

CLdN Automotive Limited (Formerly C.RO VEC Limited)

Annual Report and Financial Statements
for the Year Ended 31 December 2021

Brebners

Chartered Accountants & Statutory Auditor
130 Shaftesbury Avenue
London
W1D 5AR

CLDN AUTOMOTIVE LIMITED (FORMERLY C.RO VEC LIMITED)

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CLDN AUTOMOTIVE LIMITED (FORMERLY C.RO VEC LIMITED)

Company Information

Directors	P Van Malderen J M E Rubens F S Maes B Dove-Seymour S M Hammond G Walker
Registered office	130 Shaftesbury Avenue 2nd Floor London W1D 5EU
Auditor	Brebners Chartered Accountants & Statutory Auditor 130 Shaftesbury Avenue W1D 5AR

CLDN AUTOMOTIVE LIMITED (FORMERLY C.RO VEC LIMITED)

Strategic Report for the Year Ended 31 December 2021

The directors present their strategic report for the year ended 31 December 2021.

Fair review of the business

The principal activity of the company is making enhancements and carrying out pre-delivery inspections (PDI) of motor vehicles imported by ship to the ferry terminals of its fellow group undertakings in Killingholme and Purfleet. The company operates PDI centres at both Purfleet and Killingholme offering customers a beneficial geographical spread. The company's focus remains on the handling of new passenger vehicles and the conversion of new vans.

Development and performance of the company's business during the financial year

The directors report a decrease in turnover from £18,112,760 in 2020 to £17,276,044 in 2021, with profit before tax of £1,887,293, a reduction from £3,172,548 in 2020. Cost of sales have remained broadly similar (£11,208,280 compared to £11,920,624 in 2020, as have administrative expenses. The directors report that the key impact on reduced profit in 2021 is as a result of an increase in administrative expenses of just over £1 million (from £3,110,552 to £4,220,553 and a reduction in other operating income (to £6,368 in 2021 from £76,687 in 2020).

The company's business depends on the import and sales volumes of new vehicles from OEMs in continental Europe, and this remains suppressed. The key causes of this ongoing situation include the knock-on effects of factory closures, supply chain constraints (including availability of parts and materials manufactured in the Ukraine), the war in Ukraine and global economic uncertainty.

Financial Key Performance Indicators

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

Financial KPIs	Unit	2021	2020
Turnover	£	17,276,044	18,112,760
Gross profit	£	6,067,764	6,192,136
Gross profit margin	%	35	34
Profit before tax	£	1,887,293	3,172,548

There are numerous other non-financial performance indicators used by the directors but none are considered to be key.

Future Developments and Prospects

Throughout 2021, operational activity was nonetheless sustained. The UK remains reliant on ferry ports for the import and export of new vehicles. The company is part of a group which is one of the principal operators in the transport of new vehicles between the UK and the EU. The directors consider that the company is well-placed to secure its position in this market, including as green engine technology develops.

CLDN AUTOMOTIVE LIMITED (FORMERLY C.RO VEC LIMITED)

Strategic Report for the Year Ended 31 December 2021

Principal risks and uncertainties

The board of directors assess that the key risks to the company are related to its operations, as follows:

Customers: The company's revenue is generated by a limited number of customers in very competitive markets in the automotive sector. The company is therefore exposed to the potential loss of one or more of these clients for commercial reasons, or insolvency. The directors seek to mitigate these risks with long-term contracts and maintaining the competitiveness of the facilities and offering for customers.

Labour: increasing costs and restricted availability of labour are operational risks. The directors take steps to respond to the employment market, although labour availability is constrained in the UK.

Energy: operational costs have increased as a result of inflation in fuel and electricity prices, alongside the removal of the red diesel exemption. The directors assess that a return to 2020/2021 prices is not likely during the next financial year.

EU-UK trade: the potential threat of a trade war between the EU and UK in response to the Northern Ireland protocol remains. The main impact of any such trade war would be increased costs to trade and some disruption. The UK has also postponed introduction of SPS checks with indications of a new lighter-tough regime, which will help reduce obstacles to trade. The necessary facilities are constructed and ready for use.

Health, safety and environment (HSE): the company's operations carry inherent HSE risks, including the use of equipment and products and processes that could risk personnel. The company has a dedicated HSE team to manage these risks through risk assessment, policy, training and reporting. Insurance is maintained to cover these risks.

Global economic conditions: although the global recovery from the impacts of the COVID pandemic was initially positive, the directors expect that the anticipated sustained run of higher inflation over the next 12 months and wider economic uncertainty, including as a result of the war in Ukraine, are likely to impact trading conditions particularly in the automotive sector.

CLDN AUTOMOTIVE LIMITED (FORMERLY C.RO VEC LIMITED)

Strategic Report for the Year Ended 31 December 2021

Going concern

The company made a profit after tax for the year ended 31 December 2021 of £1,539,847 with net assets of £8,202,226.

The company finances its operations on a group basis from a combined treasury function as disclosed in note 20 to the financial statements.

The company is a co-borrower and co-obligor under a €200 million revolving credit facility (reducing by €20 million annually from April 2027) with other members of its group. As at the date these financial statements were approved by the directors, €45,489,991 is drawn under this facility.

The directors have considered the impact of COVID-19, the war in Ukraine and the ongoing development of the EU-UK's trading relationship. They have also considered the impact on the company's operations of continued constraints in the automotive sector. The company is part of a significant shipping and ports group with established operations and offering in the automotive sector.

Having made sufficient enquiries, and based upon the above, the directors have a reasonable expectation that the company has adequate resources to continue operating in the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

Approved by the Board on 28 June 2022 and signed on its behalf by:

.....
P Van Malderen
Director

CLDN AUTOMOTIVE LIMITED (FORMERLY C.RO VEC LIMITED)

Directors' Report for the Year Ended 31 December 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

Change of company name

The company changed its name from C.RO VEC Limited to CLdN Automotive Limited on 4 April 2022.

Directors of the company

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

P Van Malderen

J M E Rubens

F S Maes

B Dove-Seymour

S M Hammond

G Walker

Dividends

No interim dividends were paid during the year (2020 - £Nil) and no final dividend is proposed.

Disclosure of information in the Strategic Report

The company has chosen in accordance with s.414C(11) Companies Act 2006 to set out in the company's strategic report information required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 to be contained in the directors' report. It has done so in respect of future developments and financial instruments.

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 auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Approved by the director on 28 June 2022 and signed by:

.....
P Van Malderen
Director

CLDN AUTOMOTIVE LIMITED (FORMERLY C.RO VEC LIMITED)

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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom 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 company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CLDN AUTOMOTIVE LIMITED (FORMERLY C.RO VEC LIMITED)

Independent Auditor's Report to the Members of CLdN Automotive Limited for the Year Ended 31 December 2021

Opinion

We have audited the financial statements of CLdN Automotive Limited (the 'company') for the year ended 31 December 2021, which comprise the Statement of Income and Retained Earnings, Statement of Financial Position, Statement of Changes in Equity, 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 company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

We have nothing to report in this regard.

CLDN AUTOMOTIVE LIMITED (FORMERLY C.RO VEC LIMITED)

Independent Auditor's Report to the Members of CLdN Automotive Limited for the Year Ended 31 December 2021

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities (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, 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.

Auditor's 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.

CLDN AUTOMOTIVE LIMITED (FORMERLY C.RO VEC LIMITED)

Independent Auditor's Report to the Members of CLdN Automotive Limited for the Year Ended 31 December 2021

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the company and the industry in which it operates, we determined that the principal risks of non-compliance with laws and regulations related to the reporting framework (FRS 102 and the Companies Act 2006), UK corporate taxation laws, environmental legislation, health and safety legislation, anti-bribery legislation and data protection legislation. These risks were communicated to our audit team and we remained alert to any indications of non-compliance throughout our audit.

We understood how the company is complying with relevant legislation by making enquiries of management and conducting a review of board minutes. We also considered the results of our audit procedures and to what extent these corroborate this understanding and assessed the susceptibility of the company's financial statements to material misstatement. This included consideration of how fraud might occur and evaluation of management's incentives and opportunities for fraudulent manipulation of the financial statements.

We designed our audit procedures to identify any non-compliance with laws and regulations. Such procedures included, but were not limited to, inspection of any regulatory or legal correspondence; challenging assumptions and judgements made by management; identifying and testing journal entries with a focus on large or unusual transactions as determined based on our understanding of the business; and identifying and assessing the effectiveness of controls in place to prevent and detect fraud.

Owing to the inherent limitations of an audit, there remains a risk that a material misstatement may not have been detected, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance with laws and regulations and cannot be expected to detect all instances of non-compliance.

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

The primary responsibility for the detection and prevention of fraud rests with those responsible for governance and management. The further removed non-compliance with laws and regulations is from the events reflected in the financial statements, the less likely the auditor will become aware of it.

The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission, misrepresentation or forgery.

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.

.....
Martin Widdowson (Senior Statutory Auditor)

For and on behalf of

Brebners, Statutory Auditor

130 Shaftesbury Avenue

W1D 5AR

28 June 2022

CLDN AUTOMOTIVE LIMITED (FORMERLY C.RO VEC LIMITED)

Statement of Income and Retained Earnings for the Year Ended 31 December 2021

	Note	2021 £	2020 £
Turnover	<u>3</u>	17,276,044	18,112,760
Cost of sales		<u>(11,208,280)</u>	<u>(11,920,624)</u>
Gross profit		6,067,764	6,192,136
Administrative expenses		(4,220,553)	(3,110,552)
Other operating income	<u>4</u>	<u>6,368</u>	<u>76,687</u>
Operating profit	<u>5</u>	1,853,579	3,158,271
Other interest receivable and similar income	<u>6</u>	<u>33,714</u>	<u>14,277</u>
		<u>33,714</u>	<u>14,277</u>
Profit before tax		1,887,293	3,172,548
Taxation	<u>9</u>	<u>(347,446)</u>	<u>(347,868)</u>
Profit for the financial year		1,539,847	2,824,680
Retained earnings brought forward		<u>6,412,378</u>	<u>3,587,698</u>
Retained earnings carried forward		<u>7,952,225</u>	<u>6,412,378</u>

The notes on pages 12 to 20 form an integral part of these financial statements.

CLDN AUTOMOTIVE LIMITED (FORMERLY C.RO VEC LIMITED)

Statement of Financial Position as at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	<u>10</u>	272,493	272,006
Current assets			
Stocks	<u>11</u>	1,793,902	1,004,821
Debtors	<u>12</u>	9,434,998	7,473,916
Cash at bank and in hand		<u>157,824</u>	<u>1,504,947</u>
		11,386,724	9,983,684
Creditors: Amounts falling due within one year	<u>14</u>	<u>(3,456,991)</u>	<u>(3,593,311)</u>
Net current assets		<u>7,929,733</u>	<u>6,390,373</u>
Net assets		<u>8,202,226</u>	<u>6,662,379</u>
Capital and reserves			
Called up share capital		250,001	250,001
Retained earnings		<u>7,952,225</u>	<u>6,412,378</u>
Shareholders' funds		<u>8,202,226</u>	<u>6,662,379</u>

Company registration number: 04999257

Approved and authorised by the Board on 28 June 2022 and signed on its behalf by:

.....
P Van Malderen

Director

The notes on pages 12 to 20 form an integral part of these financial statements.

CLDN AUTOMOTIVE LIMITED (FORMERLY C.RO VEC LIMITED)

Notes to the Financial Statements for the Year Ended 31 December 2021

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:

130 Shaftesbury Avenue
2nd Floor
London
W1D 5EU

The principal place of business is:

Long Reach House
London Road
Purfleet
Essex
RM19 1PD

The principal activity of the company during the year was that of the enhancement and pre-delivery inspection of motor vehicles.

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.

Basis of preparation

These financial statements have been prepared using the historical cost convention except any items disclosed in the accounting policies as being shown at fair value and are presented in sterling, which is the functional currency of the entity.

Summary of disclosure exemptions

Advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company
- (b) Disclosures in respect of financial instruments have not been presented
- (c) No disclosure has been given for the aggregate remuneration of key management personnel

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

The company exercises judgement to determine useful lives and residual values of tangible assets. The assets are depreciated to their estimated residual values over their estimated useful lives.

CLDN AUTOMOTIVE LIMITED (FORMERLY C.RO VEC LIMITED)

Notes to the Financial Statements for the Year Ended 31 December 2021

Going concern

The company had net assets at 31 December 2021 amounting to £8,202,226. The company finances its operations on a group basis from a combined treasury function as disclosed in note 18 to the financial statements.

The directors have considered the potential impact of the ongoing COVID-19 pandemic and with the restrictions now lifted, the directors' view is that the impact will be manageable. The company operates in an essential sector and has remained operational since the outbreak of the pandemic. The Board of Directors believes, to the best of its knowledge and belief, that the impact of the virus will not have a material impact upon the ability of the company to continue as a going concern.

Having made sufficient enquiries, and based upon the above, the directors have a reasonable expectation that the company has adequate resources to continue operating in the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

Revenue recognition

Turnover represents the fair value of the consideration received or receivable in respect of goods and services supplied in the normal course of activities. Shown net of value added tax, returns and discounts.

Revenue is recognised on the completion of work carried out for customers when the company becomes contractually entitled to receive economic benefit.

Government grants

Government grants are recognised when it is reasonable to expect that the grants will be received and that all related conditions will be met, usually on submission of a valid claim for payment.

Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge 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 company operates and generates taxable income.

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

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

CLDN AUTOMOTIVE LIMITED (FORMERLY C.RO VEC LIMITED)

Notes to the Financial Statements for the Year Ended 31 December 2021

Tangible assets

Tangible assets are stated in the statement of financial position 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	10-33% straight line
Motor vehicles	25% straight line

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.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

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.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company 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.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

Financial instruments

Financial Instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

CLDN AUTOMOTIVE LIMITED (FORMERLY C.RO VEC LIMITED)

Notes to the Financial Statements for the Year Ended 31 December 2021

3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2021 £	2020 £
Sale of goods and services - UK	<u>17,276,044</u>	<u>18,112,760</u>

4 Other operating income

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

	2021 £	2020 £
Government grants	<u>6,368</u>	<u>76,687</u>

5 Operating profit

Arrived at after charging/(crediting)

	2021 £	2020 £
Depreciation expense	94,759	75,097
(Profit)/loss on disposal of property, plant and equipment	<u>(14,721)</u>	<u>11</u>

6 Other interest receivable and similar income

	2021 £	2020 £
Other interest income	<u>33,714</u>	<u>14,277</u>

CLDN AUTOMOTIVE LIMITED (FORMERLY C.RO VEC LIMITED)

Notes to the Financial Statements for the Year Ended 31 December 2021

7 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Wages and salaries	2,436,347	1,626,446
Social security costs	196,698	127,229
Pension costs, defined contribution scheme	101,480	65,569
Other employee expense	11,109	6,725
	<u>2,745,634</u>	<u>1,825,969</u>

The average number of persons employed by the company during the year, analysed by category was as follows:

	2021 No.	2020 No.
Management and administration	25	23
Production and operations	49	23
	<u>74</u>	<u>46</u>

8 Auditor's remuneration

	2021 £	2020 £
Audit of the financial statements	<u>10,710</u>	<u>10,300</u>

CLDN AUTOMOTIVE LIMITED (FORMERLY C.RO VEC LIMITED)

Notes to the Financial Statements for the Year Ended 31 December 2021

9 Taxation

Tax charged/(credited) in the income statement

	2021 £	2020 £
Current taxation		
UK corporation tax	708,947	600,692
UK corporation tax adjustment to prior periods	(367,917)	(248,257)
	<u>341,030</u>	<u>352,435</u>
Deferred taxation		
Arising from origination and reversal of timing differences	<u>6,416</u>	<u>(4,567)</u>
Tax expense in the income statement	<u>347,446</u>	<u>347,868</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2020 - lower than the standard rate of corporation tax in the UK) of 19% (2020 - 19%).

The differences are reconciled below:

	2021 £	2020 £
Profit before tax	<u>1,887,293</u>	<u>3,172,548</u>
Corporation tax at standard rate	358,586	602,784
Effect of non-taxable income	(3,117)	-
Effect of expense not deductible in determining taxable profit (tax loss)	1,811	2,303
Decrease in UK and foreign current tax from adjustment for prior periods	-	(248,257)
Tax decrease from effect of capital allowances and depreciation	(16,250)	(586)
Tax increase/(decrease) from other short-term timing differences	6,416	(4,567)
Tax decrease arising from utilisation of group management expenses	<u>-</u>	<u>(3,809)</u>
Total tax charge	<u>347,446</u>	<u>347,868</u>

Deferred tax

Deferred tax assets and liabilities

	Asset £
2021	
Accelerated capital allowances	<u>30,321</u>
2020	
Accelerated capital allowances	<u>36,737</u>

CLDN AUTOMOTIVE LIMITED (FORMERLY C.RO VEC LIMITED)

Notes to the Financial Statements for the Year Ended 31 December 2021

10 Tangible assets

	Motor vehicles £	Assets under construction £	Plant and equipment £	Total £
Cost or valuation				
At 1 January 2021	114,577	26,777	468,354	609,708
Additions	14,560	-	109,592	124,152
Disposals	(22,658)	(26,777)	(43,357)	(92,792)
At 31 December 2021	106,479	-	534,589	641,068
Depreciation				
At 1 January 2021	96,101	-	241,601	337,702
Charge for the year	17,937	-	76,822	94,759
Eliminated on disposal	(22,658)	-	(41,228)	(63,886)
At 31 December 2021	91,380	-	277,195	368,575
Carrying amount				
At 31 December 2021	15,099	-	257,394	272,493
At 31 December 2020	18,476	26,777	226,753	272,006

11 Stocks

	2021 £	2020 £
Stock	1,793,902	1,004,821

12 Debtors

	2021 £	2020 £
Trade debtors	3,758,787	3,099,828
Amounts owed by group undertakings	240,044	195,119
Other debtors	4,334,036	2,538,826
Prepayments	95,692	84,862
Accrued income	976,118	1,518,544
Deferred tax assets	30,321	36,737
Total current trade and other debtors	9,434,998	7,473,916

Trade debtors includes a provision for diminution in value of £70,560 (2020 - £164,900).

CLDN AUTOMOTIVE LIMITED (FORMERLY C.RO VEC LIMITED)

Notes to the Financial Statements for the Year Ended 31 December 2021

13 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	<u>157,824</u>	<u>1,504,947</u>

14 Creditors

	2021 £	2020 £
Due within one year		
Trade creditors	1,236,922	1,351,626
Amounts due to group undertakings	581,074	410,315
Social security and other taxes	460,698	916,981
Other payables	16,024	11,473
Accrued expenses	<u>1,162,273</u>	<u>902,916</u>
	<u>3,456,991</u>	<u>3,593,311</u>

15 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £101,480 (2020 - £65,569).

16 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	250,001	250,001	250,001	250,001

There are no restrictions on the repayment of capital or the distribution of dividends.

17 Contingencies

The company has guaranteed the group bank loan facility. At 31 December 2021 an amount of £40,500,000 was due to the bank. The guarantee is secured by a fixed and floating charge over the assets and undertakings of the company. No liability is expected to crystallise from this guarantee.

18 Related party transactions

In accordance with FRS 102 paragraph 33.1A, exemption is taken not to disclose transactions in the year or amounts falling due between undertakings where 100% of the voting rights are controlled within the group.

During the year funding was provided to the company under a treasury facility provided by a company under common control. At 31 December 2021 an amount of £4,334,040 (2020 - £2,538,825) was due from this company. Interest receivable during the year amounted to £33,714 (2020 - £13,665).

CLDN AUTOMOTIVE LIMITED (FORMERLY C.RO VEC LIMITED)

Notes to the Financial Statements for the Year Ended 31 December 2021

19 Parent and ultimate parent undertaking

The company's immediate parent is Purfeet Real Estate Limited.

The ultimate parent undertaking is CLdN Links SA, incorporated in Luxembourg.

The parent of the smallest and largest group preparing group accounts incorporating the results of the company is CLdN Links SA, whose financial statements are available online from the Luxembourg Business Registers. The registered address of CLdN Links SA is 3-7 rue Schiller, L-2519, Luxembourg.

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