

**Company registration number**  
02539356

**BCA Logistics Limited**  
**Report and Financial Statements**  
**For the year ended 2 April 2023**



# **BCA Logistics Limited**

## **Report and Financial Statements**

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# **BCA Logistics Limited**

## **Company information**

### **Directors**

J A Mullins  
D Hulse

### **Company secretary**

M R Letza

### **Independent auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
40 Clarendon Road  
Watford  
WD17 1JJ

### **Registered office**

Form 2, 18 Bartley Way Business Park  
Bartley Way  
Hook  
Hampshire  
RG27 9XA

### **Company registration number**

02539356

## **BCA Logistics Limited**

### **Strategic report For the year ended 2 April 2023**

The Directors present their Strategic report for BCA Logistics Limited (the 'Company') for the year ended 2 April 2023.

#### **Principal activity**

The principal activity of the Company is that of vehicle logistics and associated services.

The Company is part of a group of companies that consists of Constellation Automotive Group Limited and its subsidiaries (the 'Group').

#### **Review of the business**

The Company's loss for the year was £5.9m (year ended 3 April 2022: loss for the year was £5.9m).

As at 2 April 2023 the Company had net liabilities of £1.2m (3 April 2022: net assets of £4.7m) and net current liabilities of £6.7m (3 April 2022: net liabilities of £0.6m).

#### **Section 172(1)**

The Directors consider, both individually and collectively, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company (having regard to the stakeholders and matters set out in section 172(1)(a-f) of the Companies Act 2006) in the decisions taken during the year as part of, and as directors of, the broader Group. These matters are set out in detail in the Constellation Automotive Group Limited Annual Report and Accounts for the year ended 2 April 2023 and are summarised below:

- The long term: The board have long term plans in place designed to have a long term beneficial impact on the Company.
- Employees: Our employees are key to our success. The Company has continued to advocate its promote from within philosophy.
- Business relationships: The board is committed to fostering the Company's business relationships with suppliers, customers, and other stakeholders.
- Community & environment: The Company's approach is to use our position of strength to create positive change for the people and communities with which we interact.
- High standards of business conduct: Our intention is to ensure that we and our colleagues operate the Company in an ethical and responsible way. A healthy corporate culture is the cornerstone of high standards of business conduct and governance.

The Company's operations and strategic decision-making are closely integrated with the wider Group and therefore the promotion of its success is consistent with that set out in Constellation Automotive Group Limited Annual Report and Accounts for the year ended 2 April 2023. The Group's Board of Directors' works closely with the Company's Directors in performance and initiative reporting including stakeholder analysis.

## **BCA Logistics Limited**

### **Strategic report (continued) For the year ended 2 April 2023**

#### **Principal risks and uncertainties**

The key risks and uncertainties affecting the Company relate to the flow of vehicles through its services, changes in the political, economic and regulatory environment, and continued operational performance of key systems. The Directors manage these by meeting on a regular basis to discuss these risks.

The Company's operations expose it to a variety of financial risks that include liquidity risk, operational risk and credit risk.

#### **Financial risk management**

The Company does not directly manage these risks. Constellation Automotive Group Limited manages financial risk on a Group basis as described in the Strategic report of the Constellation Automotive Group Limited Annual Report and Accounts.

#### **Key performance indicators**

Key performance indicators of the Company are revenue, adjusted EBITDA (earnings before interest, taxation, depreciation and amortisation, and significant or non-recurring items, as defined in the Constellation Automotive Group Limited accounting policies) and the volume of vehicles processed. The volume of vehicles processed is the key driver of performance, which is then monitored against revenue and adjusted EBITDA to show how the volume is being converted into profit. They are monitored and reviewed at the segmental and Group level as described in the Strategic report of the Constellation Automotive Group Limited Annual Report and Accounts.

This report was approved by the Board of Directors on 26 September 2023 and signed on its behalf.



**J A Mullins**  
**Director**

## **BCA Logistics Limited**

### **Directors' report For the year ended 2 April 2023**

The Directors present their report and audited financial statements for the Company for the year ended 2 April 2023.

#### **Future developments**

The Directors expect that the present level of activity will be sustained for the foreseeable future.

#### **Dividends**

During the year an interim dividend totalling £nil (year ended 3 April 2022: £nil) was proposed and paid. No final dividend is proposed (year ended 3 April 2022: £nil).

#### **Financial risk management**

The financial risks the Company is exposed to are set out in the Strategic report on page 3.

#### **Directors**

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

J A Mullins      Appointed 30 March 2023

D Hulse

T G Lampert      Resigned 31 March 2023

#### **Directors' indemnity**

Throughout the year and up to the date of approval of the financial statements the Company, through a Group policy, provided an indemnity for its Directors and Officers. This is a qualifying third party indemnity provision for the purposes of the Companies Act 2006.

#### **Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the Report and 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.

## **BCA Logistics Limited**

### **Directors' report (continued) For the year ended 2 April 2023**

#### **Directors' confirmations**

In the case of each Director in office at the date the Directors' Report is approved:

- so far as they are 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.

#### **Our Employees and our wider stakeholder engagement**

The Company is committed to maintaining the co-operation and involvement of its employees in the future of the business. This is achieved through regular communications and dissemination of information via team meetings, bulletin boards, and cascade by email. Regular consultation takes place with all levels of employees as appropriate.

The Company is committed to ensuring that employment is based on equal opportunity for all, irrespective of gender, sexual orientation, race, ethnicity, disability, marital status, religious beliefs and age. The Company seeks to both 'appoint and promote from within' as a priority and to ensure employees have every opportunity for development. The Company also ensures performance management via appraisals takes place, with a view to enhancement of skills in line with business needs. In addition, the Company runs initiatives enabling employees to gain nationally recognised professional qualifications.

As well as employing individuals with disabilities, the Company (within the limitations of the work available and the nature of the disability to be taken into account) encourages the recruitment of those with disabilities wherever possible and provides re-training for employees who experience disability such that they can continue in their employment with the Company.

In line with the Companies 2006 Act, we have chosen to include further disclosure of our engagement with our employees and other stakeholders in the Strategic Report in addition to that set out in detail in the Constellation Automotive Group Limited Annual Report and Accounts.

#### **Independent auditors**

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

This report was approved by the Board of Directors on 26 September 2023 and signed on its behalf.



**J A Mullins  
Director**

# **BCA Logistics Limited**

## **Independent auditors' report to the members of BCA Logistics Limited**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion, BCA Logistics Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 2 April 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including 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 Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 2 April 2023; 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.

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.



## **BCA Logistics Limited**

### **Independent auditors' report to the members of BCA Logistics Limited (continued)**

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 2 April 2023 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 UK Corporation tax regulation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also 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 inappropriate posting of journals to manipulate the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management at multiple levels across the business throughout the period. These discussions have included consideration of known or suspected instances of non-compliance with laws and regulations or fraud;
- Evaluation of management's controls designed to prevent and detect irregularities;
- Identifying and testing unusual journal entries. In particular, journal entries posted with unusual account combinations;
- Incorporating elements of unpredictability into the audit procedures performed;
- Financial statement review procedures in relation to Companies Act 2006 requirements; and
- Audit of corporation tax including tax disclosures within the financial statements

## **BCA Logistics Limited**

### **Independent auditors' report to the members of BCA Logistics Limited (continued)**

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](http://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.

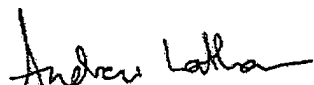
#### **Other required reporting**

##### **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.



Andrew Latham (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Watford  
26 September 2023

## BCA Logistics Limited

### Income statement

	Note	Year ended 2 April 2023 £000	Year ended 3 April 2022 £000
Revenue		106,133	91,543
Cost of sales		(93,920)	(80,845)
<b>Gross profit</b>		<b>12,213</b>	<b>10,698</b>
Administrative expenses		(19,077)	(18,209)
Other Operating Income		-	40
<b>Operating loss</b>	4	<b>(6,864)</b>	<b>(7,471)</b>
Finance expense	6	(482)	-
Finance income	6	-	20
<b>Finance (expense)/income - net</b>		<b>(482)</b>	<b>20</b>
<b>Loss on ordinary activities before income tax</b>		<b>(7,346)</b>	<b>(7,451)</b>
Income tax	7	1,446	1,524
<b>Loss for the year</b>		<b>(5,900)</b>	<b>(5,927)</b>

The Company has no income other than that included in the results above and, therefore, no separate statement of comprehensive income has been presented.

## BCA Logistics Limited

### Statement of changes in equity

	Share capital £000	Share premium £000	Retained earnings/ (accumulated losses) £000	Total shareholder's funds/(deficit) £000
<b>Balance as at 29 March 2021</b>	<b>1</b>	<b>5</b>	<b>10,639</b>	<b>10,645</b>
Loss for the year	-	-	(5,927)	(5,927)
Total comprehensive expense for the year	-	-	(5,927)	(5,927)
<b>Balance as at 3 April 2022</b>	<b>1</b>	<b>5</b>	<b>4,712</b>	<b>4,718</b>
Loss for the year	-	-	(5,900)	(5,900)
Total comprehensive expense for the year	-	-	(5,900)	(5,900)
<b>Balance as at 2 April 2023</b>	<b>1</b>	<b>5</b>	<b>(1,188)</b>	<b>(1,182)</b>

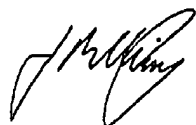
# BCA Logistics Limited

## Balance sheet

	Note	As at 2 April 2023 £000	As at 3 April 2022 £000
<b>Fixed assets</b>			
Intangible assets	8	1,942	1,315
Property, plant and equipment	9	3,814	4,319
Right-of-use assets	10	1,514	1,532
		<b>7,270</b>	<b>7,166</b>
<b>Current assets</b>			
Inventories	11	269	223
Trade and other receivables	12	21,800	17,366
Cash and cash equivalents		1,974	1,462
		<b>24,043</b>	<b>19,051</b>
<b>Creditors: amounts falling due within one year</b>	13	<b>(30,785)</b>	<b>(19,658)</b>
<b>Net current liabilities</b>		<b>(6,742)</b>	<b>(607)</b>
<b>Total assets less current liabilities</b>		<b>528</b>	<b>6,559</b>
Lease liabilities	14	(1,265)	(1,514)
Provisions for liabilities	16	(445)	(327)
<b>Net (liabilities)/assets</b>		<b>(1,182)</b>	<b>4,718</b>
<b>Equity</b>			
Share capital	17	1	1
Share premium		5	5
Retained earnings/(accumulated losses)		(1,188)	4,712
<b>Total shareholder's (deficit)/funds</b>		<b>(1,182)</b>	<b>4,718</b>

The notes on pages 12 to 26 are an integral part of these financial statements.

The financial statements on pages 9 to 26 were authorised for issue by the Board of Directors on 26 September 2023 and were signed on its behalf.



J A Mullins  
Director

Company registration number: 02539356

# **BCA Logistics Limited**

## **Notes to the financial statements For the year ended 2 April 2023**

### **1 General information**

The Company is a private limited company limited by shares and is incorporated and domiciled in the United Kingdom. The address of the registered office is Form 2, 18 Bartley Way Business Park, Bartley Way, Hook, Hampshire, RG27 9XA.

### **2 Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

#### **2.1 Basis of preparation**

These financial statements have been prepared in accordance with FRS 101 ("Reduced Disclosure Framework"), under the historical cost convention and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

The following exemptions from the requirements of IFRS are being applied in the preparation of these financial statements, in accordance with FRS 101:

- The disclosure of the categories of financial instruments and the nature and extent of risks arising on these financial instruments;
- The requirement to disclose the valuation techniques applied to assets and liabilities held at fair value;
- The requirement to provide comparative information in respect of a reconciliation of the carrying amount of each class of tangible assets at the beginning of the period;
- The requirement to provide comparative information in respect of a reconciliation of the carrying amount of each class of intangible assets at the beginning of the period;
- The requirement to produce a third statement of financial position when applying a change in accounting policy, retrospective restatement or reclassification;
- The requirement for an explicit and unreserved statement of compliance with IFRSs;
- The requirement to disclose information relating to the Company's objectives, policies and processes for managing capital;
- The requirement to publish a statement of cash flows;
- The requirement to disclose the future impact of a new IFRS in issue but not effective at the reporting date;
- The requirement to disclose compensation for key management between short term employee benefits, post-employment benefits and other long term benefits; and
- The requirements to disclose related party transactions entered into between two or more, wholly owned, members of a group.

#### **2.2 Going concern**

The Company meets its day to day working capital requirements through its cash reserves. The Company has net current liabilities of £6.7m and Constellation Automotive Holdings Limited has confirmed its willingness to support the Company for at least twelve months from the date the balance sheet is signed. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

# BCA Logistics Limited

## Notes to the financial statements For the year ended 2 April 2023

### 2 Summary of significant accounting policies (continued)

#### 2.3 Changes in accounting policy and disclosures

There were no new standards, amendments to accounting standards, or IFRIC interpretations effective for the year ended 2 April 2023 that have had a material impact on the Company.

#### 2.4 Intangible assets

Intangible assets comprise internally generated software and acquired computer software. These are carried at cost less accumulated amortisation and any recognised impairment loss.

Acquired computer software and software licences are capitalised and amortised on a straight-line basis over their useful lives. Costs relating to the development of computer software for internal use are capitalised once all the development phase recognition criteria of IAS 38 are met. Costs incurred before this point are expensed as incurred and are not recognised as an asset in a subsequent period. The assessment identifies unique software products that are controlled by the Company and that will probably generate economic benefits exceeding costs beyond one year. Salary and related employment costs that are directly attributable to the development of the software are then capitalised. When the software is available for its intended use, these costs are amortised in equal annual amounts over the estimated useful life of the software.

Amortisation and impairment are charged to the income statement as administrative expenses in the period in which they arise. Amortisation is calculated on a straight-line basis from the date on which they are brought into use with useful lives as indicated below:

Software - internally generated	3 - 10 years
Software - acquired	3 - 7 years, or the licence term if shorter

Amortisation periods and methods are reviewed annually and adjusted if appropriate.

#### 2.5 Impairment of non-financial assets

Non-financial assets not ready to use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. 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 fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

## BCA Logistics Limited

### Notes to the financial statements For the year ended 2 April 2023

#### 2 Summary of significant accounting policies (continued)

##### 2.6 Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Land and buildings	50 years, or over the unexpired period of the lease on leasehold buildings if shorter
Plant, machinery & equipment	2 - 25 years
Motor vehicles	3 - 5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the income statement. Depreciation is charged to the income statement as an administrative expense.

##### 2.7 Financial assets

###### Classification

The Company classifies its financial assets as loans and trade and other receivables. Management determines the classification of its financial assets at initial recognition.

###### Loans and trade receivables

Loans and trade receivables are non-derivative financial assets with fixed or determinable payments that arise principally through the provision of services to customers. These loans and trade receivables do not contain a significant financing component and are initially recognised at transaction price. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. Loans and trade receivables comprise trade and other receivables and cash and cash equivalents in the balance sheet.

###### Impairment of financial assets

Impairment provisions are recognised under the expected credit loss model on initial recognition of the receivable. The expected credit loss model is calculated using the simplified approach as there is no significant financing component. This approach requires expected lifetime losses to be recognised based on an expected default rate.

For trade receivables, which are reported net of any provisions, such provisions are recorded in a separate provision account with the loss being recognised within administrative expenses in the income statement. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

##### 2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with an original maturity of three months or less.

In the balance sheet, overdrafts are included within creditors due within one year.



## **BCA Logistics Limited**

### **Notes to the financial statements For the year ended 2 April 2023**

#### **2 Summary of significant accounting policies (continued)**

##### **2.9 Inventories**

Inventories, which principally comprise vehicles for resale, are stated at the lower of purchase cost and net realisable value. Net realisable value is based on estimated selling price, less further costs expected to be incurred on disposal. Inventory is reviewed for impairment and a provision recorded where net realisable has fallen below cost.

##### **2.10 Financial liabilities**

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

##### **Creditors**

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

##### **2.11 Provisions**

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be measured reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. The increase in the provision due to passage of time is recognised in finance costs. Provisions for dilapidations are made in respect of property leases, these are based on the Company's best estimate of the likely committed cash outflow.

##### **2.12 Share capital**

Ordinary shares are classified as equity.

##### **2.13 Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for services supplied, stated net of discounts, returns and value added taxes.

The Company recognises revenue at the time services are provided. All Company revenue for the current and prior periods was generated within the United Kingdom and represents fees for the provision of vehicle logistics and associated services.

## **BCA Logistics Limited**

### **Notes to the financial statements For the year ended 2 April 2023**

#### **2 Summary of significant accounting policies (continued)**

##### **2.14 Current and deferred income tax**

The tax credit for the year comprises current and deferred tax.

Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholder's deficit. In this case, the tax is also recognised in other comprehensive income or directly in shareholder's deficit, respectively.

The current tax credit is the expected tax receivable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to taxes payable in respect of previous periods. Current tax assets and liabilities are offset only if certain criteria are met.

Provisions for uncertain tax positions are recognised when the Company has a present obligation as a result of a past event and management judge that it is probable that there will be a future outflow of economic benefits to settle the obligation. Uncertain tax positions are assessed and measured on an issue by issue basis within the jurisdictions that the Company operates, and are measured as appropriate on an expected value or most likely outcome method, in line with the interpretation issued in IFRIC 23.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The following temporary differences are not provided for: the initial recognition of other assets or liabilities that affect neither accounting nor taxable profit other than in a business combination and differences relating to investments in subsidiaries to the extent that they are unlikely to reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

##### **2.15 Finance expense**

Finance costs comprise interest payable on borrowing, direct transaction costs and foreign exchange on finance balances. Transaction costs are amortised over the life of the debt using the effective interest method.

# BCA Logistics Limited

## Notes to the financial statements For the year ended 2 April 2023

### 2 Summary of significant accounting policies (continued)

#### 2.16 Leases

##### *The Company as a lessee*

The Company assesses whether a contract is or contains a lease, at inception of a contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the minimum lease payments that are not paid at the commencement date, discounted by using the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

The lease liability is presented as a separate line in the consolidated statement of financial position and is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- the lease payments substantially change or other rent concessions are agreed with the lessor during the lease term.
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The Company elects not to remeasure the lease liability when a significant change or rent concession has occurred as a direct consequence of the Covid-19 pandemic, provided: the revised consideration is substantially the same as, or less than, the consideration immediately preceding the change, any reduction in lease payments only affects payments originally due on or before 30 June 2021; and there is no other substantive change to the lease terms.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. The costs are included in the related right-of-use asset, unless those costs relate to assets which are accounted for as short term assets.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. The Company has elected to not apply IFRS 16 to leases of intangibles.

## **BCA Logistics Limited**

### **Notes to the financial statements For the year ended 2 April 2023**

#### **2 Summary of significant accounting policies (continued)**

##### **2.17 Dividend distribution**

Dividend distributions to the Company's shareholder are recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholder.

##### **2.18 Employee benefits**

The Company operates a defined contribution plan. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

#### **3 Critical accounting judgements and estimates**

The preparation of the Company's financial statements requires the Directors and management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities. Accounting policies are reviewed annually for appropriateness. Estimates and judgements are evaluated continually and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates, with any changes arising being recognised in the period in which the change in estimate is made or the final result determined.

Certain of the Company's significant accounting policies are considered by the Directors to be critical because of the level of complexity, judgement or estimation involved in their application and their impact on the financial statements. These are discussed below:

##### **Estimates**

There are no critical accounting estimates impacting these financial statements.

##### **Judgements**

There are no critical accounting judgements impacting these financial statements.

## BCA Logistics Limited

### Notes to the financial statements For the year ended 2 April 2023

#### 4 Operating loss

Operating loss is stated after charging/(crediting):

	Year ended 2 April 2023 £000	Year ended 3 April 2022 £000
Wages and salaries	36,178	29,296
Social security costs	3,559	2,586
Other pension costs	766	573
Staff costs	40,503	32,455
Depreciation of property, plant and equipment	1,679	1,575
Depreciation of right-of-use assets	367	304
Amortisation of intangible assets	429	276
Profit on disposal of property, plant and equipment	200	272
Short term lease expense	243	290
Low value lease expense	17	15
Management fee payable to intermediate parent undertaking	56	252
Services provided by the Company's auditors		
- Fees payable for the audit	20	19

# BCA Logistics Limited

## Notes to the financial statements For the year ended 2 April 2023

### 5 Employees and directors

#### Employees

The average monthly number of people (including Executive Directors) employed by the Company during the year was:

	Year ended 2 April 2023 Number	Year ended 3 April 2022 Number
<b>By activity</b>		
Administrative and management	343	353
Service	1,147	829
	<b>1,490</b>	<b>1,182</b>

#### Directors

The Directors' emoluments were as follows:

	Year ended 2 April 2023 £000	Year ended 3 April 2022 £000
Aggregate emoluments	316	400
Pension costs	6	6
	<b>322</b>	<b>406</b>

The emoluments of two (year ended 3 April 2022: one) Directors were paid by other Group companies, which makes no recharge to the Company. These Directors are directors of a number of fellow subsidiaries in the Constellation Automotive Group Limited Group and it is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries. Accordingly, these financial statements include no emoluments in respect of these Directors.

### 6 Finance income/(expense)

	Year ended 2 April 2023 £000	Year ended 3 April 2022 £000
<b>Finance income</b>		
Interest receivable from Group undertakings	-	85
<b>Total finance income</b>	-	85
<b>Finance expense</b>		
Interest payable to Group undertakings	(423)	-
Lease liability interest	(59)	(65)
<b>Total finance expense</b>	<b>(482)</b>	<b>(65)</b>
<b>Net finance (expense)/income</b>	<b>(482)</b>	<b>20</b>

# BCA Logistics Limited

## Notes to the financial statements For the year ended 2 April 2023

### 7 Income tax

Tax credit included in the income statement

	Year ended 2 April 2023 £000	Year ended 3 April 2022 £000
<b>Current tax:</b>		
Group relief surrendered to Group undertakings for payment	(970)	(1,453)
Adjustments in respect of previous periods	(380)	36
<b>Total current tax</b>	<b>(1,350)</b>	<b>(1,417)</b>
<b>Deferred tax:</b>		
Origination and reversal of temporary differences	(81)	(80)
Adjustments in respect of previous periods	(15)	(27)
<b>Total deferred tax</b>	<b>(96)</b>	<b>(107)</b>
<b>Income tax credit on loss on ordinary activities</b>	<b>(1,446)</b>	<b>(1,524)</b>

Income tax credit for the year is higher (year ended 3 April 2022: higher) than the standard rate of corporation tax in the UK for the year ended 2 April 2023 of 19.0% (year ended 3 April 2022: 19.0%). The differences are explained below:

Income tax reconciliation	Year ended 2 April 2023 £000	Year ended 3 April 2022 £000
Loss on ordinary activities before income tax	(7,346)	(7,451)
Loss multiplied by the standard rate of tax in the UK of 19.0% (year ended 3 April 2022: 19.0%)	(1,396)	(1,416)
Effects of:		
Expenses not deductible for tax purposes	12	(12)
Tax rate change	(31)	(112)
Adjustments in respect of previous periods	(19)	9
Impact of rate difference between deferred and current tax	(12)	7
<b>Tax credit</b>	<b>(1,446)</b>	<b>(1,524)</b>

On 3 March 2021 it was announced that the UK's main rate of corporation tax would increase from 19.0% to 25.0% from 1 April 2023. The increase in the rate was substantively enacted on 24 May 2021 and therefore deferred tax balances have been measured using these enacted tax rates in these financial statements.

Payment for group relief for the current and prior year is made based on the cash tax benefit received and amounts are included within the current tax disclosures.

# BCA Logistics Limited

## Notes to the financial statements For the year ended 2 April 2023

### 8 Intangible assets

	Software £000
<b>Cost</b>	
As at 4 April 2022	2,021
Additions	1,056
Disposals	(472)
<b>As at 2 April 2023</b>	<b>2,605</b>
<b>Accumulated amortisation</b>	
As at 4 April 2022	706
Charge for the year	429
Disposals	(472)
<b>As at 2 April 2023</b>	<b>663</b>
<b>Net book value</b>	
<b>As at 2 April 2023</b>	<b>1,942</b>
As at 3 April 2022	1,315

### 9 Property, plant and equipment

	Land and buildings £000	Motor vehicles £000	Plant, machinery & equipment £000	Total £000
<b>Cost</b>				
As at 4 April 2022	562	3,849	3,065	7,476
Additions	56	1,344	346	1,746
Disposals	-	(1,092)	(1,675)	(2,767)
<b>As at 2 April 2023</b>	<b>618</b>	<b>4,101</b>	<b>1,736</b>	<b>6,455</b>
<b>Accumulated depreciation</b>				
As at 4 April 2022	189	894	2,074	3,157
Charge for the year	90	1,012	577	1,679
Disposals	-	(520)	(1,675)	(2,195)
<b>As at 2 April 2023</b>	<b>279</b>	<b>1,386</b>	<b>976</b>	<b>2,641</b>
<b>Net book value</b>				
<b>As at 2 April 2023</b>	<b>339</b>	<b>2,715</b>	<b>760</b>	<b>3,814</b>
As at 3 April 2022	373	2,955	991	4,319



# BCA Logistics Limited

## Notes to the financial statements For the year ended 2 April 2023

### 10 Right-of-use assets

	Land and buildings £000
<b>Cost</b>	
As at 4 April 2022	2,358
Additions	349
<b>As at 2 April 2023</b>	<b>2,707</b>
<b>Accumulated depreciation</b>	
As at 4 April 2022	826
Charge for the year	367
<b>As at 2 April 2023</b>	<b>1,193</b>
<b>Net book value</b>	
<b>As at 2 April 2023</b>	<b>1,514</b>
As at 3 April 2022	1,532

### 11 Inventories

	As at 2 April 2023 £000	As at 3 April 2022 £000
Finished goods and goods for resale	269	223

There is no significant difference between the replacement cost of inventories and their carrying amounts. Inventories are stated after provision for impairment of £39,000 (3 April 2022: £48,000).

Inventories recognised as an expense and charged to the income statement during the year were £1.1m (3 April 2022: £0.6m).

### 12 Trade and other receivables

	As at 2 April 2023 £000	As at 3 April 2022 £000
Trade receivables	3,080	4,085
Amounts owed by Group undertakings	10,020	7,772
Other receivables	323	78
Prepayments and accrued income	7,367	4,897
Corporation Tax Asset	380	-
Deferred tax asset (note 15)	630	534
	<b>21,800</b>	<b>17,366</b>

Trade receivables are stated after provision for impairment of £45,000 (3 April 2022: £80,000).

Amounts owed by Group undertakings are unsecured, repayable on demand and bear interest at up to the three month British pound sterling SONIA plus 1.75% (3 April 2022: SONIA plus 1.75%) per annum.

# BCA Logistics Limited

## Notes to the financial statements For the year ended 2 April 2023

### 13 Creditors: amounts falling due within one year

	As at 2 April 2023 £000	As at 3 April 2022 £000
Trade creditors	786	1,183
Lease liabilities	535	337
Amounts owed to Group undertakings	18,325	7,408
Taxation and social security	3,715	2,821
Other creditors	383	771
Accruals and deferred income	7,041	7,138
	<b>30,785</b>	<b>19,658</b>

Amounts owed by Group undertakings are unsecured, repayable on demand and bear interest at up to the three month British pound sterling SONIA plus 1.75% (3 April 2022: up to SONIA plus 1.75%) per annum.

### 14 Lease liabilities

	As at 2 April 2023 £000	As at 3 April 2022 £000
Current lease liabilities	535	337
Non-current lease liabilities	1,265	1,514
<b>Total lease liabilities</b>	<b>1,800</b>	<b>1,851</b>

	As at 2 April 2023 £000	As at 3 April 2022 £000
The future undiscounted lease payments are as follows:		
Not later than one year	588	390
Later than one year and not later than five years	1,335	1,622
<b>Total gross payments</b>	<b>1,923</b>	<b>2,012</b>

As at 2 April 2023, there were commitments to future undiscounted lease payments of £nil in respect of leases which had not yet commenced.

The total cash outflow for leases, including short-term leases, low-value leases and variable payments, was £0.5m (3 April 2022: £0.5m).

## BCA Logistics Limited

### Notes to the financial statements For the year ended 2 April 2023

#### 15 Deferred tax

	Depreciation in excess of capital allowances £000	Other £000	Total £000
As at 29 March 2021	392	35	427
Credited/(charged) to the income statement	115	(8)	107
As at 3 April 2022	507	27	534
Credited to the income statement	88	8	96
As at 2 April 2023	595	35	630

A deferred tax asset is recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised.

#### 16 Provisions for liabilities

	Dilapidation and property costs £000
As at 3 April 2022	327
Charged to the income statement	118
As at 2 April 2023	445

The dilapidations provision relates to making good defects of leasehold buildings used within the business and is expected to be utilised within the next ten years.

#### Contingencies

At any point in time the Company may be party to various legal proceedings, some of which may involve claims for damages or disputes with customers, suppliers, employees or other contractors. The Company is currently subject to tribunal proceedings with regards to the worker status of a group of individuals contracted to provide vehicle logistics services. The outcome of such proceedings cannot be readily foreseen. Based on current facts and circumstances, Management believes that there are no disputes with any third parties that would result in a material liability for the Company.

#### 17 Share capital

##### Authorised, allotted and fully paid

	Number	£000
Ordinary shares of £1.00 each		
As at 3 April 2022 and 2 April 2023	1,433	1

## **BCA Logistics Limited**

### **Notes to the financial statements For the year ended 2 April 2023**

#### **18 Dividends**

During the year an interim dividend totalling £nil, £nil per share (year ended 3 April 2022: £nil) was proposed and paid. No final dividend is proposed (year ended 3 April 2022: £nil).

#### **19 Related party transactions**

The Company has taken advantage of the exemptions conferred by FRS 101 in paragraphs 8(j) and 8(k) relating to IAS 24, including the requirements to disclose related party transactions entered into between two or more, wholly owned, members of a group.

#### **20 Ultimate controlling party**

The Company's ultimate controlling party is TDR Capital LLP, a UK Limited Liability Partnership registered in England and Wales. The Company's ultimate parent is Constellation Automotive Topco Sarl, a company incorporated in Luxembourg. The Company is a wholly owned subsidiary of BCA Trading Limited. Constellation Automotive Holdings Limited is the largest and Constellation Automotive Group Limited is the smallest company that consolidates these financial statements. The registered office of Constellation Automotive Holdings Limited and Constellation Automotive Group Limited is Form 2, 18 Bartley Wood Business Park, Bartley Way, Hook, Hampshire, RG27 9XA. The consolidated financial statements can be obtained from the Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ.