AS
Independent auditors	Menzies LLP Chartered Accountants & Statutory Auditor Ashcombe House 5 The Crescent Leatherhead Surrey KT22 8DY
Bankers	Lloyds Bank Plc Connaught House Alexandra Terrace Guildford Surrey GU1 3DA
Solicitors	Moore Barlow LLP Concord House 165 Church Street East Woking Surrey GU21 6HJ

IAN ALLAN GROUP LIMITED

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IAN ALLAN GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2021

The directors present their report and the financial statements for the year ended 30 November 2021.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

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

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

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

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

Directors

The directors who served during the year were:

B. F. Allan
N. D. Allan
S. Blaney
M. A. Smith (BA, BFP, FCA)

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue operational existence for the foreseeable future. For this reason the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Disclosure of information to auditors

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

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

Auditors

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

IAN ALLAN GROUP LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2021

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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

B. F. Allan

Director

Date: 31 May 2022

Terminal House
Station Approach
Shepperton
Middlesex
TW17 8AS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IAN ALLAN GROUP LIMITED

Opinion

We have audited the financial statements of Ian Allan Group Limited (the 'Company') for the year ended 30 November 2021, which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 November 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IAN ALLAN GROUP LIMITED
(CONTINUED)**

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were the most significant including:
 - The Companies Act 2006;
 - Financial Reporting 102;

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IAN ALLAN GROUP LIMITED
(CONTINUED)**

- UK employment legislation
 - UK health and safety legislation;
 - UK tax legislation; and
 - General Data Protection Regulations.
- We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.
- We understood how the Company is complying with those legal and regulatory frameworks by, making enquiries to management, those responsible for legal and compliance procedures and the company secretary. We corroborated our enquiries through our review of board minutes.
- The engagement partner assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. The assessment did not identify any issues in this area.
- We assessed the susceptibility of the Company financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
 - Challenging assumptions and judgements made by management in its significant accounting estimates; and
 - Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.
- As a result of the above procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:
 - The application of inappropriate judgements or estimation to manipulate the Company's financial position;
 - Posting of unusual journals and complex transactions; and
 - The use of management override of controls to manipulate results, or to cause the Company to enter into transactions not in its best interests.

Because of the inherent limitations of audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IAN ALLAN GROUP LIMITED
(CONTINUED)

Andrew Hookway FCA (Senior Statutory Auditor)
for and on behalf of

Menzies LLP

Chartered Accountants

Statutory Auditor

Ashcombe House

5 The Crescent

Leatherhead

Surrey

KT22 8DY

31 May 2022

IAN ALLAN GROUP LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 30 NOVEMBER 2021

	2021 £	2020 £
Turnover	130,000	142,243
Gross profit	130,000	142,243
Administrative expenses	(772,986)	(1,413,581)
Other operating income	854,263	1,065,412
Gain from changes in fair value of investment property	-	535,150
Operating profit	211,277	329,224
Income from fixed assets investments	-	830,129
Amounts written off investments	-	(296,870)
Interest receivable and similar income	349	9,253
Interest payable and similar expenses	(4,536)	(6,302)
Profit before tax	207,090	865,434
Tax on profit	195,904	(128,278)
Profit after tax	402,994	737,156
Retained earnings at the beginning of the year	6,009,728	9,272,572
	6,009,728	9,272,572
Profit for the year	402,994	737,156
Dividends declared and paid	(120,000)	(4,000,000)
Retained earnings at the end of the year	6,292,722	6,009,728

The notes on pages 9 to 14 form part of these financial statements.

IAN ALLAN GROUP LIMITED

REGISTERED NUMBER:00739567

STATEMENT OF FINANCIAL POSITION AS AT 30 NOVEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	32,583	54,585
Investments	5	35,695	35,695
Investment property	6	2,248,000	2,248,000
		<u>2,316,278</u>	<u>2,338,280</u>
Current assets			
Debtors: amounts falling due within one year	7	4,592,131	4,252,430
Cash at bank and in hand		72,916	237,539
		<u>4,665,047</u>	<u>4,489,969</u>
Creditors: amounts falling due within one year	8	(503,822)	(528,206)
Net current assets		<u>4,161,225</u>	<u>3,961,763</u>
Total assets less current liabilities		<u>6,477,503</u>	<u>6,300,043</u>
Provisions for liabilities			
Deferred tax		(56,049)	(161,583)
		<u>(56,049)</u>	<u>(161,583)</u>
Net assets		<u><u>6,421,454</u></u>	<u><u>6,138,460</u></u>
Capital and reserves			
Allotted, called up and fully paid share capital		49,932	49,932
Share premium account		78,800	78,800
Profit and loss account		6,292,722	6,009,728
		<u><u>6,421,454</u></u>	<u><u>6,138,460</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

B. F. Allan
Director

Date: 31 May 2022

N. D. Allan
Director

Date: 31 May 2022

The notes on pages 9 to 14 form part of these financial statements.

IAN ALLAN GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

1. General information

Ian Allan Group Limited is a private company limited by shares and incorporated in England and Wales. Details of the Company's registered office and principal place of business can be found on the Company Information page. The Company's registered number is 00739567.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

The following principal accounting policies have been applied:

2.2 Exemption from preparing consolidated financial statements

The Company, and the Group headed by it, qualify as small as set out in section 383 of the Companies Act 2006 and the parent and Group are considered eligible for the exemption to prepare consolidated accounts.

2.3 Going concern

The emergence and spread of COVID-19 in 2020, the associated social distancing measures and imposed travel restrictions have significantly impacted businesses globally.

As a result of the pandemic, the trading entities within the Ian Allan Group were impacted by the temporary closure of the motor vehicle showroom and the absence of Masonic activities leading to a reduction in demand for sales in the publishing company, and by financial difficulties experienced by tenants which initially led to slower rent collection for the property company.

Whilst COVID-19 has impacted the Group and uncertainties do exist regarding the duration and extent of the pandemic, the directors believe that the success of the vaccine rollout and removal of all restrictions in the UK together with an improving outlook in the Company's trading subsidiaries mean that future performance and the ability of the Group to continue as a going concern can now be more reliably forecast.

The Company is in a strong financial position with year end net assets in excess of £6.4m and net current assets in excess of £4.1m. In addition to this, one of the Company's subsidiaries holds an unencumbered commercial property portfolio with a well diversified range of tenants.

For these reasons, it is anticipated that the Company will be able to continue to meet its liabilities as they fall due out of existing cash reserves for the foreseeable future, and for a period of at least one year from the date of signing these financial statements. The directors therefore consider that the going concern basis of preparation continues to be appropriate.

2.4 Revenue

Rental income is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Rental income is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

2. Accounting policies (continued)

2.5 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.6 Current and deferred taxation

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

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

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

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

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

2.7 Tangible fixed assets

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Motor vehicles, plant & equipment	-
	10% to 25% per annum on cost

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

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

IAN ALLAN GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

2. Accounting policies (continued)

2.8 Investment property

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

2.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.10 Financial instruments

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

2.11 Dividends

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

3. Employees

The average monthly number of employees, including directors, during the year was 9 (2020 - 11).

IAN ALLAN GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

4. Tangible fixed assets

	Motor vehicles	Fixtures and fittings	Total
	£	£	£
Cost			
At 1 December 2020	79,398	36,092	115,490
Transfers intra group	-	673	673
At 30 November 2021	79,398	36,765	116,163
Depreciation			
At 1 December 2020	34,168	26,737	60,905
Charge for the year on owned assets	18,922	3,417	22,339
Transfers intra group	-	336	336
At 30 November 2021	53,090	30,490	83,580
Net book value			
At 30 November 2021	26,308	6,275	32,583
At 30 November 2020	45,230	9,355	54,585

5. Fixed asset investments

	Investments in subsidiary companies
	£
Cost or valuation	
At 1 December 2020	35,695
At 30 November 2021	35,695

IAN ALLAN GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

6. Investment property

	Freehold investment property £
Valuation	
At 1 December 2020	2,248,000
At 30 November 2021	2,248,000

If the investment property had been accounted for under the historic cost accounting rules, the property would have been measured at £1,813,838 (2020 - £1,851,626).

At each year end the directors form an assessment of the fair value of each investment property and as part of this process may obtain formal valuations for certain properties within the portfolio.

The 2021 valuations were made by the directors, on an open market value for existing use basis.

7. Debtors

	2021 £	2020 £
Trade debtors	-	443
Amounts owed by group undertakings	4,559,407	4,185,399
Other debtors	30,475	60,439
Prepayments and accrued income	2,249	6,149
	4,592,131	4,252,430

8. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	27,858	6,227
Other taxation and social security	11,869	50,510
Other creditors	384,280	389,671
Accruals and deferred income	79,815	81,798
	503,822	528,206

Included within other creditors and accruals are amounts totalling £368,314 (2020 - £371,424) which are secured on the value of the Company's investment property.

The Company has provided Lloyds Bank plc with an omnibus guarantee and set-off arrangement to secure the bank borrowings of other companies within the group. At the year end no net borrowings existed with the bank, therefore there are no secured debts.

IAN ALLAN GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

9. Pension commitments

The Company operates a defined contribution pension plan. The total unpaid commitments at the year end was £2,185 (2020 - £1,604).

10. Related party transactions

The Company has taken the availability of Section 33 of FRS 102 from disclosing transactions with Group companies.

Included within other creditors are balances due to close family members of directors totalling £335,448 (2020 - £334,083). Interest accrues on £326,964 of these balances at 1% above the Bank of England base rate, resulting in an interest charge of £4,010 for the year ended 30 November 2021 (2020 - £5,845). At the year end, unpaid interest on these balances totalled £41,350 (2020 - £37,341) and was included within accruals.

Included within other creditors is a balance of £39,379 (2020 - £39,379) owed to a family trust in which some of the Company's directors are beneficiaries. Interest accrues on this balance at 1% above the Bank of England base rate, resulting in an interest charge of £527 for the year ended 30 November 2021 (2020 - £753). At the year end, unpaid interest on this balance totalled £11,662 (2020 - £11,135) and was included within accruals.

11. Controlling party

The immediate and ultimate parent company is IAGP Limited, a company incorporated in England and Wales.

Copies of the consolidated financial statements of IAGP Limited can be obtained from Terminal House, Station Approach, Shepperton, Middlesex, TW17 8AS.

This is the largest and smallest group of undertakings for which consolidated financial statements are available.

There is no one controlling party.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.