

Registration number: 03923327

XLCR Vehicle Management Ltd

Annual Report and Consolidated Financial Statements

for the Year Ended 31 May 2022

Hargreaves Brown & Benson
Chartered Accountants and Registered Auditor
1 Bond Street
Colne
Lancashire
BB8 9DG



XLCR Vehicle Management Ltd

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XLCR Vehicle Management Ltd

Company Information

Directors	Mr L Duerden
	Mr S O'Neill
Company secretary	Mr L Duerden
Registered office	XLCR House
	35-43 Albert Road Colne Lancashire BB8 0BU
Auditors	Hargreaves Brown & Benson
	Chartered Accountants and Registered Auditor 1 Bond Street Colne Lancashire BB8 9DG

XLCR Vehicle Management Ltd

Strategic Report for the Year Ended 31 May 2022

The directors present their strategic report for the year ended 31 May 2022.

Principal activity

The principal activity of the group is the buying and selling of motor vehicles and the provision of motor vehicle finance products.

Fair review of the business

The profit for the year after taxation amounted to £352,770. Particulars of dividends paid are detailed in note 25 to the financial statements.

The directors consider the result for the year and the position of the group at the balance sheet date to be satisfactory.

XLCR Vehicle Management Limited has achieved very satisfactory results in what continues to be a difficult trading environment. Turnover has increased 15.3% and represents a very creditable performance under these circumstances.

The group's financial position has continued to remain adequate in terms of its ability to meet current obligations and the level of working capital required to support current and future activities.

The group's key financial and other performance indicators during the year were as follows:

Financial KPIs	Unit	2022	2021
Revenue	£m	18.68	16.20
Gross Profit	%	22.64	20.01
Operating Profit	%	2.27	3.67

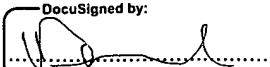
Principal risks and uncertainties

The group's directors have overall responsibility for the establishment, development and monitoring of the groups's risk and risk management policies.

The group's risk management policies are established to identify and analyse the risks they face, to set appropriate risk limits and controls to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities. The group, through training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The principal risks affecting the group are liquidity risk, interest rate risk and credit risk.

Approved and authorised by the Board on 8 March 2023 and signed on its behalf by:

DocuSigned by:

Mr L Duenden
Director

XLCR Vehicle Management Ltd

Directors' Report for the Year Ended 31 May 2022

The directors present their report and the for the year ended 31 May 2022.

Directors of the group

The directors who held office during the year were as follows:

Mr L Duerden

Mr S O'Neill

Dividends

The company paid a dividend of £310,000 (2021 - £310,000) representing £3,100 per share (2021 - £3,100). This dividend was an interim dividend with respect to the previous financial years.

Financial instruments

Objectives and policies

The group holds or issues financial instruments in order to achieve three main objectives, being;

- (a) to finance its operations;
- (b) to manage its exposure to interest and currency risk arising from its operations and from its sources of finance, and;
- (c) for trading purposes.

In addition, various financial instruments (trade debtors, trade creditors, accruals and prepayments) arise directly from the group's operations.

Transactions in financial instruments result in the group assuming from or transferring to another party one or more of the financial risks described below.

XLCR Vehicle Management Ltd

Directors' Report for the Year Ended 31 May 2022

Price risk, credit risk, liquidity risk and cash flow risk

Interest rate risk

Interest rate risk is the risk of financial loss to the group as a result of fluctuations in the market rate of interest. The group manages and controls interest rate risk on borrowings within acceptable parameters, whilst optimising the return on surplus funds.

The group maintains borrowing facilities with Barclays Bank Plc. The group places surplus funds on deposit with reputable banking institutions.

Credit risk

Credit risk is the risk of financial loss to the group if a customer or other party to a financial instrument fails to meet its contractual obligations and arises principally from amounts receivable from customers. The group monitors credit risk closely and considers that its current policy of credit checks meet the objectives of managing exposure to risk.

Credit risk is managed by the application of agreed terms of credit with each customer subject to monitoring and review. The group has no other significant concentrations of credit risk. Amounts shown in the Balance Sheet best represent maximum credit risk exposure in the event other parties fail to perform their obligations under financial instruments.

Liquidity risk


Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due. The approach to managing liquidity risk is to ensure that, as far as possible, the group has sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses or risking damage to the group's reputation.

The group at all times maintains adequate committed credit facilities in order to meet all its commitments as and when they fall due.

Disclosure of information to the auditor

Each director has taken 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 auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved and authorised by the Board on 8 March 2023 and signed on its behalf by:

DocuSigned by:

 Mr. L. Duerden
 Director

XLCR Vehicle Management Ltd

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

XLCR Vehicle Management Ltd

Independent Auditor's Report to the Members of XLCR Vehicle Management Ltd

Opinion

We have audited the financial statements of XLCR Vehicle Management Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 May 2022, which comprise the Consolidated Profit and Loss Account, Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Changes in Equity, Statement of Changes in Equity, Consolidated Statement of Cash Flows, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 May 2022 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

XLCR Vehicle Management Ltd

Independent Auditor's Report to the Members of XLCR Vehicle Management Ltd

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [set out on page 5], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

XLCR Vehicle Management Ltd

Independent Auditor's Report to the Members of XLCR Vehicle Management Ltd

Auditor Responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedure 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 are detailed below:

The engagement partner ensured that the engagement team collectively had appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.

The group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant; The Financial Reporting Standard FRS 102, the United Kingdom Companies Act 2006 and relevant United Kingdom taxation legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement disclosures.

We understood how the company is complying with those laws and regulations through discussions with directors and other company management and from our knowledge and experience of the sector in which the company operates.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by making enquiries of management as to whether they have considered susceptibility to fraud and their knowledge of actual, suspected and alleged fraud. We considered the internal controls in place which would mitigate the risk of fraud and non-compliance with laws and regulations.

We addressed the risk of fraud and misstatement arising through management bias and override of internal controls by performing analytical procedures to identify any unusual or unexpected relationships and testing journal entries in the accounting records to identify any unusual transactions. We assessed the judgements and assumptions made in the determination of significant accounting estimates with particular focus on potential management bias.

XLCR Vehicle Management Ltd

Independent Auditor's Report to the Members of XLCR Vehicle Management Ltd

In response to the risk of irregularities and non-compliance with laws and regulations we adopted procedures which included, but not limited to, agreeing the disclosures in the financial statements to underlying records and, where appropriate, supporting documentation; enquiring of management as to actual or potential litigation claims; and reviewing transactions with the company's legal and professional advisors. We also reviewed the correspondence with HM Revenue and Customs with regard to the taxation disclosures made by the company.

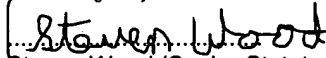
There are inherent limitations in our audit procedure described in the above. The more removed that laws and regulations are from financial transactions, the less likely we are to be able to identify material non-compliance. Auditing Standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that are due to fraud can be more difficult to detect than those which arise from other errors as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:



Steven Wood (Senior Statutory Auditor)

For and on behalf of Hargreaves Brown & Benson, Statutory Auditor

1 Bond Street
Colne
Lancashire
BB8 9DG

8 March 2023

XLCR Vehicle Management Ltd**Consolidated Profit and Loss Account for the Year Ended 31 May 2022**

	Note	2022 £	2021 £
Turnover	3	18,679,069	16,173,679
Cost of sales		<u>(14,449,757)</u>	<u>(12,931,838)</u>
Gross profit		4,229,312	3,241,841
Distribution costs		(118,571)	(92,530)
Administrative expenses		(3,687,272)	(2,596,977)
Other operating income	9	<u>700</u>	<u>42,909</u>
Operating profit	10	<u>424,169</u>	<u>595,243</u>
Other interest receivable and similar income	11	25,457	23,743
Interest payable and similar expenses	12	<u>(53,256)</u>	<u>(35,669)</u>
		<u>(27,799)</u>	<u>(11,926)</u>
Profit before tax		396,370	583,317
Tax on profit	13	<u>(43,600)</u>	<u>(94,278)</u>
Profit for the financial year		<u>352,770</u>	<u>489,039</u>
Profit/(loss) attributable to:			
Owners of the company		420,536	465,093
Minority interests		<u>(67,766)</u>	<u>23,946</u>
		<u>352,770</u>	<u>489,039</u>

The above results were derived from continuing operations.

The group has no recognised gains or losses for the year other than the results above.

XLCR Vehicle Management Ltd

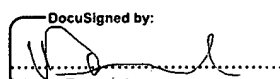
Consolidated Statement of Comprehensive Income for the Year Ended 31 May 2022

	2022 £	2021 £
Profit for the year	<u>352,770</u>	<u>489,039</u>
Total comprehensive income for the year	<u>352,770</u>	<u>489,039</u>
Total comprehensive income attributable to:		
Owners of the company	420,536	465,093
Minority interests	<u>(67,766)</u>	<u>23,946</u>
	<u>352,770</u>	<u>489,039</u>

XLCR Vehicle Management Ltd
(Registration number: 03923327)
Consolidated Balance Sheet as at 31 May 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	15	2,167,523	1,956,127
Current assets			
Stocks	17	1,997,523	975,795
Debtors	18	3,845,024	3,790,757
Cash at bank and in hand	19	<u>1,105,105</u>	<u>1,629,816</u>
		6,947,652	6,396,368
Creditors: Amounts falling due within one year	20	<u>(3,169,236)</u>	<u>(3,005,590)</u>
Net current assets		<u>3,778,416</u>	<u>3,390,778</u>
Total assets less current liabilities		5,945,939	5,346,905
Creditors: Amounts falling due after more than one year	20	(1,517,931)	(941,585)
Provisions for liabilities	21	<u>(68,470)</u>	<u>(88,552)</u>
Net assets		<u>4,359,538</u>	<u>4,316,768</u>
Capital and reserves			
Called up share capital	23	100	100
Retained earnings		<u>4,374,643</u>	<u>4,264,107</u>
Equity attributable to owners of the company		4,374,743	4,264,207
Minority interests		<u>(15,205)</u>	<u>52,561</u>
Shareholders' funds		<u>4,359,538</u>	<u>4,316,768</u>

Approved and authorised by the Board on 8 March 2023 and signed on its behalf by:

DocuSigned by:

 Mr Duerden
 Director

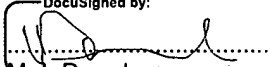
XLCR Vehicle Management Ltd

(Registration number: 03923327)
Balance Sheet as at 31 May 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	15	2,130,323	1,916,706
Investments	16	<u>52</u>	<u>52</u>
		<u>2,130,375</u>	<u>1,916,758</u>
Current assets			
Stocks	17	1,997,523	975,795
Debtors	18	3,819,095	3,708,005
Cash at bank and in hand	19	<u>1,016,895</u>	<u>1,485,496</u>
		6,833,513	6,169,296
Creditors: Amounts falling due within one year	20	<u>(3,161,804)</u>	<u>(3,012,338)</u>
Net current assets		<u>3,671,709</u>	<u>3,156,958</u>
Total assets less current liabilities		5,802,084	5,073,716
Creditors: Amounts falling due after more than one year	20	(1,442,031)	(838,085)
Provisions for liabilities	21	<u>(61,402)</u>	<u>(81,062)</u>
Net assets		<u>4,298,651</u>	<u>4,154,569</u>
Capital and reserves			
Called up share capital	23	100	100
Retained earnings		<u>4,298,551</u>	<u>4,154,469</u>
Shareholders' funds		<u>4,298,651</u>	<u>4,154,569</u>

The company made a profit after tax for the financial year of £454,082 (2021 - profit of £417,014).

Approved and authorised by the Board on 8 March 2023 and signed on its behalf by:

DocuSigned by:

 Mr. W. D. Dunder
 Director

XLCR Vehicle Management Ltd**Consolidated Statement of Changes in Equity for the Year Ended 31 May 2022**
Equity attributable to the parent company

	Share capital £	Retained earnings £	Total £	Non- controlling interests £	Total equity £
At 1 June 2021	100	4,264,107	4,264,207	52,561	4,316,768
Profit/(loss) for the year	-	420,536	420,536	(67,766)	352,770
Dividends	-	(310,000)	(310,000)	-	(310,000)
At 31 May 2022	100	4,374,643	4,374,743	(15,205)	4,359,538

	Share capital £	Retained earnings £	Total £	Non- controlling interests £	Total equity £
At 1 June 2020	100	4,109,014	4,109,114	28,615	4,137,729
Profit for the year	-	465,093	465,093	23,946	489,039
Dividends	-	(310,000)	(310,000)	-	(310,000)
At 31 May 2021	100	4,264,107	4,264,207	52,561	4,316,768

XLCR Vehicle Management Ltd

Statement of Changes in Equity for the Year Ended 31 May 2022

	Share capital £	Retained earnings £	Total £
At 1 June 2021	100	4,154,469	4,154,569
Profit for the year	-	454,082	454,082
Dividends	-	(310,000)	(310,000)
At 31 May 2022	100	4,298,551	4,298,651

	Share capital £	Retained earnings £	Total £
At 1 June 2020	100	4,047,455	4,047,555
Profit for the year	-	417,014	417,014
Dividends	-	(310,000)	(310,000)
At 31 May 2021	100	4,154,469	4,154,569

XLCR Vehicle Management Ltd**Consolidated Statement of Cash Flows for the Year Ended 31 May 2022**

	Note	2022 £	2021 £
Cash flows from operating activities			
Profit for the year		352,770	489,039
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	10	310,223	286,963
Profit on disposal of tangible assets	8	(60,640)	(2,770)
Finance income	11	(25,457)	(23,743)
Finance costs	12	53,256	35,669
Income tax expense	13	43,600	94,278
		<u>673,752</u>	<u>879,436</u>
Working capital adjustments			
Increase in stocks	17	(1,021,728)	(635,757)
Increase in trade debtors	18	(23,612)	(736,196)
(Decrease)/increase in trade creditors	20	<u>(31,150)</u>	<u>1,331,445</u>
Cash generated from operations		(402,738)	838,928
Income taxes paid		<u>(90,189)</u>	<u>(72,396)</u>
Net cash flow from operating activities		<u>(492,927)</u>	<u>766,532</u>
Cash flows from investing activities			
Interest received		25,457	23,743
Acquisitions of tangible assets		(623,123)	(253,320)
Proceeds from sale of tangible assets		<u>162,144</u>	<u>73,833</u>
Net cash flows from investing activities		<u>(435,522)</u>	<u>(155,744)</u>
Cash flows from financing activities			
Interest paid	12	(53,256)	(35,669)
Proceeds from bank borrowing draw downs		(173,055)	70,494
Repayment of other borrowing		75,747	20,823
Payments to finance lease creditors		864,302	(207,687)
Dividends paid		<u>(310,000)</u>	<u>(310,000)</u>
Net cash flows from financing activities		<u>403,738</u>	<u>(462,039)</u>
Net (decrease)/increase in cash and cash equivalents		(524,711)	148,749
Cash and cash equivalents at 1 June		<u>1,629,816</u>	<u>1,481,067</u>
Cash and cash equivalents at 31 May		<u>1,105,105</u>	<u>1,629,816</u>

The notes on pages 18 to 36 form an integral part of these financial statements.

XLCR Vehicle Management Ltd**Statement of Cash Flows for the Year Ended 31 May 2022**

	Note	2022 £	2021 £
Cash flows from operating activities			
Profit for the year		454,082	417,014
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	10	303,794	281,744
Profit on disposal of tangible assets	8	(60,640)	(2,770)
Finance income		(24,934)	(23,720)
Finance costs		46,999	35,359
Income tax expense		66,385	76,634
		<u>785,686</u>	<u>784,261</u>
Working capital adjustments			
Increase in stocks	17	(1,021,728)	(635,757)
Increase in trade debtors	18	(111,090)	(722,898)
(Decrease)/increase in trade creditors	20	<u>(45,723)</u>	<u>1,422,509</u>
Cash generated from operations		(392,855)	848,115
Income taxes paid		<u>(81,504)</u>	<u>(72,397)</u>
Net cash flow from operating activities		<u>(474,359)</u>	<u>775,718</u>
Cash flows from investing activities			
Interest received		24,934	23,720
Acquisitions of tangible assets		(618,915)	(235,247)
Proceeds from sale of tangible assets		<u>162,144</u>	<u>73,833</u>
Net cash flows from investing activities		<u>(431,837)</u>	<u>(137,694)</u>
Cash flows from financing activities			
Interest paid		(46,999)	(35,359)
Proceeds from bank borrowing draw downs		(145,455)	(60,606)
Repayment of other borrowing		75,747	158,823
Payments to finance lease creditors		864,302	(207,687)
Dividends paid		<u>(310,000)</u>	<u>(310,000)</u>
Net cash flows from financing activities		<u>437,595</u>	<u>(454,829)</u>
Net (decrease)/increase in cash and cash equivalents		(468,601)	183,195
Cash and cash equivalents at 1 June		<u>1,485,496</u>	<u>1,302,301</u>
Cash and cash equivalents at 31 May	19	<u>1,016,895</u>	<u>1,485,496</u>

The notes on pages 18 to 36 form an integral part of these financial statements.

XLCR Vehicle Management Ltd

Notes to the Financial Statements for the Year Ended 31 May 2022

1 General information

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

XLCR House
35-43 Albert Road
Colne
Lancashire
BB8 0BU

These financial statements were authorised for issue by the Board on 8 March 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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 years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The group financial statements consolidate the financial statements of XLCR Vehicle Management Limited (the parent company) and all of its subsidiary undertakings up to 31st May 2022.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Basis of consolidation

The group financial statements consolidate the financial statements of XLCR Vehicle Management Ltd (the parent company) and all of its subsidiary undertakings up to 31st May 2022.

A subsidiary is an entity controlled by the company. Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

XLCR Vehicle Management Ltd

Notes to the Financial Statements for the Year Ended 31 May 2022

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

Summary of disclosure exemptions

The parent company has taken advantage of section 408 of the Companies Act 2006 and has not included its own Income Statement in these financial statements. The parent company's profit for the year is disclosed on page 13 as a note to its individual Statement of Financial Position.

The financial statements of the group and company are presented in the currency of the primary economic environment in which the group and company operate (its functional currency). For the purposes of the financial statements the results and financial position of the group and company are presented in Sterling (£).

Judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made are addressed below.

Useful economic life of property, plant and equipment;

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The economic lives and residual values are re-assessed annually and, where necessary, amended to reflect current conditions.

Impairment of receivables;

The company makes an estimate of the recoverable value of trade and other receivables. When assessing the impairment of trade and other receivables the directors consider factors including age, independent credit rating and historical experience.

XLCR Vehicle Management Ltd

Notes to the Financial Statements for the Year Ended 31 May 2022

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the group's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the group.

The group recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the group's activities.

Tax

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

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

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the consolidated financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	25% reducing balance
Fixtures and fittings	10% reducing balance
Motor vehicles	25% reducing balance
Equipment	15% reducing balance
Leasehold improvements	5% on cost
Other property, plant and equipment	20% on cost

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Development costs	Over 4 years

XLCR Vehicle Management Ltd

Notes to the Financial Statements for the Year Ended 31 May 2022

Investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stock is stated as the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Trade creditors

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

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

XLCR Vehicle Management Ltd

Notes to the Financial Statements for the Year Ended 31 May 2022

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the group's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Turnover

The analysis of the group's Turnover for the year from continuing operations is as follows:

	2022	2021
	£	£
Sale of goods and services	<u>18,679,069</u>	<u>16,173,679</u>

XLCR Vehicle Management Ltd

Notes to the Financial Statements for the Year Ended 31 May 2022

4 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2022	2021
	£	£
Wages and salaries	1,570,316	1,336,909
Social security costs	150,608	131,008
CJRS grants received	(35,457)	(399,928)
Pension costs, defined contribution scheme	29,591	23,215
Other employee expense	17,284	6,221
	<u>1,732,342</u>	<u>1,097,425</u>

The average number of persons employed by the group (including directors) during the year, analysed by category was as follows:

	2022	2021
	No.	No.
Administration and support	<u>57</u>	<u>51</u>

5 Directors' remuneration

The directors' remuneration for the year was as follows:

	2022	2021
	£	£
Remuneration	<u>75,000</u>	<u>75,000</u>

6 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £29,591 (2021 - £23,215).

Contributions totalling £4,569 (2021 - £3,392) were payable to the scheme at the end of the year and are included in creditors.

XLCR Vehicle Management Ltd

Notes to the Financial Statements for the Year Ended 31 May 2022

7 Auditors' remuneration

	2022 £	2021 £
Audit of these financial statements	<u>10,000</u>	<u>5,000</u>
Other fees to auditors		
All other assurance services	<u>6,130</u>	<u>2,100</u>

8 Other gains and losses

The analysis of the group's other gains and losses for the year is as follows:

	2022 £	2021 £
Gain on disposal of property, plant and equipment	<u>60,640</u>	<u>2,770</u>

9 Other operating income

The analysis of the group's other operating income for the year is as follows:

	2022 £	2021 £
Government grants	<u>700</u>	<u>42,909</u>

10 Operating profit

Arrived at after charging/(crediting)

	2022 £	2021 £
Depreciation expense	310,223	283,933
Amortisation expense	-	3,030
Research and development cost	118,640	93,010
Operating lease expense - plant and machinery	182,549	154,666
(Profit) / loss on disposal of property, plant and equipment	<u>(60,640)</u>	<u>(2,770)</u>

11 Other interest receivable and similar income

	2022 £	2021 £
Interest income on bank deposits	3,215	335
Other finance income	<u>22,242</u>	<u>23,408</u>
	<u>25,457</u>	<u>23,743</u>

XLCR Vehicle Management Ltd**Notes to the Financial Statements for the Year Ended 31 May 2022****12 Interest payable and similar expenses**

	2022	2021
	£	£
Interest on bank overdrafts and borrowings	23,387	310
Interest on obligations under finance leases and hire purchase contracts	29,869	33,756
Other interest payable	-	1,603
	<u>53,256</u>	<u>35,669</u>

13 Taxation

Tax charged/(credited) in the consolidated profit and loss account

	2022	2021
	£	£
Current taxation		
UK corporation tax	94,337	96,802
UK corporation tax adjustment to prior periods	<u>(8,685)</u>	<u>1,087</u>
	85,652	97,889
Deferred taxation		
Arising from origination and reversal of timing differences	<u>(42,052)</u>	<u>(3,611)</u>
Tax expense in the income statement	<u>43,600</u>	<u>94,278</u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2021 - the same as the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

	2022	2021
	£	£
Profit before tax	<u>396,370</u>	<u>583,317</u>
Corporation tax at standard rate	75,310	110,830
Effect of expense not deductible in determining taxable profit (tax loss)	(11,522)	2,310
Decrease from effect of tax incentives	(10,029)	-
Tax increase from effect of capital allowances and depreciation	19,145	4,111
Tax decrease from effect of adjustment in research and development tax credit	<u>(29,304)</u>	<u>(22,973)</u>
Total tax charge	<u>43,600</u>	<u>94,278</u>

XLCR Vehicle Management Ltd

Notes to the Financial Statements for the Year Ended 31 May 2022

Deferred tax

Group

Deferred tax assets and liabilities

	Asset £	Liability £
2022		
Accelerated depreciation	-	68,470
Tax losses carried forwards	21,970	-
	<u>21,970</u>	<u>68,470</u>

	Asset £	Liability £
2021		
Accelerated depreciation	-	88,852
	<u>-</u>	<u>88,852</u>

Company

Deferred tax assets and liabilities

	Asset £	Liability £
2022		
Accelerated tax depreciation	-	61,402
	<u>-</u>	<u>61,402</u>

	Asset £	Liability £
2021		
Accelerated tax depreciation	-	81,062
	<u>-</u>	<u>81,062</u>

XLCR Vehicle Management Ltd

Notes to the Financial Statements for the Year Ended 31 May 2022

14 Intangible assets

Group

	Internally generated software development costs £	Total £
Cost or valuation		
At 1 June 2021	109,134	109,134
At 31 May 2022	109,134	109,134
Amortisation		
At 1 June 2021	109,134	109,134
At 31 May 2022	109,134	109,134
Carrying amount		
At 31 May 2022	-	-

The aggregate amount of research and development expenditure recognised as an expense during the period is £118,640 (2021 - £93,010).

Company

	Internally generated software development costs £	Total £
Cost or valuation		
At 1 June 2021	109,134	109,134
At 31 May 2022	109,134	109,134
Amortisation		
At 1 June 2021	109,134	109,134
At 31 May 2022	109,134	109,134
Carrying amount		
At 31 May 2022	-	-

The aggregate amount of research and development expenditure recognised as an expense during the period is £118,640 (2021 - £93,010).

XLCR Vehicle Management Ltd

Notes to the Financial Statements for the Year Ended 31 May 2022

15 Tangible assets

Group

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation					
At 1 June 2021	635,399	2,009,699	1,396,876	-	4,041,974
Additions	-	91,776	483,647	47,700	623,123
Disposals	-	-	(152,010)	-	(152,010)
At 31 May 2022	<u>635,399</u>	<u>2,101,475</u>	<u>1,728,513</u>	<u>47,700</u>	<u>4,513,087</u>
Depreciation					
At 1 June 2021	125,490	1,053,417	906,940	-	2,085,847
Charge for the year	22,834	120,145	165,654	1,590	310,223
Eliminated on disposal	-	-	(50,506)	-	(50,506)
At 31 May 2022	<u>148,324</u>	<u>1,173,562</u>	<u>1,022,088</u>	<u>1,590</u>	<u>2,345,564</u>
Carrying amount					
At 31 May 2022	<u>487,075</u>	<u>927,913</u>	<u>706,425</u>	<u>46,110</u>	<u>2,167,523</u>
At 31 May 2021	<u>509,909</u>	<u>956,282</u>	<u>489,936</u>	-	<u>1,956,127</u>

Included within the net book value of land and buildings above is £283,443 (2021 - £289,400) in respect of freehold land and buildings and £203,632 (2021 - £220,509) in respect of long leasehold land and buildings.

XLCR Vehicle Management Ltd

Notes to the Financial Statements for the Year Ended 31 May 2022

Company

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation					
At 1 June 2021	635,399	1,956,846	1,396,876	-	3,989,121
Additions	-	87,568	483,647	47,700	618,915
Disposals	-	-	(152,010)	-	(152,010)
At 31 May 2022	<u>635,399</u>	<u>2,044,414</u>	<u>1,728,513</u>	<u>47,700</u>	<u>4,456,026</u>
Depreciation					
At 1 June 2021	125,490	1,039,985	906,940	-	2,072,415
Charge for the year	22,834	113,716	165,654	1,590	303,794
Eliminated on disposal	-	-	(50,506)	-	(50,506)
At 31 May 2022	<u>148,324</u>	<u>1,153,701</u>	<u>1,022,088</u>	<u>1,590</u>	<u>2,325,703</u>
Carrying amount					
At 31 May 2022	<u>487,075</u>	<u>890,713</u>	<u>706,425</u>	<u>46,110</u>	<u>2,130,323</u>
At 31 May 2021	<u>509,909</u>	<u>916,861</u>	<u>489,936</u>	<u>-</u>	<u>1,916,706</u>

Included within the net book value of land and buildings above is £283,443 (2021 - £289,400) in respect of freehold land and buildings and £203,632 (2021 - £220,509) in respect of long leasehold land and buildings.

16 Investments

Group

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the group holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2022	2021
Subsidiary undertakings				
Intelligent Vehicle Finance Ltd*	9-11 Melville, Royal William Yard, Plymouth, England, PL1 3RP England and Wales	Ordinary	50%	50%
Xfleet Vehicle Retail Ltd*	XLCR House, 35-43 Albert Road, Colne, BB8 0BU England and Wales	Ordinary	100%	100%

XLCR Vehicle Management Ltd

Notes to the Financial Statements for the Year Ended 31 May 2022

* indicates direct investment of XLCR Vehicle Management Ltd

Subsidiary undertakings

Intelligent Vehicle Finance Ltd

The principal activity of Intelligent Vehicle Finance Ltd is the provision of business and personal motor vehicle leases in the UK. Its financial period end is 31 August.

Xfleet Vehicle Retail Ltd

The principal activity of Xfleet Vehicle Retail Ltd is the sale of used cars and motor vehicles.

For the year ending 31 May 2022 the following subsidiaries were entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies:

Xfleet Vehicle Retail Ltd

Intelligent Vehicle Finance Ltd

Company

	2022 £	2021 £
Investments in subsidiaries	<u>52</u>	<u>52</u>
Subsidiaries		£
Cost or valuation		
At 1 June 2021		<u>52</u>
Carrying amount		
At 31 May 2022		<u>52</u>
At 31 May 2021		<u>52</u>

17 Stocks

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Other inventories	<u>1,997,523</u>	<u>975,795</u>	<u>1,997,523</u>	<u>975,795</u>

Group

The carrying amount of stocks pledged as security for liabilities amounted to £1,582,424 (2021 - £668,803).

Company

The carrying amount of stocks pledged as security for liabilities amounted to £1,582,424 (2021 - £668,803).

XLCR Vehicle Management Ltd

Notes to the Financial Statements for the Year Ended 31 May 2022

18 Debtors

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Current				
Trade debtors	1,925,776	2,024,453	2,006,671	1,970,553
Other debtors	1,807,418	1,685,902	1,745,418	1,673,828
Prepayments	81,175	80,402	67,006	63,624
Deferred tax assets	21,970	-	-	-
Income tax asset	8,685	-	-	-
	<u>3,845,024</u>	<u>3,790,757</u>	<u>3,819,095</u>	<u>3,708,005</u>

19 Cash and cash equivalents

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Cash on hand	11,513	8,071	6,519	3,081
Cash at bank	<u>1,093,592</u>	<u>1,621,745</u>	<u>1,010,376</u>	<u>1,482,415</u>
	<u>1,105,105</u>	<u>1,629,816</u>	<u>1,016,895</u>	<u>1,485,496</u>

20 Creditors

		Group		Company	
	Note	2022	2021	2022	2021
		£	£	£	£
Due within one year					
Loans and borrowings	22	768,105	577,457	740,505	549,857
Trade creditors		1,953,234	1,907,835	2,019,694	1,991,607
Social security and other taxes		316,444	366,786	287,605	333,311
Outstanding defined contribution pension costs		4,569	3,392	4,569	3,392
Other payables		15,864	45,048	15,726	45,007
Accruals		10,070	8,270	5,970	5,970
Income tax liability		<u>100,950</u>	<u>96,802</u>	<u>87,735</u>	<u>83,194</u>
		<u>3,169,236</u>	<u>3,005,590</u>	<u>3,161,804</u>	<u>3,012,338</u>
Due after one year					
Loans and borrowings	22	<u>1,517,931</u>	<u>941,585</u>	<u>1,442,031</u>	<u>838,085</u>

XLCR Vehicle Management Ltd

Notes to the Financial Statements for the Year Ended 31 May 2022

21 Provisions for liabilities

Group

	Deferred tax £	Total £
At 1 June 2021	88,552	88,552
Increase (decrease) in existing provisions	<u>(20,082)</u>	<u>(20,082)</u>
At 31 May 2022	<u>68,470</u>	<u>68,470</u>

Company

	Deferred tax £	Total £
At 1 June 2021	81,062	81,062
Increase (decrease) in existing provisions	<u>(19,660)</u>	<u>(19,660)</u>
At 31 May 2022	<u>61,402</u>	<u>61,402</u>

22 Loans and borrowings

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Non-current loans and borrowings				
Bank borrowings	524,384	697,439	448,484	593,939
Hire purchase contracts	<u>993,547</u>	<u>244,146</u>	<u>993,547</u>	<u>244,146</u>
	<u>1,517,931</u>	<u>941,585</u>	<u>1,442,031</u>	<u>838,085</u>

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Current loans and borrowings				
Bank borrowings	173,055	173,055	145,455	145,455
Hire purchase contracts	209,963	95,062	209,963	95,062
Other borrowings	<u>385,087</u>	<u>309,340</u>	<u>385,087</u>	<u>309,340</u>
	<u>768,105</u>	<u>577,457</u>	<u>740,505</u>	<u>549,857</u>

Secured Liabilities

Bank borrowings of £593,939 (2021 - £739,394) are secured by a fixed charge on the freehold land and buildings owned by the group.

Hire purchase contracts and other borrowings of £1,588,958 (2021 - £648,548) are secured by fixed charges on the assets concerned.

XLCR Vehicle Management Ltd

Notes to the Financial Statements for the Year Ended 31 May 2022

Group

Included in the loans and borrowings are the following amounts due after more than five years:

	2022	2021
	£	£
After more than five years by instalments	<u>155,833</u>	<u>-</u>

Borrowings due after five years

Hire purchase contracts of £155,833, due after five years, are repayable at £9,166.67 per month with interest charged at 4.5%.

Company

Included in the loans and borrowings are the following amounts due after more than five years:

	2022	2021
	£	£
After more than five years by instalments	<u>155,833</u>	<u>-</u>

Borrowings due after five years

Hire purchase contracts of £155,833, due after five years, are repayable at £9,166.67 per month with interest charged at 4.5%.

23 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary share of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

24 Minority interests

The minority interests relate to:

Intelligent Vehicle Finance Ltd of which 50% (2021 - 50%) of the voting rights are held outside of the group.

25 Dividends

Final dividends paid

	2022	2021
	£	£
Final dividend of £3,100 per each Ordinary share	<u>310,000</u>	<u>310,000</u>

XLCR Vehicle Management Ltd

Notes to the Financial Statements for the Year Ended 31 May 2022

26 Related party transactions

Group

Transactions with directors

	At 1 June 2021 £	Advances to director £	Repayments by director £	At 31 May 2022 £
2022				
Mr L Duerden				
Unsecured, repayable on demand; interest charged at the official rate	212,781	338,021	(155,000)	395,802
Mr S O'Neill				
Unsecured, repayable on demand; interest charged at the official rate	750,635	219,346	(155,000)	814,981
	At 1 June 2020 £	Advances to director £	Repayments by director £	At 31 May 2021 £
2021				
Mr L Duerden				
Unsecured, repayable on demand; interest charged at the official rate	190,882	176,899	(155,000)	212,781
Mr S O'Neill				
Unsecured, repayable on demand; interest charged at the official rate	718,337	187,298	(155,000)	750,635

Dividends paid to directors

	2022 £	2021 £
Mr S O'Neill	155,000	155,000
Mr L Duerden	155,000	155,000

XLCR Vehicle Management Ltd

Notes to the Financial Statements for the Year Ended 31 May 2022

Summary of transactions with all associates

Duerden & O'Neill Estates

(A business operated by the directors)

During the year the company paid £112,500 rent to the property rental business (2021 - £112,500). There is a charge over XLCR Vehicle Management Limited to secure borrowings made by the partners of Duerden & O'Neill Estates.

At the balance sheet date the amount due to Duerden & O'Neill Estates was £nil (2021 - £nil).

Summary of transactions with other related parties

Road Engineering Ltd

(A company of which Mr L Duerden is the majority shareholder)

The company advanced loan facilities to Road Engineering Ltd during the year. The amount due at the balance sheet date from Road Engineering Ltd was £319,527 (2021 - £476,052).

Company

Transactions with directors

	At 1 June 2021 £	Advances to director £	Repayments by director £	At 31 May 2022 £
2022				
Mr L Duerden				
Unsecured, repayable on demand; interest charged at the official rate	212,781	338,021	(155,000)	395,802
Mr S O'Neill				
Unsecured, repayable on demand; interest charged at the official rate	750,635	219,346	(155,000)	814,981
	<u>750,635</u>	<u>219,346</u>	<u>(155,000)</u>	<u>814,981</u>
	At 1 June 2020 £	Advances to director £	Repayments by director £	At 31 May 2021 £
2021				
Mr L Duerden				
Unsecured, repayable on demand; interest charged at the official rate	190,882	176,899	(155,000)	212,781
Mr S O'Neill				
Unsecured, repayable on demand; interest charged at the official rate	718,337	187,298	(155,000)	750,635
	<u>718,337</u>	<u>187,298</u>	<u>(155,000)</u>	<u>750,635</u>

XLCR Vehicle Management Ltd

Notes to the Financial Statements for the Year Ended 31 May 2022

Dividends paid to directors

	2022 £	2021 £
Mr L Duerden	<u>155,000</u>	<u>155,000</u>
Mr S O'Neill	<u>155,000</u>	<u>155,000</u>

27 Parent and ultimate parent undertaking

The parent undertaking of the group is XLCR Vehicle Management Ltd.

The directors are considered to be the ultimate controlling party by virtue of their ability to act in concert in respect of the operational and financial policies of the company.