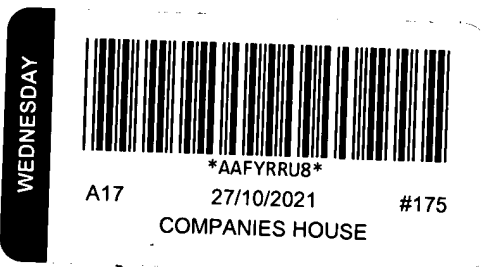

NORTHGATE VEHICLE HIRE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2021



NORTHGATE VEHICLE HIRE LIMITED

COMPANY INFORMATION

Directors	PJ Vincent M Ward
Company secretary	NP Tilley
Registered number	01434157
Registered office	Northgate Centre Lingfield Way Darlington DL1 4PZ

NORTHGATE VEHICLE HIRE LIMITED

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NORTHGATE VEHICLE HIRE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 APRIL 2021

Introduction

The Directors present their strategic report on Northgate Vehicle Hire Limited for the year ended 30 April 2021.

Business review

The revenue from vehicle hire in the year was £291.0m (2020: £294.8m) and the revenue from vehicle sales was £153.6m (2020: £129.5m). The operating profit for the year was £75.0m (2020: £16.5m), after the impairment of intangible assets of £NIL (2020: £14.9m) and the reversal of impairment of property, plant and equipment of £1.3m (2020: impairment of £1.3m). Included within operating profit is £34.9m (2020: £5.2m) of profit on disposal of vehicles for hire, as a result of a strong used vehicle market throughout the year.

Rental revenue in 2021 decreased by 1.3% over the prior year, principally driven by lower average hire rate, with average VOH increasing by 0.4%. The average hire rate was impacted in the first half of the year due to COVID-19 support provided to customers. Closing VOH was 45,600, 13% higher than at the end of the prior year.

At 30 April 2021 the Company had net assets of £126.5m (2020: £92.1m).

Principal risks and uncertainties and key performance indicators

The Directors of Redde Northgate plc, the ultimate parent company, manage the Group's risks and performance on a divisional basis. The Directors of Northgate Vehicle Hire Limited therefore believe that the principal risks and uncertainties of Redde Northgate plc, as well as the key performance indicators of Redde Northgate plc, encompass those of Northgate Vehicle Hire Limited. The principal risks and uncertainties of Redde Northgate plc are discussed on pages 35 to 38 of the Group's Annual Report, which does not form part of this report. The key performance indicators of Redde Northgate plc are discussed on pages 24 and 25 of the Group's Annual Report, which does not form part of this report.

NORTHGATE VEHICLE HIRE LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

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

The Directors are aware of their duty under s.172 of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the group for the benefit of its members as a whole and, in doing so, to have regard (amongst other matters) to:

- The interests of the Company's employees;
- The need to foster the Company's relationships with suppliers, customers and others;
- The impact of the Company's operations on the community and the environment; and
- The desirability of the Company maintaining a reputation for high standards of business conduct.

Having regard to employees' interests

The Board attaches great importance to the skills and experience of the management and employees of the Company. Its aim is to retain the best talent and believes that they will benefit from the opportunities within the Company.

The Board is committed to consulting, as appropriate, with relevant employees and employee representatives on a regular basis and has worked hard to ensure effective communication with all employees during the year.

Further information on the Company's employee policies is contained within the Directors' report.

Fostering business relationships

The Company aims to be the first choice for customers' vehicle needs, enabling them to enjoy the full value of their relationship with the business. The Company builds long term customer relationships by providing unrivalled levels of service and an offering which is unmatched in its flexibility.

Customers receive a personal service, with dedicated relationship managers for our larger customers.

The Company collects regular customer feedback through surveys and consumer research which is fed back to the customer services and business development teams. The Board also makes regular visits to our operating sites throughout the financial year.

The Company recognises that maintaining strong and open relationships with suppliers is integral to our success.

These relationships contribute to the Company's competitive advantage. They not only enable us to execute our strategy efficiently, but also help suppliers plan their business, managing cash flow and production. Vehicle pricing is negotiated annually with an open dialogue maintained with suppliers throughout the year.

The Company also engages actively with suppliers to make sure they fully comply with our code of conduct for suppliers and partners, which includes provisions on human rights and environmental standards.

Impact on community and environment

The Company values the communities in which it operates, and its aim is for its business activities to have a positive impact on them.

The Company will continue to promote green technology and initiatives to protect our environment, as well as being a contributor to the economies it operates in. We continue to seek to reduce the environmental impact of our business.

The Company continues to encourage employees to support charities that are close to their hearts. All charitable activity is promoted through ongoing internal communications.

NORTHGATE VEHICLE HIRE LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2021**

Directors' statement of compliance with duty to promote the success of the Company (Continued)

Maintaining high standards of business conduct

The Board is committed to operating the Company in a responsible manner, operating with high standards of business conduct and good governance.

This report was approved by the board on 27 September 2021 and signed on its behalf.



PJ Vincent
Director

NORTHGATE VEHICLE HIRE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2021

The Directors present their report and the audited financial statements for the year ended 30 April 2021.

Principal activities

The Company's principal activity during the year was that of hirers of self-drive motor vehicles.

Results and dividends

The profit for the year, after taxation, amounted to £53,758,000 (2020 - £884,000).

Dividends of £20m (2020: £20m) have been paid during the year. The Directors do not recommend the payment of a final dividend (2020: £NIL).

Directors

The Directors of the Company who served in office during the year and up to the date of signing the financial statements were:

FM Hayes (resigned 1 May 2020)
KL Tasker-Wood (resigned 31 May 2020)
PJ Vincent
M Ward

Future developments

The Directors consider that the Company is starting the new year from a position of strength and have the confidence that the business will continue to create value.

Financial instruments

Strategy

The Company's financing strategy is consistent with the Group's financing strategy, which has been approved by the Board of Redde Northgate plc. The Group uses medium-term debt to finance vehicle fleet and other capital expenditure and working capital is funded by internally generated funds and an overdraft facility.

Treasury management

The funding arrangements of the Company are negotiated with financial institutions by a Group treasury function and are monitored centrally. All funds generated by the Company's operations are controlled by the same Group function.

Liquidity

All the Company's liquidity requirements are covered by the Group's aggregate finance facilities, which exceed Group net debt.

Interest rate management

All the Company's borrowings are subject to variable interest rates. The Company holds no interest rate derivatives as these are managed on a Group basis as explained in further detail in the Annual Report of Redde Northgate plc.

NORTHGATE VEHICLE HIRE LIMITED

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

Engagement with employees

The Company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Company. This is achieved through informal and formal meetings, as well as the intranet site of the Company. Employees of the Company are entitled to participate in the Redde Northgate plc SAYE Share Scheme, details of which are shown in the Annual Report and Financial Statements of that Company.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Qualifying third party indemnity provisions

The Directors have the benefit of qualifying third party indemnity provisions contained in the Company's Articles of Association, which were in force throughout the financial year and remained in force as at the date of signing this report.

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.

Independent auditors

The independent auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 489 of the Companies Act 2006.

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



PJ Vincent
Director

Date: 27 September 2021

NORTHGATE VEHICLE HIRE LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2021

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

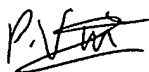
The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

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

By order of the board



PJ Vincent
Director

Date: 27 September 2021

NORTHGATE VEHICLE HIRE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTHGATE VEHICLE HIRE LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Northgate Vehicle Hire Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 30 April 2021; the income statement and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

Reporting on other information

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

NORTHGATE VEHICLE HIRE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTHGATE VEHICLE HIRE LIMITED

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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 30 April 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to environmental regulations and health and safety regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also

NORTHGATE VEHICLE HIRE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTHGATE VEHICLE HIRE LIMITED

considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate revenue and financial performance and management bias included within accounting judgements and estimates. Audit procedures performed by the engagement team included:

- Review of board minutes, discussions with management, internal audit and the company's legal function, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Evaluation of management's controls designed to prevent and detect fraudulent financial reporting;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations including to revenue; and
- Assessing management's significant judgements and estimates in particular to those relating to the determination of depreciation rates for vehicle assets held for hire.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Ian Morrison

Ian Morrison (Senior statutory auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle
Date: 27 September 2021

NORTHGATE VEHICLE HIRE LIMITED

INCOME STATEMENT FOR THE YEAR ENDED 30 APRIL 2021

	Note	2021 £000	2020 £000
Revenue	4	444,607	424,326
Cost of sales		(330,859)	(344,653)
Gross profit		113,748	79,673
Impairment of intangible software assets		-	(14,910)
Reversal of impairment/(impairment) of tangible assets		1,304	(1,304)
Other administrative expenses		(42,787)	(47,381)
Total administrative expenses	6	(41,483)	(63,595)
Other operating income	5	2,708	449
Operating profit		74,973	16,527
Interest receivable and similar income		26	64
Interest payable and similar expenses	10	(10,659)	(14,262)
Profit before tax		64,340	2,329
Tax on profit	11	(10,582)	(1,445)
Profit for the financial year		53,758	884

The notes on pages 13 to 33 form part of these financial statements.

There are no other items of comprehensive income for the current or preceding financial year. Therefore, no separate statement of comprehensive income has been presented.

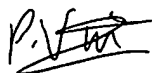
NORTHGATE VEHICLE HIRE LIMITED
REGISTERED NUMBER: 01434157

BALANCE SHEET
AS AT 30 APRIL 2021

	Note	2021 £000	2020 £000
Fixed assets			
Intangible assets	13	367	568
Tangible assets	14	510,600	502,505
Investments	15	6,171	6,480
		<u>517,138</u>	<u>509,553</u>
Current assets			
Inventories	16	11,319	36,692
Debtors: amounts falling due within one year	17	254,497	125,082
Cash at bank and in hand	18	1,488	41,882
		<u>267,304</u>	<u>203,656</u>
Creditors: amounts falling due within one year	19	(68,612)	(552,161)
Net current assets/(liabilities)		<u>198,692</u>	<u>(348,505)</u>
Total assets less current liabilities		<u>715,830</u>	<u>161,048</u>
Creditors: amounts falling due after more than one year	20	(583,923)	(65,919)
		<u>131,907</u>	<u>95,129</u>
Provisions for liabilities			
Deferred taxation	22	(5,369)	(3,057)
Net assets		<u><u>126,538</u></u>	<u><u>92,072</u></u>
Capital and reserves			
Share capital	23	20,000	20,000
Capital contribution reserve		2,636	1,928
Profit and loss account		103,902	70,144
Total equity		<u><u>126,538</u></u>	<u><u>92,072</u></u>

The financial statements on pages 10 to 33 were approved and authorised for issue by the board and were signed on its behalf by:

PJ Vincent
Director



Date:

NORTHGATE VEHICLE HIRE LIMITED

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

	Called up share capital £000	Capital contribution reserve £000	Profit and loss account £000	Total equity £000
At 1 May 2019	20,000	-	89,260	109,260
Profit for the year	-	-	884	884
Dividends: Equity capital	-	-	(20,000)	(20,000)
Capital contribution relating to share based payments	-	1,928	-	1,928
At 30 April 2020 and 1 May 2020	20,000	1,928	70,144	92,072
Profit for the year	-	-	53,758	53,758
Dividends: Equity capital	-	-	(20,000)	(20,000)
Capital contribution relating to share based payments	-	708	-	708
At 30 April 2021	20,000	2,636	103,902	126,538

NORTHGATE VEHICLE HIRE LIMITED

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

1. General information

Northgate Vehicle Hire Limited is a private Company limited by shares, domiciled, incorporated and registered in the United Kingdom under the Companies Act 2006. The address of the registered office is given in the Company information section. The nature of the Company's operations and its principal activities are set out in the Strategic report and Directors' report on pages 1 to 5.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based payment
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases. The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details in indebtedness relating to amounts payable after 5 years required by company law is presented separately for lease liabilities and other liabilities, and in total
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

NORTHGATE VEHICLE HIRE LIMITED

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

2. Accounting policies (continued)

2.3 Exemption from preparing consolidated financial statements

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of an EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

2.4 Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report. The Directors have reviewed the Group's forecasts and projections taking account of reasonably possible downside sensitivities. The Company relies upon the support of its parent company, Redde Northgate plc, and the going concern status of the Company is dependent upon the ongoing support of its parent.

The parent Company has confirmed that it is the current intention to provide sufficient financial support to enable the Company to meet its liabilities as they fall due for a period of not less than 12 months from the date of approval of the financial statements. The Directors have considered this letter of intent, have made enquiries of Group management and have concluded that the Company is a going concern. The Directors have considered this uncertainty and the intention of the parent to continue to support the Company and after making these enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

2.5 Impact of new international reporting standards, amendments and interpretations

There have been no new reporting standards or amendments or interpretations, during the year or effective in following year, that would materially affect the financial statements of the Company.

2.6 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

NORTHGATE VEHICLE HIRE LIMITED

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

2. Accounting policies (continued)

2.7 Revenue recognition

Revenue from the hire of vehicles is recognised under IFRS 16 and as such is recognised evenly over the hire period. Other Company revenue is measured in accordance with IFRS 15 at the fair value of consideration received or receivable from contracts with customers in respect of sale of used vehicles and the supply of related goods and services in the normal course of business, net of value added tax and discounts.

Revenue from the sale of used vehicles is derived from the resale of vehicles purchased by the Company and is recognised at the point in time when the risks and rewards of ownership are transferred. Revenues from the supply of related goods and services are recognised at the point which they are provided. Where cash is received in advance of customers collecting or taking delivery of vehicles, revenue is deferred until such point that the performance obligation within the contract is met.

2.8 Leased assets: the Company as lessor

Motor vehicles and equipment hired to customers are included within tangible assets. Income from such leases is taken to the income statement evenly over the period of the lease agreement.

For other assets leased to third parties, like the sub lease of property, the Company determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

NORTHGATE VEHICLE HIRE LIMITED

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

2. Accounting policies (continued)

2.9 Leased assets: the Company as lessee

For any new contracts entered into, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Company assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company
- the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the Company has the right to direct the use of the identified asset throughout the period of use. The Company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet.

The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

NORTHGATE VEHICLE HIRE LIMITED

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

2. Accounting policies (continued)

2.10 Government grants

Government grants are recognised when there is reasonable assurance that the we will comply with the conditions attached, and that the grant will be received. Government grants are recognised in the income statement on a systematic basis over the period in which the related costs, which they are intended to compensate, are recognised as expenses.

During the year, the Company have utilised the Coronavirus Job Retention Scheme, in which the Government reimbursed 80% of the wages of certain employees who were asked to stop working ('furloughed') during COVID-19, but who were retained as employees. These grants have been recognised in other operating income.

2.11 Interest income and finance costs

Interest income and finance costs are recognised in the income statement using the effective interest rate method.

2.12 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 Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

NORTHGATE VEHICLE HIRE LIMITED

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

2. Accounting policies (continued)

2.13 Current and deferred taxation

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

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

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

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

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

2.14 Intangible assets

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

Software assets are amortised on a straight line basis over their estimated useful lives, which do not exceed three years.

Intangible assets in the course of construction are stated at cost. Development costs are capitalised after the technical and commercial feasibility of the asset has been established. Amortisation is not charged on assets in the course of construction. Amortisation commences when the asset is brought into use.

2.15 Tangible fixed assets

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

NORTHGATE VEHICLE HIRE LIMITED

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

2. Accounting policies (continued)

2.15 Tangible fixed assets (continued)

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.

Depreciation is provided on the following basis:

Freehold property	- 50 years
Long leasehold property	- 50 years or over the life of the lease, whichever is shorter
Plant, equipment & fittings	- 3 to 10 years
Motor vehicles	- 3 to 6 years
Vehicles for hire	- 3 to 12 years

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.

Vehicles for hire are depreciated on a straight line basis using depreciation rates that reflect economic lives of between three and twelve years. These depreciation rates have been determined with the anticipation that the net book values at the point the vehicles are transferred into inventories is in line with the open market values for those vehicles. The Company is required to review its depreciation rates and estimated useful lives regularly to ensure that the net book value of disposals of tangible assets are broadly equivalent to their market value.

2.16 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.17 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

NORTHGATE VEHICLE HIRE LIMITED

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

2. Accounting policies (continued)

2.18 Inventories

Used vehicles held for resale are valued at the lower of cost and net realisable value. Net realisable value represents the estimated selling price less costs to be incurred in marketing, selling and distribution.

Other inventories comprise spare parts and consumables and are valued at the lower of cost and net realisable value.

2.19 Debtors

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

2.20 Cash and cash equivalents

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

2.21 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.22 Dividends

Dividends on Ordinary shares are recognised in the period in which they are either paid or formally approved, whichever is earlier.

NORTHGATE VEHICLE HIRE LIMITED

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

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

In the process of applying the Company's accounting policies, which are described in note 2, the Directors have made the following judgements that have the most significant effect on the amounts recognised in the financial statements that will have an impact on the next 12 months.

Depreciation

Vehicles for hire are depreciated on a straight line basis using depreciation rates that reflect economic lives of between three and twelve years. These depreciation rates have been determined with the anticipation that the net book values at the point the vehicles are transferred into inventories is in line with the open market values for those vehicles, after taking account of costs required to sell the vehicles.

Under IAS 16 'Property, Plant and Equipment', the Company is required to review its depreciation rates and estimated useful lives regularly to ensure that the net book value of disposals of tangible assets are broadly equivalent to their market value.

Depreciation charges reflect adjustments made as a result of differences between expected and actual residual values of used vehicles, taking into account the further directly attributable costs to sell the vehicles.

The Directors apply judgment in determining the appropriate method of depreciation (straight-line) and are required to estimate the future residual value of vehicles with due consideration of variables including age, mileage and condition.

4. Revenue

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

	2021 £000	2020 £000
Revenue: hire of vehicles	291,010	294,778
Revenue: sale of vehicles	153,597	129,548
	<u>444,607</u>	<u>424,326</u>

All turnover arose within the United Kingdom.

5. Other operating income

	2021 £000	2020 £000
Dividend income from subsidiary undertakings	-	449
Government grants receivable	2,708	-
	<u>2,708</u>	<u>449</u>

NORTHGATE VEHICLE HIRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

6. Operating profit

The operating profit is stated after charging/(crediting):

	2021	2020
	£000	£000
Depreciation of tangible fixed assets	78,488	111,417
(Reversal of impairment) impairment of tangible fixed assets	(1,304)	1,304
Amortisation of intangible assets, including goodwill	332	526
Impairment of intangible assets	-	14,910
Loss on disposal of property, plant and equipment	257	236
Net impairment of trade receivables	5,522	5,904
Cost of inventories recognised as an expense	174,179	153,695
Including:		
- write-down of inventories charged as an expense	377	-
Government grants	(2,708)	-

7. Auditors' remuneration

	2021	2020
	£000	£000
Fees payable to the Company's auditors and their associates for the audit of the Company's annual financial statements	229	229

Auditors' remuneration consists of audit fees payable in relation to the audit of the financial statements for the year ended 30 April 2021. The auditors undertook no non-audit services in the current or prior year.

NORTHGATE VEHICLE HIRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

8. Employees

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

	2021 £000	2020 £000
Wages and salaries	54,625	55,402
Social security costs	4,599	4,860
Cost of defined contribution scheme	2,482	2,799
	61,706	63,061

In addition to the above, share based payments of £708,000 (2020: £1,928,000) were made by the Company to employees.

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

	2021 No.	2020 No.
Direct operations	1,175	1,273
Administration	399	444
	1,574	1,717

9. Directors' remuneration

	2021 £000	2020 £000
Directors' emoluments	-	853
Company contributions to defined contribution pension schemes	-	84
Compensation for loss of office	194	-
	194	937

No retirement benefits were accruing to Directors during the year (2020 - 2) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £NIL (2020 - £565,000).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £NIL (2020 - £59,000).

NORTHGATE VEHICLE HIRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

10. Interest payable and similar expenses

	2021	2020
	£000	£000
Interest on loans from group undertakings	9,823	13,672
Interest on lease liabilities	803	590
Other interest payable	33	-
	<u>10,659</u>	<u>14,262</u>

11. Tax on profit

	2021	2020
	£000	£000
Corporation tax		
Current tax on profits for the year	11,164	3,721
Adjustments in respect of previous periods	(2,894)	508
Total current tax	<u>8,270</u>	<u>4,229</u>
Deferred tax		
Origination and reversal of timing differences	829	(2,779)
Adjustment in respect of prior years	1,483	(5)
Total deferred tax	<u>2,312</u>	<u>(2,784)</u>
Tax on profit	<u>10,582</u>	<u>1,445</u>

NORTHGATE VEHICLE HIRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

11. Tax on profit (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £000	2020 £000
Profit before tax	64,340	2,329
Profit before tax multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	12,225	443
Effects of:		
Expenses not deductible for tax purposes	208	499
Adjustments to tax charge in respect of prior periods	(1,411)	503
Group relief	(440)	-
Total tax charge for the year	10,582	1,445

Factors that may affect future tax charges

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the UK corporation tax rate will increase to 25%. At the balance sheet date, the proposal to increase the rate to 25% had not been substantively enacted, therefore this has not been reflected in tax balances for the year ended 30 April 2021.

12. Dividends

	2021 £000	2020 £000
Interim dividend in respect of the year ended 30 April 2021 of £1 (2020: £1) per Ordinary share	20,000	20,000
	20,000	20,000

NORTHGATE VEHICLE HIRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

13. Intangible assets

	Computer software £000
Cost	
At 1 May 2020	27,561
Additions - external	132
Disposals	(15,492)
At 30 April 2021	12,201
Amortisation	
At 1 May 2020	26,993
Charge for the year on owned assets	332
On disposals	(15,491)
At 30 April 2021	11,834
Net book value	
At 30 April 2021	367
At 30 April 2020	568

NORTHGATE VEHICLE HIRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

14. Tangible fixed assets

	Vehicles for hire £000	Land and buildings £000	Plant equipment & fittings £000	Motor vehicles £000	Total £000
Cost or valuation					
At 1 May 2020	645,867	66,003	12,251	3,030	727,151
Additions	175,830	5,139	583	1,356	182,908
Disposals	(142,030)	(5,900)	(839)	(1,278)	(150,047)
Transfers between classes	357	-	-	(357)	-
At 30 April 2021	<u>680,024</u>	<u>65,242</u>	<u>11,995</u>	<u>2,751</u>	<u>760,012</u>
Depreciation					
At 1 May 2020	190,715	23,191	9,475	1,265	224,646
Charge for the year on owned assets	70,268	1,163	1,490	310	73,231
Charge for the year on right-of-use assets	1,408	3,590	-	259	5,257
Disposals	(48,212)	(2,737)	(679)	(790)	(52,418)
Transfers between classes	192	-	-	(192)	-
Impairment losses written back	-	(1,036)	(268)	-	(1,304)
At 30 April 2021	<u>214,371</u>	<u>24,171</u>	<u>10,018</u>	<u>852</u>	<u>249,412</u>
Net book value					
At 30 April 2021	<u>465,653</u>	<u>41,071</u>	<u>1,977</u>	<u>1,899</u>	<u>510,600</u>
At 30 April 2020	<u>455,152</u>	<u>42,812</u>	<u>2,776</u>	<u>1,765</u>	<u>502,505</u>

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

	2021 £000	2020 £000
Freehold	19,064	19,764
Long leasehold	22,007	23,048
	<u>41,071</u>	<u>42,812</u>

NORTHGATE VEHICLE HIRE LIMITED

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

14. Tangible fixed assets (continued)

The net book value of owned and leased assets included as "Tangible fixed assets" in the Balance sheet is as follows:

	2021 £000	2020 £000
Tangible fixed assets owned	479,855	482,270
Right-of-use tangible fixed assets	30,745	20,235
	<u>510,600</u>	<u>502,505</u>

Information about right-of-use assets is summarised below:

Net book value

	2021 £000	2020 £000
Vehicles for hire	10,449	-
Land and buildings	19,031	20,067
Motor vehicles	1,265	168
	<u>30,745</u>	<u>20,235</u>

Depreciation charge for the year ended

	2021 £000	2020 £000
Vehicles for hire	1,408	-
Land and buildings	3,590	3,832
Motor vehicles	259	9
	<u>5,257</u>	<u>3,841</u>

Additions to right-of-use assets

	2021 £000	2020 £000
Additions to right-of-use assets	17,822	970

NORTHGATE VEHICLE HIRE LIMITED

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

15. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 May 2020	6,480
Amounts written off	(309)
At 30 April 2021	<u>6,171</u>
Net book value	
At 30 April 2021	<u>6,171</u>
At 30 April 2020	<u>6,480</u>

Subsidiary undertakings

As at 30 April 2021 the following were subsidiary undertakings of the Company:

Name	Registered office	Holding
Northgate Vehicle Hire (Ireland) Limited	6th Floor, South Bank House, Barrow Street, Dublin 4, Ireland	100%
Northgate Vehicle Sales Limited	Northgate Centre, Lingfield Way, Darlington, DL1 4PZ	100%
Goode Durrant Administration Limited	Northgate Centre, Lingfield Way, Darlington, DL1 4PZ	100%

16. Inventories

	2021 £000	2020 £000
Spare parts and consumables	3,966	4,078
Vehicles held for resale	7,353	32,614
	<u>11,319</u>	<u>36,692</u>

NORTHGATE VEHICLE HIRE LIMITED

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

17. Debtors

	2021 £000	2020 £000
Debtors: amounts falling due within one year		
Trade debtors	44,362	45,995
Amounts owed by group undertakings	199,311	67,579
Other debtors	2,048	96
Prepayments and accrued income	8,776	8,902
Tax recoverable	-	2,510
	<u>254,497</u>	<u>125,082</u>

Trade receivables are stated after provisions for impairment of £10,434,000 (2020: £8,191,000).

18. Cash and cash equivalents

	2021 £000	2020 £000
Cash at bank and in hand	1,488	41,882
	<u>1,488</u>	<u>41,882</u>

19. Creditors: Amounts falling due within one year

	2021 £000	2020 £000
Trade creditors	16,791	10,829
Amounts owed to fellow group undertakings	551	514,587
Corporation tax	1,907	-
Other taxation and social security	15,247	9,782
Lease liabilities	6,259	2,972
Accruals and deferred income	27,857	13,991
	<u>68,612</u>	<u>552,161</u>

NORTHGATE VEHICLE HIRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

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

	2021	2020
	£000	£000
Lease liabilities	26,820	18,919
Amounts owed to group undertakings	557,103	47,000
	583,923	65,919

Amounts due to a group undertaking of £510,103,000 (2020: £514,587,000) relates to an unsecured loan which bears interest at 1.85% above LIBOR and is repayable by 30 June 2023. In the prior year this loan was repayable by 30 June 2020 and therefore included as a creditor falling due within one year within Note 19.

An amount due to the immediate parent company £47,000,000 (2020: £47,000,000) is unsecured and non-interest bearing and payable later than 5 years.

21. Leases

Company as a lessee

Lease liabilities are due as follows:

	2021	2020
	£000	£000
Not later than one year	6,259	2,972
Between one year and five years	17,888	9,608
Later than five years	8,932	9,311
	33,079	21,891

The following amounts in respect of leases, where the Company is a lessee, have been recognised in profit or loss:

	2021	2020
	£000	£000
Interest expense on lease liabilities	803	590
Expenses relating to short-term leases	3,495	1,266

NORTHGATE VEHICLE HIRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

22. Deferred taxation

	2021 £000	2020 £000
At beginning of year	(3,057)	(5,841)
(Charged)/credited to profit or loss	(2,312)	2,784
At end of year	<u>(5,369)</u>	<u>(3,057)</u>

The provision for deferred taxation is made up as follows:

	2021 £000	2020 £000
Accelerated capital allowances	(5,448)	(3,115)
Other	79	58
	<u>(5,369)</u>	<u>(3,057)</u>

23. Share capital

	2021 £000	2020 £000
Allotted, called up and fully paid		
20,000,000 (2020 - 20,000,000) Ordinary shares of £1.00 each	<u>20,000</u>	<u>20,000</u>

24. Contingent liabilities

The Company is a guarantor of certain borrowings of Redde Northgate plc amounting to £404,727,000 (2020: £464,041,000).

NORTHGATE VEHICLE HIRE LIMITED

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

25. Capital commitments

At 30 April the Company had capital commitments as follows:

	2021 £000	2020 £000
Capital expenditure contracted for but not provided in the financial statements:		
Vehicles for hire	6,880	2,150
	<u>6,880</u>	<u>2,150</u>

26. Controlling party

The immediate and ultimate controlling parent company is Redde Northgate plc, a company incorporated in the United Kingdom and registered in England & Wales, which is the parent undertaking of the only Group to consolidate these financial statements. Copies of the financial statements of Redde Northgate plc can be obtained from Northgate Centre, Lingfield Way, Darlington, DL1 4PZ.

The Company has taken advantage of the exemption in the Companies Act 2006 s400 and has presented financial statements for the Company only, on the grounds that it is a wholly owned subsidiary undertaking of Redde Northgate plc, which prepares Group financial statements.