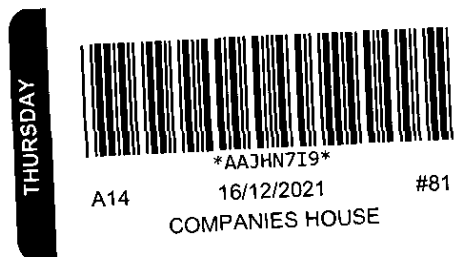


REGISTERED NUMBER: 10376605 (England and Wales)

**GROUP STRATEGIC REPORT, DIRECTOR'S REPORT AND
AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
PETER WADDELL HOLDCO LIMITED**



PETER WADDELL HOLDCO LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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PETER WADDELL HOLDCO LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020

DIRECTOR: P Waddell

REGISTERED OFFICE: The Showroom
Lakeside Services
Sturry Road
Canterbury
Kent
CT1 1DS

REGISTERED NUMBER: 10376605 (England and Wales)

AUDITOR: KPMG LLP
1 Forest Gate
Brighton Road
Crawley
RH11 9PT

PETER WADDELL HOLDCO LIMITED
GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The director presents his strategic report of the company and the group for the year ended 31 December 2020.

EXPLANATION OF THESE FINANCIAL STATEMENTS

The company was incorporated on 15 September 2016 and on 30 September 2016 issued shares to Peter Waddell, the sole shareholder, in exchange of his shareholdings in two quality used car dealers (Bapchild Motoring World (Kent) Limited and Canterbury Motoring World Limited) and three companies holding the various properties occupied by the car dealers.

As Peter Waddell held 100% of Canterbury Motoring World and two of the property companies, the acquisition of these companies has been accounted for as a merger. The company did not acquire all of the equity in Bapchild Motoring World (Kent) and the third property company, the acquisition of these entities have been accounted for at fair value.

During 2018 the group purchased shares in another property company, Whitecliff Dover Limited. The group didn't acquire all of the equity in this company, the acquisition of this entity has been accounted for at fair value. In 2020 the group purchased the remaining equity of Whitecliff Dover Limited and now owns 100% of the issued share capital.

The current year and prior year consolidated results reflect a full period of the subsidiary.

REVIEW OF BUSINESS

The results for the year and the financial position at the year end were considered satisfactory by the directors, and have demonstrated that the considerable investment in expanding the group has been worth while.

The group's turnover has continued to grow and due to strong purchasing power at the auctions the business is able to provide competitively priced used motor vehicles.

The group continues to advertise heavily but effectively in order to create greater customer awareness of the company and broaden the location of its customer base.

The group success depends to an extent upon recruitment, development and retention of key staff and the level of staff within the group continues to increase. The group has meetings with staff to discuss the company's objectives and performance and for them to discuss their concerns and ideas for the business.

The group management team meets regularly to review the monthly management accounts when analysing trading issues and the progress of the business.

Following the lifting of lockdown restrictions in April 2021, the company looks forward to a period of buoyant trading and stability. The group is alert to the potential of more challenges ahead, however, it has the capability to respond to those should they arise. Beyond that, it is the intention of the company is seeking opportunities to continue to grow the business organically and by acquisition in accordance with its long term business plan.

Turnover for the year was £308,301,094 (2019: £298,948,360), the business has continued to see an increase in the number of vehicles being sold each month resulting in increased sales. Business leads being supplied to our finance providers have remains consistent so the business has been able to arrange deals that result in a steady level of finance commission being earned. As a result in this period commission received totalled £9,905,780 (2019: £10,498,924).

Gross profit has decreased in the financial year to 6.36% (2019: 7.58%)

PETER WADDELL HOLDCO LIMITED
GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

PRINCIPAL RISKS AND UNCERTAINTIES

Liquidity risk

This company closely monitors its bank overdraft, loans and other credit facilities in comparison to its outstanding commitments to ensure that it has sufficient funds to meet its obligations as they fall due. The company's objective is to maintain a balance between the continuity of funding and flexibility through the use of bank overdrafts, loans and other credit facilities.

Interest rate risk

The company is exposed to fair value interest rate risk on its fixed rate borrowings and cash flow interest rate risk on floating rate deposits, bank overdrafts and loans.

Credit risk

Investments of cash surpluses and borrowings are made through banks and companies which must fulfil credit rating approved criteria by the Board.

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary

Brexit.

The board have review the impact of various scenarios on the sale process, supply chain and labour mobility. It's been found that each scenario will have a minimal effect to the business. The findings are reviewed and updated as and when more information regarding Brexit becomes available.

FUTURE DEVELOPMENTS

The group intends to increase its volume and profitability by offering the highest standards and most competitively priced range of stock from its existing locations. Having integrated the new Peterborough refurbishment facility into the business it will focus on driving scale efficiencies to enhance the quality of its stock offering. As well as driving the efficiency arising from its current footprint, the group is actively seeking opportunities to expand operations beyond its South East base, in order to fully capitalise on its operating facilities and retail expertise.

The group has now grown to 500 staff, and it recognises the importance of a highly trained and adaptable work force at all levels as being key to the delivery of its strategic objectives. In connection with this, resources are directed to training and development so as to enhance the effectiveness of the people in the business with the concomitant benefit for staff morale and satisfaction.

Whilst there may be challenges ahead, the business is thankful for the support of fenders, suppliers, employees, and customers. It has the liquidity and profitability to enable it to meet the current business challenges head on, beyond which the objective remains to continue to grow and thrive for the benefit of all.


PETER WADDELL HOLDCO LIMITED
GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

SECTION 172(1) STATEMENT

The directors of the company consider that they have acted in the way they consider would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Act) in the decisions taken during the year ended 31 December 2020. As a privately owned and managed business, the Directors' and Shareholders' interests are by default linked as the company is controlled by one of the directors.

The development of the business in 2020 could not have taken place without the support of its bankers and funders, suppliers and employees to deliver increased trading which ultimately all parties will benefit from. The interests of the external parties are self-evident but for employees, the expansion has been an exceptional opportunity for personal growth and development with many promoted or relocating to the new sites. The new sites required significant investment breathing life into mothballed or even derelict premises, creating new employment and attracting retail customers to otherwise vacant premises, with the concomitant boost for that local economy.

ON BEHALF OF THE BOARD:


.....
Director

The Showroom
Lakeside Services
Sturry Road
Canterbury
Kent
CT1 1DS

Date: 2.12.2021

PETER WADDELL HOLDCO LIMITED
DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The director presents his report with the financial statements of the company and the group for the year ended 31 December 2020.

PRINCIPAL ACTIVITIES

The principal activity continues to be that of a quality used car sales showroom. During the year the business also provided workshop and body repair services.

The company continued to trade from the existing locations in Bluebell Hill, West Malling, Snodland, Canterbury and Enfield. The business continues to obtain a greater share of the market place for the sale of quality used vehicles.

The group's property rental and investment portfolio continued to grow during the period with investment properties being purchased in Sittingbourne and Dover.

DIVIDENDS

The total distribution of interim dividends for the period ended 31 December was nil (December 2019: £122,000)

DIRECTOR

P Waddell held office during the whole of the period from 1 January 2020 to the date of this report.

POLITICAL DONATIONS AND EXPENDITURE

There were no political donations were made during the year.

GREENHOUSE GAS EMISSIONS, ENERGY CONSUMPTION AND ENERGY EFFICIENCY

The group greenhouse gas emissions and energy consumption are as follows:

	31 December 2020kWh
UK Energy consumed	
Electricity use	515,701
Gas combustion	109,407
Fuel consumption	123,900

	31 December 2020Tonnes CO2
UK Emissions from	
Scope 1 (Direct)	281.69
Scope 2 (Energy Indirect)	505.92
Scope 3 (Other Indirect)	483.09

The Group quantifies and reports its organisational greenhouse gas emissions using UK government conversion factors.

Intensity ratio (energy efficiency)	0.06
-------------------------------------	------

The intensity ratio used is the number of vehicles sold per tonne of CO₂, this is a simple measure of energy efficiency which will allow for fair comparison over time.

The company as a group is gaining a better understanding to the environmental performance of its activities and has an increased awareness of the environmental risks to the business and our stakeholders.

To date the Company has installed LED lighting internally and externally and where possible all lighting is controlled by PIR motion detection to minimise unnecessary use. We have also installed a cost effective air conditioning reverse heat transfer units in all locations reducing usage of high energy electric elements and these are serviced on a regular basis to maximise benefit and effectiveness. We have installed on all sites the introduction of EV charging points and moved an element of stock to EV Vehicles including the staff movement vehicles reducing the reliance on fossil fuel usage.

On two of our largest sites we have water recycling plants which recycles waste water, extends our water supply reduces discharge and disposal costs and saves energy.

PETER WADDELL HOLDCO LIMITED
DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

EMPLOYEES

The group has a policy of offering equal opportunities to employees at all levels in respect of the conditions of work.

The group recognises the importance of a well training and adaptable work force at all levels. In connection with this, resources are directed to training and development so as to enhance the effectiveness of the people in the business.

Consultation and meetings, formal or otherwise, are held with all levels of employees to discuss problems and opportunities.

DISCLOSURE IN THE STRATEGIC REPORT

The following items normally included in this report have been disclosed in the Strategic Report.

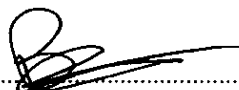
Review of Business

Future Developments

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditor is unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditor is aware of that information.

ON BEHALF OF THE BOARD:


.....
P Waddell - Director

The Showroom
Lakeside Services
Sturry Road
Canterbury
Kent
CT1 1DS

Date: 2.12.2021

PETER WADDELL HOLDCO LIMITED

STATEMENT OF DIRECTOR'S RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2020

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the group and parent company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent company and of the groups profit or loss for that period. In preparing each of the group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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;
- assess the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
PETER WADDELL HOLDCO LIMITED**

Opinion

We have audited the financial statements of Peter Waddell Holdco Limited ("the company") for the year ended 31 December 2020 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement, and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2020 and of the group's profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The director has prepared the financial statements on the going concern basis as he does not intend to liquidate the group or the company or to cease their operations, and as he has concluded that the group and the company's financial position means that this is realistic. He has also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the director's conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the director's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the group or the company will continue in operation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PETER WADDELL HOLDCO LIMITED

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of the director and management as to the Group's high-level policies and procedures to prevent and detect fraud, including the group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that group management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition due to the simple nature of the revenue recognition policy.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test for all full scope components based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts associated with cash.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and discussed with the director and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, employment law and FCA regulatory compliance, recognising the nature of the company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PETER WADDELL HOLDCO LIMITED

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the director's report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the director's report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 6, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; assessing the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
PETER WADDELL HOLDCO LIMITED**

The purpose of our audit work and to whom we owe our responsibilities

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.



Mark Sheppard (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
1 Forest Gate
Brighton Road
Crawley
RH11 9PT

Date: 6 December 2021

PETER WADDELL HOLDCO LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	31/12/20 £	31/12/19 £
TURNOVER	3	308,301,094	298,948,360
Cost of sales		<u>(288,710,709)</u>	<u>(276,350,889)</u>
GROSS PROFIT		19,590,385	22,597,471
Administrative expenses		<u>(17,976,092)</u>	<u>(15,418,885)</u>
		1,614,293	7,178,586
Other operating income	4	<u>4,401,646</u>	<u>1,346,056</u>
GROUP OPERATING PROFIT	6	6,015,939	8,524,642
Share of operating loss in Associates		(615,658)	-
Interest receivable and similar income		10,000	7,500
Interest payable and similar expenses	7	<u>(604,015)</u>	<u>(527,761)</u>
PROFIT BEFORE TAXATION		4,806,266	8,004,381
Tax on profit	8	<u>(1,728,510)</u>	<u>(2,389,388)</u>
PROFIT FOR THE FINANCIAL YEAR		3,077,756	5,614,993
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>3,077,756</u>	<u>5,614,993</u>
Profit attributable to:			
Owners of the parent		736,540	2,587,912
Non-controlling interests		<u>2,341,216</u>	<u>3,027,081</u>
		<u>3,077,756</u>	<u>5,614,993</u>
Total comprehensive income attributable to:			
Owners of the parent		736,540	2,587,912
Non-controlling interests		<u>2,341,216</u>	<u>3,027,081</u>
		<u>3,077,756</u>	<u>5,614,993</u>

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET
31 DECEMBER 2020

	Notes	31/12/20 £	31/12/19 £
FIXED ASSETS			
Intangible assets	11	26,916,709	31,592,431
Tangible assets	12	28,744,612	30,742,583
Investments	13		
Interest in associate		4,215,142	-
Investment property	14	<u>6,742,112</u>	<u>5,538,976</u>
		<u>66,618,575</u>	<u>67,873,990</u>
CURRENT ASSETS			
Stocks	15	49,219,041	41,014,687
Debtors	16	6,396,681	6,072,098
Cash at bank and in hand		<u>11,801,676</u>	<u>10,202,745</u>
		67,417,398	57,289,530
CREDITORS			
Amounts falling due within one year	17	<u>(61,034,782)</u>	<u>(51,618,222)</u>
NET CURRENT ASSETS		<u>6,382,616</u>	<u>5,671,308</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		73,001,191	73,545,298
CREDITORS			
Amounts falling due after more than one year	18	(293,582)	(414,316)
PROVISIONS FOR LIABILITIES	21	<u>(1,693,332)</u>	<u>(1,611,698)</u>
NET ASSETS		<u>71,014,277</u>	<u>71,519,284</u>
CAPITAL AND RESERVES			
Called up share capital	22	1,000,000	1,000,000
Share premium	23	56,099,192	56,099,192
Merger reserve	23	2,584,941	2,584,941
Retained earnings	23	<u>5,684,709</u>	<u>4,373,655</u>
SHAREHOLDERS' FUNDS		65,368,842	64,057,788
NON-CONTROLLING INTERESTS		<u>5,645,435</u>	<u>7,461,496</u>
TOTAL EQUITY		<u>71,014,277</u>	<u>71,519,284</u>

The financial statements were approved by the director on 2.12.2021 and were signed by:



P Waddell - Director

The notes form part of these financial statements

COMPANY BALANCE SHEET
31 DECEMBER 2020

	Notes	31/12/20 £	31/12/19 £
FIXED ASSETS			
Intangible assets	11	-	-
Tangible assets	12	-	-
Investments	13	63,566,904	58,305,341
Investment property	14	<u>348,215</u>	<u>348,215</u>
		<u>63,915,119</u>	<u>58,653,556</u>
CURRENT ASSETS			
Debtors	16	12,845,760	15,865,714
Cash at bank and in hand		<u>162,148</u>	<u>93,136</u>
		13,007,908	15,958,850
CREDITORS			
Amounts falling due within one year	17	<u>(7,145,096)</u>	<u>(8,445,514)</u>
NET CURRENT ASSETS		<u>5,862,812</u>	<u>7,513,336</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>69,777,931</u>	<u>66,166,892</u>
CAPITAL AND RESERVES			
Called up share capital	22	1,000,000	1,000,000
Share premium	23	56,099,192	56,099,192
Merger reserve	23	2,584,941	2,584,941
Retained earnings	23	<u>10,093,798</u>	<u>6,482,759</u>
SHAREHOLDERS' FUNDS		<u>69,777,931</u>	<u>66,166,892</u>
Company's profit for the financial year		<u>3,611,039</u>	<u>4,202,983</u>

The financial statements were approved by the director on 2.12.2021 and were signed by:


.....
P Waddell - Director

PETER WADDELL HOLDCO LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 January 2019	1,000,000	1,907,743	56,099,192
Profit for the year	-	2,587,912	-
Total comprehensive income	-	2,587,912	-
Dividends	-	(122,000)	-
Balance at 31 December 2019	<u>1,000,000</u>	<u>4,373,655</u>	<u>56,099,192</u>
Profit for the year	-	736,540	-
Total comprehensive income	-	736,540	-
Transactions with shareholders - Acquisition of NCI	-	574,514	-
Balance at 31 December 2020	<u>1,000,000</u>	<u>5,684,709</u>	<u>56,099,192</u>

	Merger reserve £	Total £	Non-controlling interests £	Total equity £
Balance at 1 January 2019	2,584,941	61,591,876	7,751,415	69,343,291
Profit for the year	-	2,587,912	3,027,081	5,614,993
Total comprehensive income	-	2,587,912	3,027,081	5,614,993
Dividends	-	(122,000)	(3,317,000)	(3,439,000)
Balance at 31 December 2019	<u>2,584,941</u>	<u>64,057,788</u>	<u>7,461,496</u>	<u>71,519,284</u>
Profit for the year	-	736,540	2,341,216	3,077,756
Total comprehensive income	-	736,540	2,341,216	3,077,756
Dividends	-	-	(3,152,000)	(3,152,000)
Transactions with shareholders - Acquisition of NCI	-	574,514	(1,005,277)	(430,763)
Balance at 31 December 2020	<u>2,584,941</u>	<u>65,368,842</u>	<u>5,645,435</u>	<u>71,014,277</u>

The notes form part of these financial statements

PETER WADDELL HOLDCO LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital £	Retained earnings £	Share premium £	Merger reserve £	Total equity £
Balance at 1 January 2019	1,000,000	2,401,776	56,099,192	2,584,941	62,085,909
Profit for the year	-	4,202,983	-	-	4,202,983
Total comprehensive income	-	4,202,983	-	-	4,202,983
Dividends	-	(122,000)	-	-	(122,000)
Balance at 31 December 2019	<u>1,000,000</u>	<u>6,482,759</u>	<u>56,099,192</u>	<u>2,584,941</u>	<u>66,166,892</u>
Profit for the year	-	3,611,039	-	-	3,611,039
Total comprehensive income	-	3,611,039	-	-	3,611,039
Balance at 31 December 2020	<u>1,000,000</u>	<u>10,093,798</u>	<u>56,099,192</u>	<u>2,584,941</u>	<u>69,777,931</u>

The notes form part of these financial statements

PETER WADDELL HOLDCO LIMITED

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	31/12/20 £	31/12/19 £
Cash flows from operating activities			
Cash generated from operations	1	2,151,074	(183,796)
Interest paid		(604,015)	(527,761)
Tax paid		<u>(1,369,224)</u>	<u>(2,438,055)</u>
Net cash from operating activities		<u>177,835</u>	<u>(3,149,612)</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(19,206)	-
Purchase of tangible fixed assets		(2,281,710)	(14,427,658)
Purchase of fixed asset investments		(4,830,800)	-
Purchase of investment property		(1,203,136)	(2,018,976)
Sale of tangible fixed assets		2,471,727	152,986
Purchase of subsidiary		(430,763)	-
Interest received		<u>10,000</u>	<u>7,500</u>
Net cash from investing activities		<u>(6,283,888)</u>	<u>(16,286,148)</u>
Cash flows from financing activities			
New loans in year		15,101,346	24,362,072
Loan repayments in year		(2,811,958)	(4,907,475)
Amount introduced by directors		-	5,804,762
Amount withdrawn by directors		(1,432,404)	(75,616)
Dividends paid		-	(122,000)
Dividends paid to minority interests		<u>(3,152,000)</u>	<u>(3,317,000)</u>
Net cash from financing activities		<u>7,704,984</u>	<u>21,744,743</u>
Increase in cash and cash equivalents		<u>1,598,931</u>	<u>2,308,983</u>
Cash and cash equivalents at beginning of year	2	<u>10,202,745</u>	<u>7,893,762</u>
Cash and cash equivalents at end of year	2	<u><u>11,801,676</u></u>	<u><u>10,202,745</u></u>

The notes form part of these financial statements

PETER WADDELL HOLDCO LIMITED

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	31/12/20 £	31/12/19 £
Profit before taxation	4,806,266	8,004,381
Profit on disposal of fixed assets	(162,075)	(29,994)
Gain on revaluation of fixed assets	-	(735,000)
Depreciation and impairment charges	6,663,227	5,784,018
Share of loss of associate	615,658	-
Finance costs	604,015	527,761
Finance income	<u>(10,000)</u>	<u>(7,500)</u>
	12,517,091	13,543,666
Increase in stocks	(8,204,354)	(11,862,371)
Increase in trade and other debtors	(324,583)	(2,984,662)
(Decrease)/increase in trade and other creditors	<u>(1,837,080)</u>	<u>1,119,571</u>
Cash generated from operations	<u><u>2,151,074</u></u>	<u><u>(183,796)</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2020

	31/12/20 £	1/1/20 £
Cash and cash equivalents	<u><u>11,801,676</u></u>	<u><u>10,202,745</u></u>

Year ended 31 December 2019

	31/12/19 £	1/1/19 £
Cash and cash equivalents	<u><u>10,202,745</u></u>	<u><u>7,893,762</u></u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/1/20 £	Cash flow £	At 31/12/20 £
Net cash			
Cash at bank and in hand	<u>10,202,745</u>	<u>1,598,931</u>	<u>11,801,676</u>
	<u>10,202,745</u>	<u>1,598,931</u>	<u>11,801,676</u>
Debt			
Debts falling due within 1 year	(35,013,850)	(9,458,775)	(44,472,625)
Debts falling due after 1 year	<u>(414,316)</u>	<u>120,734</u>	<u>(293,582)</u>
	<u>(35,428,166)</u>	<u>(9,338,041)</u>	<u>(44,766,207)</u>
Total	<u><u>(25,225,421)</u></u>	<u><u>(7,739,110)</u></u>	<u><u>(32,964,531)</u></u>

The notes form part of these financial statements

PETER WADDELL HOLDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. STATUTORY INFORMATION

Peter Waddell Holdco Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The company was incorporated on 15 September 2016 and on 30 September 2016 issued shares to Peter Waddell, the sole shareholder, in exchange of his shareholdings in two quality used car dealers (Bapchild Motoring World (Kent) Limited and Canterbury Motoring World Limited) and three companies holding the various properties occupied by the car dealers.

As Peter Waddell held 100% of Canterbury Motoring World and two of the property companies, the acquisition of these companies has been accounted for as a merger. The company did not acquire all of the equity in Bapchild Motoring World (Kent) and the third property company, the acquisition of these entities have been accounted for at fair value.

During 2018 the group purchased shares in another property company, Whitecliff Dover Limited. The group didn't acquire all of the equity in this company, the acquisition of this entity has been accounted for at fair value. During the current period the group acquired the remaining interest in this entity.

Going Concern

The financial statements are prepared on a going concern basis which the director believes to be appropriate for the following reasons. At the balance sheet date the group net current assets of £6.4m and cash balances of £11.8m. The group meets its day to day working capital requirements through a stock financing facility of £50m of which £39.8m was owed at 31 December 2020. No further drawdowns have been made since that date. The stock financing facility is secured on the vehicle stock. The group's investment property activities have cashflows that are not material to the group, with external rents covering the operating and financing costs.

During the COVID-19 pandemic, the group was forced to temporarily close its sales sites during the various periods of lockdowns. Management took immediate steps to reduce operating costs to only those essential to maintain the groups limited operations during those periods, taking advantage of the government furlough scheme to maintain flexibility over employee levels. The group quickly developed an online sales platform and has continued to generate sales and cashflow through during the site closures. At the time of approving these financial statements all sites are open.

The directors have prepared projected cash flow information for the period through to 31 December 2022, being more than twelve months from the date of their approval of these financial statements, reflecting their latest view of the used car market and the speed of its recovery. On the basis of this cash flow information, the directors consider that the group will continue to operate within its new facilities.

Consequently, the Director is confident that the Group and Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore has prepared the financial statements on a going concern basis.

PETER WADDELL HOLDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES - continued

Basis of consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

All the Group companies have 31 December as their year-end. Consolidated financial statements are prepared using uniform accounting policies for like transactions. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Accounting estimates and judgements

The preparation of the financial statements requires management to make estimates that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Stock valuation has been adjusted to take into account vehicles sold at a reduced value after the balance sheet date. This has been based on time in stock and trends identified during the year.

Turnover

Turnover is measured at the fair value of the consideration received and represents amounts receivable for the sale of vehicles and accessories, the provision of workshop services or finance arrangement commission, excluding value added tax.

Turnover is recognised upon delivery of the vehicle to the customer, which only occurs once full payment or evidence of full payment has been received or upon completion of the car services being provided and payment being received in full.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2017, is being amortised evenly over its estimated useful life of ten years.

Negative goodwill arising on business combinations in respect of acquisitions is included on the balance sheet and released to the profit and loss account in the periods in which the non-monetary assets arising on the same acquisition are recovered.

PETER WADDELL HOLDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost, in accordance with the property lease and not provided
Long leasehold	- in accordance with the property lease
Helicopter	- 10% on cost
Plant and machinery	- 25% on cost and 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance, 25% on cost and 20% on cost
Motor vehicles	- 50% on cost, 33% on cost and 25% on cost
Computer equipment	- 33% on cost

Freehold property includes a residential property that is occupied by an employee of the business. The business intends to ensure that moving forward the carrying amount does not differ materially from those that would be determined as its fair value at the accounting year end.

Any revaluation increase in the carrying amount of the freehold property will be recognised in other comprehensive income and included in a revaluation reserve in equity, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in the profit and loss, in which case the increase is credited to the profit and loss. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against the revaluation reserve in equity, decreases that exceed the revaluation reserve are recognised in the profit and loss.

All other property, plant and machinery are carried at cost less accumulated depreciation and accumulated impairment losses.

On disposal the difference between the net disposal proceeds and the carrying amount of the item sold is recognised in the profit and loss.

Investments in associates

Investments in associate undertakings are recognised at cost.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES - continued

Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

Provisions

Where the parent Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company treats the guarantee contract as a contingent liability in its individual financial statements until such time as it becomes probable that the company will be required to make a payment under the guarantee.

PETER WADDELL HOLDCO LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

3. TURNOVER

The turnover and profit before taxation are attributable to the principal activities of the group.

An analysis of turnover by class of business is given below:

	31/12/20	31/12/19
	£	£
Vehicle sales	288,464,266	277,884,941
Finance Commission	9,605,780	10,498,924
Warranty Sales	<u>10,231,048</u>	<u>10,564,495</u>
	<u><u>308,301,094</u></u>	<u><u>298,948,360</u></u>

4. OTHER OPERATING INCOME

	31/12/20	31/12/19
	£	£
Rents received	567,725	501,972
Sundry receipts	-	744
Other income	1,195,573	108,340
Government grants	2,614,031	-
Exchange gains	24,317	-
Gain/loss on revaluation of assets	<u>-</u>	<u>735,000</u>
	<u><u>4,401,646</u></u>	<u><u>1,346,056</u></u>

5. EMPLOYEES AND DIRECTORS

	31/12/20	31/12/19
	£	£
Wages and salaries	12,805,345	10,265,053
Social security costs	1,201,427	971,909
Other pension costs	<u>181,766</u>	<u>121,316</u>
	<u><u>14,188,538</u></u>	<u><u>11,358,278</u></u>

The average number of employees during the year was as follows:

	31/12/20	31/12/19
Sales	145	120
Service centre	202	113
Call centre	21	20
Administration	<u>121</u>	<u>105</u>
	<u><u>489</u></u>	<u><u>358</u></u>

	31/12/20	31/12/19
	£	£
Director's remuneration	634,200	623,000
Director's pension contributions to money purchase schemes	<u>126</u>	<u>678</u>

PETER WADDELL HOLDCO LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

5. EMPLOYEES AND DIRECTORS - continued

Information regarding the highest paid director is as follows:

	31/12/20	31/12/19
	£	£
Emoluments etc	<u>600,000</u>	<u>600,000</u>

6. OPERATING PROFIT

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

	31/12/20	31/12/19
	£	£
Other operating leases	1,576,066	468,479
Depreciation - owned assets	1,970,029	1,074,418
Profit on disposal of fixed assets	(162,075)	(29,994)
Goodwill amortisation	4,725,774	4,725,774
Negative Goodwill amortisation	(35,059)	(35,060)
Computer software amortisation	4,213	18,885
Audit of subsidiaries	73,275	59,975
Auditing of these financial statements	10,000	-
Other services relating to taxation	10,250	10,275
Corporate finance services	65,180	-
Foreign exchange differences	<u>(24,317)</u>	<u>25,101</u>

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	31/12/20	31/12/19
	£	£
Bank interest	114	-
Bank loan interest	167,859	162,165
Loan interest	40,438	-
Mortgage interest	29,693	36,911
Stocking loan interest	365,911	328,562
Interest payable	<u>-</u>	<u>123</u>
	<u>604,015</u>	<u>527,761</u>

8. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	31/12/20	31/12/19
	£	£
Current tax:		
UK corporation tax	1,951,054	2,239,088
Prior period tax adjustment	<u>(81,158)</u>	<u>(14,335)</u>
Total current tax	1,869,896	2,224,753
Deferred tax	<u>(141,386)</u>	<u>164,635</u>
Tax on profit	<u>1,728,510</u>	<u>2,389,388</u>

UK corporation tax was charged at 19% in 2019.

PETER WADDELL HOLDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

8. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31/12/20 £	31/12/19 £
Profit before tax	<u>4,806,266</u>	<u>8,004,381</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	913,191	1,520,832
Effects of:		
Expenses not deductible for tax purposes	862,930	759,814
Adjustments to tax charge in respect of previous periods	(77,518)	(14,335)
Other timing difference for which no deferred tax was provided	(87,068)	123,077
Associate company loss	<u>116,975</u>	<u>-</u>
Total tax charge	<u>1,728,510</u>	<u>2,389,388</u>

9. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

10. DIVIDENDS

	31/12/20 £	31/12/19 £
Ordinary shares of £1 each		
Interim	<u>-</u>	<u>122,000</u>

11. INTANGIBLE FIXED ASSETS

Group

	Goodwill £	Negative Goodwill £	Computer software £	Totals £
COST				
At 1 January 2020	47,257,741	(350,594)	56,652	46,963,799
Additions	<u>-</u>	<u>-</u>	<u>19,206</u>	<u>19,206</u>
At 31 December 2020	<u>47,257,741</u>	<u>(350,594)</u>	<u>75,858</u>	<u>46,983,005</u>
AMORTISATION				
At 1 January 2020	15,358,766	(40,903)	53,505	15,371,368
Amortisation for year	<u>4,725,774</u>	<u>(35,059)</u>	<u>4,213</u>	<u>4,694,928</u>
At 31 December 2020	<u>20,084,540</u>	<u>(75,962)</u>	<u>57,718</u>	<u>20,066,296</u>
NET BOOK VALUE				
At 31 December 2020	<u>27,173,201</u>	<u>(274,632)</u>	<u>18,140</u>	<u>26,916,709</u>
At 31 December 2019	<u>31,898,975</u>	<u>(309,691)</u>	<u>3,147</u>	<u>31,592,431</u>

PETER WADDELL HOLDCO LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

11. INTANGIBLE FIXED ASSETS - continued

Group

Negative goodwill arose on the acquisition of Whitecliff Dover Limited in 2018 and has been recognised in the Group's balance sheet and is being released to the profit and loss account commensurately with the recovery of the non-monetary assets acquired, whether through depreciation or sale.

12. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Asset under construction £	Long leasehold £	Helicopter £
COST				
At 1 January 2020	19,707,060	6,239,388	918,875	2,377,407
Additions	189,570	853,457	45,899	-
Disposals	-	-	-	(2,377,407)
Reclassification/transfer	<u>2,625,972</u>	<u>(7,092,845)</u>	<u>2,066,031</u>	<u>-</u>
At 31 December 2020	<u>22,522,602</u>	<u>-</u>	<u>3,030,805</u>	<u>-</u>
DEPRECIATION				
At 1 January 2020	283,725	-	179,667	225,482
Charge for year	316,903	-	335,596	75,160
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>-</u>	<u>(300,642)</u>
At 31 December 2020	<u>600,628</u>	<u>-</u>	<u>515,263</u>	<u>-</u>
NET BOOK VALUE				
At 31 December 2020	<u>21,921,974</u>	<u>-</u>	<u>2,515,542</u>	<u>-</u>
At 31 December 2019	<u>19,423,335</u>	<u>6,239,388</u>	<u>739,208</u>	<u>2,151,925</u>

PETER WADDELL HOLDCO LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. TANGIBLE FIXED ASSETS - continued

Group

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 January 2020	1,222,589	768,751	1,059,926	554,512	32,848,508
Additions	720,502	168,104	281,283	22,895	2,281,710
Disposals	(99,978)	-	(462,643)	-	(2,940,028)
Reclassification/transfer	<u>1,536,935</u>	<u>623,842</u>	<u>-</u>	<u>240,065</u>	<u>-</u>
At 31 December 2020	<u>3,380,048</u>	<u>1,560,697</u>	<u>878,566</u>	<u>817,472</u>	<u>32,190,190</u>
DEPRECIATION					
At 1 January 2020	442,082	415,883	357,913	201,173	2,105,925
Charge for year	485,354	222,406	351,016	183,594	1,970,029
Eliminated on disposal	<u>(30,066)</u>	<u>-</u>	<u>(299,668)</u>	<u>-</u>	<u>(630,376)</u>
At 31 December 2020	<u>897,370</u>	<u>638,289</u>	<u>409,261</u>	<u>384,767</u>	<u>3,445,578</u>
NET BOOK VALUE					
At 31 December 2020	<u>2,482,678</u>	<u>922,408</u>	<u>469,305</u>	<u>432,705</u>	<u>28,744,612</u>
At 31 December 2019	<u>780,507</u>	<u>352,868</u>	<u>702,013</u>	<u>353,339</u>	<u>30,742,583</u>

13. FIXED ASSET INVESTMENTS

Group

	Interest in associate £
COST	
Additions	<u>4,830,800</u>
At 31 December 2020	<u>4,830,800</u>
Share of post-acquisition losses	
At start of the year	-
Loss in the year	<u>(615,658)</u>
At 31 December 2020	<u>(615,658)</u>
NET BOOK VALUE	
At 31 December 2020	<u>4,215,142</u>

PETER WADDELL HOLDCO LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

13. FIXED ASSET INVESTMENTS - continued

Company

	Shares in group undertakings £	Interest in associate £	Totals £
COST			
At 1 January 2020	58,305,341	-	58,305,341
Additions	<u>430,763</u>	<u>4,830,800</u>	<u>5,261,563</u>
At 31 December 2020	<u>58,736,104</u>	<u>4,830,800</u>	<u>63,566,904</u>
NET BOOK VALUE			
At 31 December 2020	<u>58,736,104</u>	<u>4,830,800</u>	<u>63,566,904</u>
At 31 December 2019	<u>58,305,341</u>	<u>-</u>	<u>58,305,341</u>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

Peters Properties Kent Limited Company Number: 08245508

Registered office: The Showroom, Lakeside Services, Sturry Road, Canterbury CT1 1DS

Nature of business: Investment Property

	%
Class of shares:	holding
Ordinary	100.00

The subsidiary undertaking is exempt from the Companies Act 2006 requirements relating to the audit of their individual accounts by virtue of Section 479A of the Act as this company has guaranteed the subsidiary company under Section 479C of the Act.

Bapchild Motoring World Limited

Registered office: The Showroom, Lakeside Services, Sturry Road, Canterbury CT1 1DS

Nature of business: Investment Property

	%
Class of shares:	holding
Ordinary	50.00

The subsidiary undertaking is exempt from the Companies Act 2006 requirements relating to the audit of their individual accounts by virtue of Section 479A of the Act as this company has guaranteed the subsidiary company under Section 479C of the Act.

Bapchild Motoring World (UK) Limited

Registered office: The Showroom, Lakeside Services, Sturry Road, Canterbury CT1 1DS

Nature of business: Investment Property

	%
Class of shares:	holding
Ordinary	100.00

The subsidiary undertaking is exempt from the Companies Act 2006 requirements relating to the audit of their individual accounts by virtue of Section 479A of the Act as this company has guaranteed the subsidiary company under Section 479C of the Act.

PETER WADDELL HOLDCO LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

13. FIXED ASSET INVESTMENTS - continued

Canterbury Motoring World Limited

Registered office: The Showroom, Lakeside Services, Sturry Road, Canterbury CT1 1DS

Nature of business: Used Car Sales

	%
Class of shares:	holding
Ordinary	100.00

The subsidiary undertaking is exempt from the Companies Act 2006 requirements relating to the audit of their individual accounts by virtue of Section 479A of the Act as this company has guaranteed the subsidiary company under Section 479C of the Act.

Bapchild Motoring World (Kent) Limited

Registered office: The Showroom, Lakeside Services, Sturry Road, Canterbury CT1 1DS

Nature of business: Used Car Sales

	%
Class of shares:	holding
Ordinary	68.00

Whitecliff Dover Limited

Registered office: The Showroom, Lakeside Services, Sturry Road, Canterbury CT1 1DS

Nature of business: Investment Property

	%
Class of shares:	holding
Ordinary	100.00

The subsidiary undertaking is exempt from the Companies Act 2006 requirements relating to the audit of their individual accounts by virtue of Section 479A of the Act as this company has guaranteed the subsidiary company under Section 479C of the Act.

Associated company

Carzam Limited

Registered office: Samson House Celta Road, Morley Way, Peterborough, England, PE2 7BW

Nature of business: Used Car Sales

	%
Class of shares:	holding
Ordinary	30.00

	31/12/20
	£
Aggregate capital and reserves	(734,391)
Loss for the period/year	<u>(2,495,391)</u>

PETER WADDELL HOLDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

14. INVESTMENT PROPERTY

Group

	Total £
FAIR VALUE	
At 1 January 2020	5,538,976
Additions	<u>1,203,136</u>
At 31 December 2020	<u>6,742,112</u>
NET BOOK VALUE	
At 31 December 2020	<u>6,742,112</u>
At 31 December 2019	<u>5,538,976</u>

Fair value at 31 December 2020 is represented by:

	£
Valuation in 2019	3,340,000
Cost	<u>3,402,112</u>
	<u>6,742,112</u>

£3,340,000 (2019: £3,340,000) of investment property fair value is based on a valuation by an external, independent valuer, having an appropriate recognised professional qualification and recent experience in the location and class of property being valued.

These properties were last subject to an external valuation in 2019. Since that date the director has assessed whether the valuation of properties has changed materially from their current carrying values and concluded that the values remain appropriate.

Company

	Total £
FAIR VALUE	
At 1 January 2020 and 31 December 2020	<u>348,215</u>
NET BOOK VALUE	
At 31 December 2020	<u>348,215</u>
At 31 December 2019	<u>348,215</u>

The investment property was purchased in 2019 with the carrying value at the balance sheet date being cost.

Since purchase the director has assessed whether the valuation of property has changed materially from its current carrying values and concluded that the values remain appropriate.

PETER WADDELL HOLDCO LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

15. STOCKS

	Group	
	31/12/20	31/12/19
	£	£
Parts stock	272,103	306,241
Vehicle stock	<u>48,946,938</u>	<u>40,708,446</u>
	<u><u>49,219,041</u></u>	<u><u>41,014,687</u></u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	Company	
	31/12/20	31/12/19	31/12/20
	£	£	£
Trade debtors	948,735	1,143,417	-
Amounts owed by group undertakings	-	-	10,450,886
Other debtors	3,510,422	3,356,012	2,394,874
Prepayments and accrued income	<u>1,937,524</u>	<u>1,572,669</u>	<u>-</u>
	<u><u>6,396,681</u></u>	<u><u>6,072,098</u></u>	<u><u>12,845,760</u></u>
			<u><u>15,865,714</u></u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	Company	
	31/12/20	31/12/19	31/12/20
	£	£	£
Bank loans and overdrafts (see note 19)	3,789,775	5,236,691	-
Other loans (see note 19)	40,682,850	29,777,159	-
Trade creditors	2,613,372	4,950,450	-
Amounts owed to group undertakings	-	-	18,812
Amounts owed to associates	2,951,346	-	-
Tax and social security	1,981,635	1,714,196	45,525
Other creditors	1,420,972	1,370,401	892,500
Directors' current accounts	6,111,980	7,544,384	6,188,259
Accruals and deferred income	199,170	310,894	-
Accrued expenses	<u>1,283,682</u>	<u>714,047</u>	<u>-</u>
	<u><u>61,034,782</u></u>	<u><u>51,618,222</u></u>	<u><u>7,145,096</u></u>
			<u><u>8,445,514</u></u>

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	31/12/20	31/12/19
	£	£
Bank loans (see note 19)	<u><u>293,582</u></u>	<u><u>414,316</u></u>

PETER WADDELL HOLDCO LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

19. LOANS

An analysis of the maturity of loans is given below:

	Group	
	31/12/20	31/12/19
	£	£
Amounts falling due within one year or on demand:		
Bank loans	3,789,775	5,236,691
Stocking loan	39,792,172	27,642,172
Advance commission	<u>890,678</u>	<u>2,134,987</u>
	<u><u>44,472,625</u></u>	<u><u>35,013,850</u></u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u><u>293,582</u></u>	<u><u>414,316</u></u>

The bank loans and overdrafts as shown above are secured by a fixed and floating charge over the assets of the company along with guarantees provided by Mr P Waddell, the shareholder.

Included in other loans is a stocking loan of £39,792,172 from Blackhorse Ltd which is secured by a personal guarantee of the shareholder, along with a charge over Peters Properties Kent Ltd. This loan is repayable upon demand.

20. FINANCIAL INSTRUMENTS

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Debt instruments like loans and other accounts receivable and payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, for example trade receivables and payables are measured initially and subsequently at the undiscounted amount of cash expected to be paid or received.

Financial assets that are measured at cost and amortised costs are assessed at the end of each reporting period for objective evidence of impairment. If impairment is found an impairment loss would be recognised in the profit and loss.

	Group		Company	
	31.12.20	31.12.19	31.12.20	31.12.19
Assets measured at amortised cost	-	-	63,746,904	58,305,341
Assets measured at cost less impairment	28,744,612	30,742,583	76,940,879	74,519,270
Liabilities measured at amortised costs	61,034,792	51,618,222	7,325,096	8,445,514

PETER WADDELL HOLDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

21. PROVISIONS FOR LIABILITIES

	Group	
	31/12/20	31/12/19
	£	£
Deferred tax	<u>513,619</u>	<u>655,005</u>
Other provisions		
Warranty provision	<u>1,179,713</u>	<u>956,693</u>
Aggregate amounts	<u>1,693,332</u>	<u>1,611,698</u>
Group		
		Deferred tax
		£
Balance at 1 January 2020		655,005
Credit to Statement of Comprehensive Income during year		<u>(141,386)</u>
Balance at 31 December 2020		<u>513,619</u>

During the period, an expense was estimated and recognised to cover future liabilities that related to Warranty sales that existed at the balance sheet date.

22. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31/12/20	31/12/19
		£1	£	£
1,000,000	Ordinary		<u>1,000,000</u>	<u>1,000,000</u>

PETER WADDELL HOLDCO LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

23. RESERVES

Group

	Retained earnings £	Share premium £	Merger reserve £	Totals £
At 1 January 2020	4,373,655	56,099,192	2,584,941	63,057,788
Profit for the year	736,540			736,540
Transactions with shareholders - Acquisition of NCI	<u>574,514</u>	<u>-</u>	<u>-</u>	<u>574,514</u>
At 31 December 2020	<u>5,684,709</u>	<u>56,099,192</u>	<u>2,584,941</u>	<u>64,368,842</u>

Company

	Retained earnings £	Share premium £	Merger reserve £	Totals £
At 1 January 2020	6,482,759	56,099,192	2,584,941	65,166,892
Profit for the year	<u>3,611,039</u>			<u>3,611,039</u>
At 31 December 2020	<u>10,093,798</u>	<u>56,099,192</u>	<u>2,584,941</u>	<u>68,777,931</u>

During the year the company acquired all the shares in Whitecliff Dover Limited not already held by it. In accordance with FRS 102 the difference between carrying value of the non-controlling interest and the purchase consideration is recognised directly in equity.

24. RELATED PARTY DISCLOSURES

Entities over which the entity has control, joint control or significant influence

Peter Waddell Pension Scheme (Rowanmoor Trustees Limited)

A company directors independent pension scheme.

During the period £62,650 of rent was charged to the company.

Key management personnel of the entity or its parent (in the aggregate)

Directors remuneration of £600,000 was paid during the period.

Peter Waddell

A company director and shareholder.

During the period sold privately owned motor vehicles to the company on an arms length basis. The total amount relating to this transaction was paid to Mr Waddell before the balance sheet date.

At the balance sheet date £76,279 was due to Bapchild Motoring World (Kent) Limited from P Waddell.

PETER WADDELL HOLDCO LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

Other related parties

Company

Canterbury Motoring World Limited

During year no additional loans were made to the company (Dec 2019: nil), interest charge for the period was £50,000 (Dec 2019: £50,000).

£1,000,000 was outstanding at the balance sheet date (Dec 2019: £1,000,000).

Dividends paid to Peter Waddell Holdco Ltd in the year totalled £10,000 (Dec 2019: £10,000)

Bapchild Motoring World (Kent) Limited

During the year loans were made to the company totalling £4,000,000 (Dec 2019: £11,360,000), interest charge for the year was £209,513 (Dec 2019: £363,723).

£3,734,000 of the loan was outstanding at the balance sheet date (Dec 2019: £7,669,615).

Dividends due to Peter Waddell Holdco Ltd in the year £3,450,000 (Dec 2019: £192,000).

Peters Properties Kent Limited

During the year interest free loans were made to the company totalling £936,458 (Dec 2019: £4,748,000).

£5,241,000 of the loan was outstanding at the balance sheet date (Dec 2019: £4,958,000).

Peter Waddell

During the year additional loans totalling £2,000,000 were made by P Waddell, the company director (Dec 2019: £6,000,000), interest paid for the year was £99,525 (Dec 2019: £92,049).

£6,188,259 of the loan was outstanding at the balance sheet date (Dec 2019: £7,300,000).

No dividends were paid to P Waddell during the year (Dec 2019: £122,000)

Group

Carzam Limited

A company under common control.

Bapchild Motoring World (Kent) Ltd sold vehicles to Carzam Limited which during the year totalled £3,299,513 (2019: £nil).

Bapchild Motoring World (Kent) Ltd incurred costs on behalf of Carzam Limited during the year which have been recharged to Carzam Limited on a monthly basis totalling £932,321.83 (2019: £335,975).

During the year a loan of £8,000,000 was provided to Bapchild Motoring World (Kent) Limited by Carzam Limited,

At the balance sheet date a total of £2,951,346 was due to Carzam from Bapchild Motoring World (Kent) Limited.

25. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Mr P Waddell.