

Company Registration No: 06025920

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**  
**GROUP REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

**COMPANY INFORMATION**

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**DIRECTORS**

J G Bateson  
S J Staton  
S J Roff  
D P McGovern

**COMPANY NUMBER**

06025920

**REGISTERED OFFICE**

13 Castle Mews  
Castle Business Village  
Hampton  
Middlesex  
TW12 2NN

**AUDITOR**

RSM UK Audit LLP  
Chartered Accountants  
Davidson House  
Forbury Square  
Reading  
RG1 3EU

## **PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

### **STRATEGIC REPORT**

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The directors present their Strategic Report for Premier Fleet Management and Contract Hire Limited ('Premier') for the year ended 31 December 2022.

#### **Principal activity**

The principal activity of the group during the year was that of the provision of fleet management services, total outsourcing solutions and contract hire within the automotive industry. The principal activity of the company was that of a holding company.

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

The Directors are satisfied with the results of the group, which are disclosed in the consolidated statement of comprehensive income on page 12 of the financial statements.

The Directors are able to announce that the group hit its key financial target for 31 December 2022 with an EBITDA of £7,170,339 (2021: £6,971,669), against a turnover of £18,586,267 (2021: £18,845,969). The EBITDA is calculated taking into account the depreciation and interest highlighted in Notes 4 and 5.

The group made a loss for the year of £666,782 (2021: profit of £112,233) and ended the year with £244,300 cash at bank (2021: £1,736,214).

The group has net assets of £229,505 (2021: £896,287).

Operationally the group's continued focus on "Customer First" resulted in 2 contract wins during 2022, with Venson Automotive Solutions Ltd (VAS) recording a customer retention of 96% (2021: 94%).

In December of 2021 the group disposed of the property previously used by Venson Nottingham Limited. The effects of this transaction are material to the results of 2021, and so have also been reflected on the face of the Statement of Comprehensive Income as an exceptional item.

The public sector businesses in Hertfordshire and Nottinghamshire contributed to the group's overall results with an EBITDA of £135,470 (2021: £70,780).

## **PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

### **STRATEGIC REPORT**

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

The nature of the group's principal business is to provide risk transfer fixed price rentals for vehicles to private and public sector customers. The principal risk associated with the business is in the repurchase valuations "residual values" set at the outset of each contract. Residual values are set using industry market tools and analysis of vehicle types within the market place. Constant review of the market, guide prices and current disposal performance allows the business to mitigate its risk.

The Covid-19 pandemic had a significant impact on all parts of the economy. The principal risk for the group was the ability of its customer base to withstand these economic impacts. However, a large proportion of the group's customers provide essential services, and so continued to offer their services throughout the period. The group continues to mitigate this risk through regular review of clients' credit metrics.

#### **Financial instruments**

The group's operations expose it to a variety of financial risks including the effects of changing interest rates on debt, credit risk and liquidity risk. The group has no material exposure in the above areas.

The group's principal financial instruments comprise of sterling cash and bank deposits, bank loans and overdrafts, other loans and obligations under finance leases. In addition, there are debtor and creditor balances that arise directly from trading operations.

The main risks, arising from the group's financial instruments, can be analysed as follows:-

##### *Liquidity risk*

To ensure continuity of funding the group has always acquired an element of its fixed assets through finance leasing. Bank credit facilities, which give short-term flexibility, and medium-term loans fund acquisitions by the group.

##### *Cash flow interest rate risk*

Interest bearing assets comprise cash and bank deposits, all of which earn interest at a fixed rate. The interest payable on bank loans and overdrafts is at a variable market rate. It is the group's policy to ensure that significant movements in interest rates do not have a material impact on cash flow. The Directors monitor the overall level of borrowings and interest costs to ensure that there are no adverse effects on the financial performance of the group.

##### *Credit risk*

The group's principal financial assets are bank balances, cash and debtors, which represent the group's maximum exposure to credit risk.

## **PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

### **STRATEGIC REPORT** (Continued)

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#### **Future developments**

The group continues to concentrate on its core business providing services both to blue chip clients and the public sector. Whilst the market is competitive the directors believe that the group's strengths in its core business afford it an advantage in securing and retaining such business, and thus expect to increase turnover over the coming years.

#### **Key performance indicators**

Premier Fleet Management and Contract Hire Limited;  
Gross margin 36.6% (2021: 33.4%).

Venson Automotive Solutions Limited;

The company achieved 118% of the market value on vehicles disposed in the year (2021: 112%). This reflects changes in the market but continues to perform in line with industry expectations.

Venson Herts Limited;

In the reporting period the company delivered a vehicle availability performance of 98.5% (2021: 98.2%).

#### **Going concern**

Included within creditors due after one year is an amount of £9,599,057 (2021: £9,287,923) due to Realview Limited ("Realview"), a company under common control. The directors have received confirmation that this funding will not be withdrawn within one year of the date of approval of these financial statements. In addition, Dermot Desmond, the ultimate beneficial owner of Premier and Realview has agreed to provide financial support, should it be required, to enable the group to meet its external obligations for at least 12 months from the date of these financial statements.

#### **Material Events**

In December of 2021 the group disposed of the property previously used by Venson Nottingham Limited. The effects of this transaction are material to the results of 2021, and so have also been reflected on the face of the Statement of Comprehensive Income as an exceptional item.

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

**STRATEGIC REPORT** (Continued)

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**Interest payable**

As per note 5 of the accounts, within the £1,570,931 (2021: £1,454,133) of interest payable, £911,134 (2021: £877,072) relates to group undertakings.

By order of the Board:

*D McGovern*

D P McGovern  
Director

29 September 2023

## **PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

### **DIRECTORS' REPORT**

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The directors submit their report and the financial statements of the group for the period ended 31 December 2022.

#### **Results and dividends**

An analysis of the group companies' performance and development is contained within the Strategic Report.

The group loss for the year after taxation was £666,782 (2021: loss of £112,233).

There are no distributable reserves from which to pay a dividend. The loss for the year has been taken to reserves.

#### **Directors**

The directors who served the Company during the period and up to the date of this report were as follows:

J G Bateson  
S J Staton  
S J Roff  
M W Gerard (resigned 27 January 2023)  
D P McGovern (appointed 25 August 2023)

#### **Statement of directors' responsibilities**

The directors are responsible for preparing the Strategic Report, 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group for that period.

In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business.

## **PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

### **DIRECTORS' REPORT** (Continued)

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The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Statement as to disclosure of information to auditor**

The directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. The directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

#### **Matters of strategic importance**

Certain information required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 has been included in the separate Strategic Report on pages 2 to 5 in accordance with section 414C(11) of the Companies Act 2006 as the directors consider these matters to be of strategic importance to the group.

#### **Auditor**

RSM UK Audit LLP are deemed to be reappointed under Section 487(2) of the Companies Act 2006.

By order of the Board:

*D McGovern*

D P McGovern  
Director

29 September 2023

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

### **Opinion**

We have audited the financial statements of Premier Fleet Management and Contract Hire Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- . give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2022 and of the group's loss for the year then ended;
- . have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- . 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 group and parent 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 the financial statements is appropriate.

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

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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PREMIER FLEET MANAGEMENT  
AND CONTRACT HIRE LIMITED** (Continued)

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 course of 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 this gives rise to a material misstatement on the financial statements themselves. 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.

**Opinions on other matters 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 the directors' reports for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- . the strategic and the directors' reports have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report and the directors' reports.

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

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

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on pages 6 and 7, 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 group's and the 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 the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PREMIER FLEET MANAGEMENT  
AND CONTRACT HIRE LIMITED** (Continued)

**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.

**The extent to which the audit was considered capable of detecting irregularities,  
including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- . obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the group and the parent company operates in and how the group and the parent company are complying with the legal and regulatory framework;
- . inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- . discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and reviewing tax computations and returns and evaluating advice from external tax advisors.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PREMIER FLEET MANAGEMENT  
AND CONTRACT HIRE LIMITED** (Continued)

The group audit engagement team identified the risk of management override of controls, the cut off of lease, maintenance and vehicle sales revenue as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and testing the recognition of lease, maintenance and vehicle sales revenue to ensure that the revenue had been recognised in the correct accounting period.

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

**Use of our report**

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

*Neil Mellor*

Neil Mellor (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
Davidson House  
Forbury Square  
Reading  
Berkshire  
RG1 3EU  
29 September 2023

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022	2021
		£	£
<b>Turnover</b>	3	18,586,267	18,845,969
Cost of sales		(11,776,159)	(12,554,872)
Gross profit		6,810,108	6,291,097
Other operating expenses exc exceptional items		(5,427,699)	(5,452,468)
Exceptional items	4	-	721,502
Other operating (expenses)/income inc exceptional items		(5,427,699)	(4,730,966)
Other operating expenses	4	(5,427,699)	(4,730,966)
Depreciation and amortisation	4	(903,843)	(957,948)
Operating profit		478,566	602,183
Interest payable and similar charges	5	(953,591)	(889,082)
Loss on ordinary activities before taxation	6	(475,025)	(286,899)
Taxation	8	(191,757)	174,666
Loss on ordinary activities after taxation		(666,782)	(112,233)

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

(Company Registration Number: 06025920)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2022**

	Notes	2022		2021	
		£	£	£	£
<b>Fixed assets</b>					
Goodwill	9		2,750,792		3,438,492
Software	10		-		2,219
Intangible assets			2,750,792		3,440,711
Tangible assets	11		24,536,225		20,786,525
			27,287,017		24,227,236
<b>Current assets</b>					
Stocks	13	815,349		914,138	
Debtors due within one year	14	6,761,723		6,538,330	
Debtors due after more than one year	14	7,789,967		9,757,737	
Cash at bank and in hand		244,300		1,736,214	
		15,611,339		18,946,419	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	16	(17,109,140)		(14,966,773)	
<b>Net Current Assets</b>			(1,497,801)		3,979,646
<b>Total assets less current liabilities</b>			25,789,216		28,206,882
Creditors: amounts falling due after more than one year	17		(25,559,711)		(27,310,595)
<b>Net Assets</b>			229,505		896,287
<b>Capital and reserves</b>					
Called up share capital	21		10		10
Share premium account	21		3,999,992		3,999,992
Profit and loss account	21		(3,770,497)		(3,103,715)
<b>Total equity</b>			229,505		896,287

The financial statements on pages 12 to 41 were approved by the board of directors and authorised for issue on 29 September 2023 and are signed on its behalf by:

*D McGovern*

D P McGovern  
Director

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

(Company Registration Number: 06025920)

**COMPANY STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2022**

	Notes	2022	2021
		£	£
<b>Fixed assets</b>			
Investments	12	4,800,002	4,800,002
<b>Current assets</b>			
Debtors due after more than one year	14	7,338,677	7,455,309
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	16	(21,933)	(17,875)
<b>Net current assets</b>		7,316,744	7,437,434
<b>Total assets less current liabilities</b>		12,116,746	12,237,436
Creditors: amounts falling due after more than one year	17	(9,599,057)	(9,287,923)
<b>Net Assets</b>		<u>2,517,689</u>	<u>2,949,513</u>
<b>Capital and reserves</b>			
Called up share capital	21	10	10
Share premium account	21	3,999,992	3,999,992
Profit and loss account	21	(1,482,313)	(1,050,489)
<b>Total equity</b>		<u>2,517,689</u>	<u>2,949,513</u>

The company's loss for the period and total comprehensive loss for the period was £431,825 (2021: loss £386,887).

The financial statements on pages 12 to 41 were approved by the board of directors and authorised for issue on and are signed on its behalf by:

*D McGovern*

D P McGovern  
Director

29 September 2023

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Share capital £	Share premium account £	Profit and loss account £	Total equity £
<b>Balance at 1 January 2021</b>	10	3,999,992	(2,991,482)	1,008,520
Loss for the year	-	-	(112,233)	(112,233)
<b>Balance at 31 December 2021</b>	10	3,999,992	(3,103,715)	896,287
Loss for the year	-	-	(666,782)	(666,782)
<b>Balance at 31 December 2022</b>	10	3,999,992	(3,770,497)	229,505

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

**COMPANY STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Share capital £	Share premium account £	Profit and loss account £	Total equity £
<b>Balance at 1 January 2021</b>	10	3,999,992	(663,602)	3,336,400
Loss for the year	-	-	(386,887)	(386,887)
<b>Balance at 31 December 2021</b>	10	3,999,992	(1,050,489)	2,949,513
Loss for the year	-	-	(431,824)	(431,824)
<b>Balance at 31 December 2022</b>	10	3,999,992	(1,482,313)	2,517,689

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 £	2021 £
<b>Operating activities</b>	22		
Cash generated from operations		6,837,936	2,768,174
Other interest paid		-	(877,072)
Interest paid on hire purchase contracts		(632,881)	(577,061)
Taxation		(191,757)	(131,463)
<b>Net cash from operating activities</b>		<b>6,013,298</b>	<b>1,182,578</b>
<b>Investing activities</b>			
Purchase of tangible fixed assets		(11,310,743)	(7,847,927)
Purchase of intangible fixed assets		-	-
Proceeds on disposal of tangible fixed assets		3,984,578	3,960,136
Interest received		-	-
<b>Net cash used in investing activities</b>		<b>(7,326,165)</b>	<b>(3,887,791)</b>
<b>Financing activities</b>			
Other interest paid		(938,050)	-
Capital element of hire purchase contracts		759,003	(2,250,041)
<b>Net cash used in financing activities</b>		<b>(179,047)</b>	<b>(2,250,041)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(1,491,914)</b>	<b>(4,955,254)</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>1,736,214</b>	<b>6,691,468</b>
<b>Cash and cash equivalents at end of year</b>		<b>244,300</b>	<b>1,736,214</b>
<b>Relating to:</b>			
Bank balances and short term deposits included in cash at bank and in hand		<b>244,300</b>	<b>1,736,214</b>

## **PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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#### **1 Accounting policies**

##### **General information**

Premier Fleet Management and Contract Hire Limited ("the Company") is a private limited company, limited by shares, domiciled and incorporated in England. The address of the company's registered office and principal place of business is 13 Castle Mews, Hampton, Middlesex, TW12 2NP.

The group consists of Premier Fleet Management and Contract Hire Limited and all of its subsidiaries. The group's principal activities during the year was that of the provision of fleet management services, total outsourcing solutions and contract hire within the automotive industry.

##### **1.1 Basis of accounting**

The Company and group financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention, modified to include certain financial instruments at fair value. Monetary amounts in these financial statements are rounded to the nearest £ except where otherwise indicated.

##### **1.2 Reduced disclosure**

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements;

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares
- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.
- Section 33 'Related Party Disclosures' – Compensation for key management personnel

The financial statements of the Company are consolidated within these group financial statements, which are publicly available from the Companies House, Crown Way, Cardiff, CF14 3UZ.

##### **1.3 Company statement of comprehensive income**

As permitted by s408(3) Companies Act 2006, the Company has not presented its own statement of comprehensive income. The Company's loss for the period and total comprehensive income for the period was £431,825 (2021: loss £386,887).

## **PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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#### **1.4 Basis of consolidation**

The consolidated financial statements incorporate those of Premier Fleet Management and Contract Hire Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes. All financial statements are made up to 31 December 2022.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

The cost of a business combination is the fair value at the acquisition date, of the assets given, equity instruments issued and liabilities incurred or assumed, plus directly attributable costs.

The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

#### **1.5 Going concern**

The group reported a loss after tax of for the year of £666,782 (2021: a profit of £112,233) and at the year end reported net current liabilities of £1,497,801 (2021: net current assets £3,979,646). Included within net current liabilities (2021: net current assets) as stated above are debtors due after one year of £7,789,967 (2021: £9,757,737). Included within creditors due after one year is an amount of £9,599,057 (2021: £9,287,923) due to Realview Limited ("Realview"), a company under common control. The directors have received confirmation that this funding will not be withdrawn within one year of the date of approval of these financial statements. In addition, Dermot Desmond, the ultimate beneficial owner of Premier and Realview, has agreed to provide financial support, should it be required, to enable the group to meet its external obligations for at least 12 months from the date of these financial statements.

#### **1.6 Functional and presentational currencies**

The financial statements are presented in sterling which is also the functional currency of the group and the company.

## **PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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##### **1.7 Turnover**

Turnover represents the value, net of Value Added Tax, of fit-out fees, commission in respect of operating leases, vehicle rentals, maintenance income, sale of vehicles where the company bears the risks and enjoys the related rewards associated with that sale, reimbursed costs, management fees and income from ancillary services to external clients. Turnover is recognised at the point of delivery of services or when the right to receive commission arises.

Reimbursed costs represent fleet management costs rechargeable to clients.

##### *Agency Funding Revenue*

A substantial part of the group's fleet of vehicles are funded on agency terms under which the group acts as an agent for the funder in purchasing, delivering, collecting and selling the vehicle. Revenue in respect of agency contracts is recognised on a straight-line basis over the term of the contract.

##### *Residual values*

At the expiry of an agency contract the group is obliged to pay the funder a balloon payment equivalent to the estimated residual value of the vehicle. Following sale of the vehicle the group accounts for the net sale proceeds to the funder up to the level of the estimated residual value. Any excess remains with the group; should there be a shortfall the group is exposed to the loss on the residual values. The amount of the exposure is on a pre-agreed basis with the funder. The group has decided to show all of the residual value due as gross receivables in debtors and the corresponding amount due to funders as gross payables in creditors.

The residual values of the vehicles are monitored in accordance with the industry practice and projected losses to the group on end-of-life disposals provided for accordingly.

##### *Vehicle maintenance contracts*

During the term of the vehicle contract, the maintenance income element is recognised over the life of the contract in accordance with the industry practice and maintenance expenditure is recognised when incurred.

##### **1.8 Intangible fixed assets**

Goodwill is capitalised and written off evenly over 20 years as in the opinion of the directors, this represents the period over which the goodwill is expected to give rise to economic benefits. The directors also consider whether goodwill is impaired.

Negative goodwill arises when the cost of a business combination is less than the fair value of the identifiable assets, liabilities and contingent liabilities acquired. The amount up to the fair value of the non-monetary assets acquired is credited to profit or loss in the period in which those non-monetary assets are recovered. Negative goodwill in excess of the fair values of the non-monetary assets acquired is credited to profit or loss in the periods expected to benefit.

Acquired computer software is capitalised on the basis of the cost incurred to acquire and bring to use the specific software. These costs are amortised on a straight line basis over their expected useful lives of 3 - 5 years.

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**1.9 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation of each asset to its estimated residual value on a straight line basis over its expected useful life, as follows:

Freehold buildings	25 years
Plant, machinery, fixtures, fittings and equipment	10% - 33.3% per annum
Motor vehicles under non-HP agreements	25% - 40% per annum
Motor vehicles under HP agreements	see below

Motor vehicles under HP agreements incepting from 1 January 2015 are depreciated on a straight line basis down to their residual values over the term of the contract.

Vehicles held for hire are depreciated to estimated resale value at the end of the lease, based on industry data. Used vehicles acquired at the expiry of the funding agreement and held for hire are depreciated at various rates depending on the associated funding mechanism.

**1.10 Impairment of fixed assets**

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the group estimates the recoverable amount of the asset or, for goodwill, the recoverable amount of the cash-generating unit to which the goodwill belongs.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. Impairments of revalued assets are treated as a revaluation loss. All other impairment losses are recognised in profit or loss.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in profit or loss. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**1.11 Fixed asset investments**

*In the separate financial statements of the company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.*

Interests in subsidiaries are assessed for impairment at each reporting date. Any impairments losses or reversals of impairment losses are recognised immediately in profit or loss.

**1.12 Stocks**

Parts stock is valued at the lower of cost and net realisable value.

**1.13 Taxation**

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on income or expenses from subsidiaries that will be assessed to or allow for tax in a future period except where the group is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination and the amounts that can be deducted or assessed for tax. The deferred tax recognised is adjusted against goodwill.

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**1.13 Taxation** (Continued)

For non-depreciable assets measured using the revaluation model, deferred tax is measured using the tax rates and allowances that apply to the sale of the asset or property.

Current and deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

**1.14 Leases**

Assets held for use under operating leases are included within fixed assets. Rental income under contract hire is recognised on a straight line basis over the life of the initial contract. On extension of the contract, income is recognised as earned.

Income and costs in respect of daily hire contracts are recognised gross as the group bears the risks and rewards associated with these sales.

**1.15 Leased assets and obligations**

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as obligations under lease and hire purchase contracts within creditors. Depreciation on the relevant assets is charged to the profit and loss account in accordance with Note 1.9.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the length of the lease and is charged to the profit and loss account on a straight line basis. The capital component of repayments reduces the amounts payable to the lessor.

The treatment of lease interest as outlined above departs from FRS102 Section 11 which states that interest should be allocated so as to produce a constant periodic rate of charge on the outstanding obligation. This departure from FRS102 Section 11 is required in order to give a true and fair view of the group's income and expenditure deriving from assets on hire purchase.

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**1.15 Leased assets and obligations** (Continued)

If the accounting policy followed FRS102 Section 11 then a decrease in interest of £130,201 (2021 - a decrease of £81,280) would have been charged to the profit and loss account for the year.

The group's accounting treatment of lease interest, as outlined above, when read in conjunction with its accounting treatment of depreciation (Note 1.9), seeks to allocate the costs associated with funding a fixed term contract directly against the income derived from that contract. This treatment allocates profit evenly over the term of each fixed term contract. The directors consider that this represents a true and fair view of the derivation of the profit from that contract.

All other leases are treated as "operating leases" and the annual rentals are charged to the profit and loss account on a straight line basis over the term of the lease.

**1.16 Employee benefits**

The costs of short-term employee benefits are recognised an expense and the breakdown of such costs is shown in note 7. To the extent that these costs remain unpaid at the year end, the outstanding amount is reflected as a liability.

**1.17 Retirement benefits**

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

**1.18 Financial instruments**

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument, and are offset only when the group currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

***Financial assets***

***Debtors***

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

## **PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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##### **1.18 Financial instruments (Continued)**

A provision for impairment of debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

##### ***Financial liabilities and equity***

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

##### ***Equity instruments***

Financial instruments classified as equity instruments are recorded at the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

##### ***Creditors***

Creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

##### ***Borrowings***

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges.

##### ***Derecognition of financial assets and liabilities***

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

## **PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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##### **1.19 Provisions**

Provisions are recognised when the group has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

##### **1.20 Exceptional items**

Exceptional items are items which management consider are material to the understanding of the results and the financial position of the company and have therefore been presented separately in the financial statements.

## **2 Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### ***Critical accounting estimates and assumptions***

The group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### ***Residual values***

At the expiry of an agency contract the group is obliged to pay the funder a balloon payment equivalent to the estimated residual value of the vehicle. The group uses external professional valuations as a basis for determining the directors' estimation of the fair value of the residual value of the vehicles. However, the valuation of the residual value is inherently subjective, as it is made on the basis of valuation assumptions which may in future not prove to be accurate.

#### ***Deferred Income - Burn Rate Provision***

Revenue in respect of maintenance is charged to customers evenly across the period of the contract. The recognition of this revenue in the accounts is based on an estimate of when the costs to which the revenue relates will occur. The actual timing of future costs actually arising may differ from the estimates used.

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**3 Turnover**

An analysis of the group's turnover by class of business is as follows:

	2022	2021
	£	£
Management fees and ancillary	1,043,094	1,125,185
Reimbursed costs	949,754	880,804
Fit out	891,133	1,598,378
Lease management and ancillary services	12,599,282	12,424,289
Vehicle sales	3,103,004	2,817,313
	<u>18,586,267</u>	<u>18,845,969</u>

The total turnover of the group for the year has been derived from activities wholly undertaken in the United Kingdom.

**4 Other operating expenses**

	2022	2021
	£	£
Administrative expenses	5,427,699	4,730,966
Depreciation and amortisation	6,074,433	5,804,435
	<u>11,502,132</u>	<u>10,535,401</u>
Depreciation of motor vehicles under hire purchase agreements included in cost of sales	(5,170,590)	(4,846,487)
	<u>6,331,542</u>	<u>5,688,914</u>

In December of 2021 Venson Properties Limited sold its rental property in Nottingham. The effect of this transaction is material to that year's results, and so has been reflected on the face of the Statement of Comprehensive Income as an exceptional item for 2021. Administrative expenses incurred in 2021 of £4,730,966 include an exceptional item of £721,502 of income in respect of this item.

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**5 Interest payable and similar charges**

	2022	2021
	£	£
Interest arising on:		
Interest payable on loans from related parties	911,134	877,072
Hire purchase interest	659,797	577,061
	<u>1,570,931</u>	<u>1,454,133</u>
Included within cost of sales	(617,340)	(565,051)
	<u>953,591</u>	<u>889,082</u>

**6 Loss on ordinary activities before taxation**

	2022	2021
	£	£
The loss on ordinary activities before taxation is stated after charging/(crediting):		
Amortisation of goodwill	687,700	687,700
Depreciation of tangible assets		
Owned assets	213,924	246,675
Leased assets	5,170,590	4,846,487
Amortisation of intangible assets	2,219	23,573
Profit on disposal of fixed assets	(1,808,049)	(1,802,866)
Operating lease rentals	575,545	559,015
Stock – amounts expenses to cost of sales	<u>217,119</u>	<u>929,260</u>

Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows;

	2022	2021
	£	£
Auditor's remuneration:		
Statutory audit of parent company and consolidated accounts	75,687	55,871
All other non-audit services	<u>13,095</u>	<u>11,420</u>

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**7 Employees and directors**

	2022 No.	2021 No.
The average monthly number of persons (including directors) employed by the group during the year was:		
Sales	5	4
Administration	58	67
Technical	11	11
	<u>74</u>	<u>82</u>

	2022 £	2021 £
Staff costs for the above persons:		
Wages and salaries	2,964,047	3,087,627
Social security costs	336,287	347,833
Other pension costs	82,931	92,445
	<u>3,383,265</u>	<u>3,527,905</u>

**Directors**

	2022 £	2021 £
In respect of the directors of Premier Fleet Management and Contract Hire Limited		
Emoluments	491,741	499,880
Company contributions to money purchase pension schemes	14,273	12,695
	<u>506,014</u>	<u>512,575</u>

Directors emoluments disclosed above include the following payments paid to the highest paid director

Remuneration	<u>204,560</u>	<u>207,304</u>
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The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 3 (2021: 3).

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**8 Taxation**

	2022	2021
	£	£
Current tax		
UK corporation tax	-	-
Adjustments in respect of prior periods	-	(150,142)
Total current tax	-	(150,142)
Deferred tax:		
Current year	144,422	29,216
Adjustments for prior periods	1,313	127,452
Adjustments for change in deferred tax rate	46,022	(181,192)
Total deferred tax	191,757	(24,524)
Total tax on profit on ordinary activities	191,757	(174,666)

	2022	2021
	£	£
Factors affecting the tax charge for the year.		
Group loss on ordinary activities before tax	(475,025)	(286,899)
Group loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19.00% (2021: 19%).	(90,255)	(54,512)
Effects of:		
Expenses not deductible for tax purposes	136,536	134,561
Depreciation in excess of capital allowances	(1,315)	(141,295)
Prior period adjustments - deferred tax	603	127,452
Other timing differences	-	(168,440)
Deferred tax not recognised	104,093	101,749
Adjustments for change in deferred tax rate	42,095	(174,181)
Tax expense	191,757	(174,666)

The group has estimated tax losses of £2,933,275 (2021: £2,026,529) available to carry forward against future trading profits.

No deferred tax asset has been recognised in respect of the tax losses carried forward due to the uncertainty of the group's ability to utilise these losses.

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**9 Goodwill**

Group	Negative goodwill £	Positive goodwill £	Total goodwill £
Cost:			
At 1 January 2022 and 31 December 2022	<u>(144,566)</u>	<u>13,638,868</u>	<u>13,494,302</u>
Amortisation:			
At 1 January 2022	(144,566)	10,200,376	10,055,810
Charge for the year	-	687,700	687,700
At 31 December 2022	<u>(144,566)</u>	<u>10,888,076</u>	<u>10,743,510</u>
Net book value:			
At 31 December 2022	<u>-</u>	<u>2,750,792</u>	<u>2,750,792</u>
At 31 December 2021	<u>-</u>	<u>3,438,492</u>	<u>3,438,492</u>

The amortisation charge for the year is recognised within administrative expenses.

**10 Intangibles - software**

Group	Total £
Cost:	
At 1 January 2022	221,920
Additions	-
At 31 December 2022	<u>221,920</u>
Amortisation:	
At 1 January 2022	219,701
Charge for the year	2,219
At 31 December 2022	<u>221,920</u>
Net book value:	
At 31 December 2022	<u>-</u>
At 31 December 2021	<u>2,219</u>

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**11 Tangible fixed assets**

Group	Plant, machinery, fixtures and equipment £	Motor vehicles £	Total £
Cost:			
At 1 January 2022	3,307,521	32,034,024	35,341,545
Additions	46,954	11,263,789	11,310,743
Disposals	-	(6,180,872)	(6,180,872)
At 31 December 2022	<u>3,354,475</u>	<u>37,116,941</u>	<u>40,471,416</u>
Depreciation:			
At 1 January 2022	3,045,020	11,510,000	14,555,020
Charge for the year	127,534	5,256,980	5,384,514
Disposals	-	(4,004,343)	(4,004,343)
At 31 December 2022	<u>3,172,554</u>	<u>12,762,637</u>	<u>15,935,191</u>
Net book value:			
At 31 December 2022	<u>181,921</u>	<u>24,354,304</u>	<u>24,536,225</u>
At 31 December 2021	<u>262,501</u>	<u>20,524,024</u>	<u>20,786,525</u>

Included above are assets held under finance leases or hire purchase contracts as follows:

	Motor vehicles £	Total £
Net book values:		
31 December 2022	<u>15,858,993</u>	<u>15,858,993</u>
31 December 2021	<u>15,504,510</u>	<u>15,504,510</u>

Included in motor vehicles, above, are vehicles utilised by the group in operating lease contracts as follows:

	Cost £	Accumulated depreciation £	Net book value £
Net book values:			
31 December 2022	<u>36,542,395</u>	<u>(12,568,317)</u>	<u>23,974,078</u>
31 December 2021	<u>31,488,358</u>	<u>(11,341,235)</u>	<u>20,147,123</u>

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**12 Fixed asset investments**

Company	Investment in subsidiary £
Cost and net book values: At 1 January 2022 and 31 December 2022	<u>4,800,002</u>

The company holds more than 20% of the ordinary share capital of the following companies:

Company	Country of registration or incorporation	% Ordinary shares held	Activities
Venson Automotive Solutions Ltd	United Kingdom	100%	Fleet management
Venson Nottingham Ltd	United Kingdom	100%	Not trading
Venson Properties Ltd	United Kingdom	100%	Not trading
Venson Herts Ltd	United Kingdom	100%	Fleet Management

All shareholdings listed are direct. The registered office for all of the companies listed above is 13 Castle Mews, Hampton, Middlesex, TW12 2NN.

Subsidiary companies claiming the exemption from audit under section 479A of the Companies Act 2006 are:

Venson Properties Ltd Reg No.04190602

Venson Herts Ltd Reg No.06023480

Venson Nottingham Ltd Reg No.04215190

Premier Fleet Management and Contract Hire Limited has therefore given a guarantee under section 479C of the Companies Act 2006 in respect of the above subsidiaries.

**13 Stocks**

Group	2022 £	2021 £
Parts stock	<u>815,349</u>	<u>914,138</u>

**14 Debtors**

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
<i>Amounts falling due within one year:</i>				
Trade debtors	2,872,117	3,125,795	-	-
Net investment in vehicles let under finance leases	25,690	32,722	-	-
Vehicles subject to repurchase agreements	3,067,151	2,897,722	-	-
Other debtors	12,063	42,122	-	-
Prepayments and accrued income	784,702	439,969	-	-
	<u>6,761,723</u>	<u>6,538,330</u>	<u>-</u>	<u>-</u>

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**14 Debtors** (Continued)

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
<i>Amounts falling due after more than one year:</i>				
Net investment in vehicles let				
under finance leases	-	25,690	-	-
Vehicles subject to				
repurchase agreements	7,258,654	9,008,977	-	-
Amounts owed by group undertakings	-	-	7,338,677	7,455,309
Other debtors	531,313	723,070	-	-
	<u>7,789,967</u>	<u>9,757,737</u>	<u>7,338,677</u>	<u>7,455,309</u>

**15 Finance lease receivables**

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Gross amounts received under finance leases:				
Within one year	66,300	37,329	-	-
In the second to fifth years inclusive	-	66,300	-	-
Gross investment	<u>66,300</u>	<u>103,629</u>	<u>-</u>	<u>-</u>
Less unearned finance income	(40,610)	(45,217)	-	-
Present value of minimum lease payments	<u>25,690</u>	<u>58,412</u>	<u>-</u>	<u>-</u>
Receivable:				
Within one year	25,690	32,722	-	-
In the second to fifth years inclusive	<u>-</u>	<u>25,690</u>	<u>-</u>	<u>-</u>

The group enters into finance leasing arrangements for motor vehicles. The average term of finance leases entered into is 4 years.

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**16 Creditors: Amounts falling due within one year**

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans and overdrafts (note 19)	-	-	-	-
Vehicles subject to repurchase agreement (note 17)	3,067,151	2,897,722	-	-
Obligation under finance leases and hire purchase contracts (note 17)	6,422,762	5,352,064	-	-
Trade creditors	3,501,829	2,452,897	-	-
Corporation tax	-	-	-	-
Taxes and social security costs	137,573	333,637	-	-
Other creditors	1,461,872	1,424,987	-	-
Accruals and deferred income	2,517,953	2,505,466	21,933	17,875
	<u>17,109,140</u>	<u>14,966,773</u>	<u>21,933</u>	<u>17,875</u>

**17 Creditors: Amounts falling due after more than one year**

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Loans from related parties	9,599,057	9,287,923	9,599,057	9,287,923
Vehicles subject to repurchase agreement	7,258,654	9,008,977	-	-
Obligation under finance leases and hire purchase contracts	8,702,000	9,013,695	-	-
	<u>25,559,711</u>	<u>27,310,595</u>	<u>9,599,057</u>	<u>9,287,923</u>

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Vehicles subject to repurchase agreement:				
Repayable within one year	3,067,151	2,897,722	-	-
Repayable between one and two years	1,008,086	2,758,409	-	-
Repayable between two and five years	6,250,568	6,250,568	-	-
	<u>10,325,805</u>	<u>11,906,699</u>	<u>-</u>	<u>-</u>

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

17 Creditors: Amounts falling due after more than one year	(Continued)			
	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Obligations under finance lease and hire purchase agreements:				
Repayable within one year	6,422,762	5,352,064	-	-
Repayable between one and two years	3,557,625	3,869,320	-	-
Repayable between two and five years	5,144,375	5,144,375	-	-
	<u>15,124,762</u>	<u>14,365,759</u>	<u>-</u>	<u>-</u>

Obligations under finance lease and hire purchase agreements are secured by related assets and bear finance charges at rates ranging from 0% to 7.00%.

**18 Financial instruments**

The carrying amount of the group's financial instruments at 31 December was:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
<i>Debt instruments measured at amortised cost</i>				
Trade debtors	2,872,117	3,125,795	-	-
Net investment in vehicles let under finance leases	25,690	58,412	-	-
Vehicles subject to repurchase agreements	10,325,805	11,906,699	-	-
Other debtors	543,376	765,192	-	-
Accrued income	784,702	439,969	-	-
	<u>14,551,690</u>	<u>16,296,067</u>	<u>-</u>	<u>-</u>

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**18 Financial instruments** (Continued)

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
<i>Financial liabilities measured at amortised cost</i>				
Bank loans and overdrafts	-	-	-	-
Loans from related parties	9,599,057	9,287,923	9,599,057	9,287,923
Vehicles subject to repurchase agreement	10,325,805	11,906,699	-	-
Obligation under finance leases and hire purchase contracts	15,124,762	14,365,759	-	-
Trade creditors	3,501,829	2,452,897	-	-
Corporation tax	-	-	-	-
Taxes and social security costs	137,573	333,637	-	-
Other creditors	1,461,872	1,424,987	-	-
Accruals and deferred income	2,517,953	2,505,466	21,933	17,875
	<u>42,668,851</u>	<u>42,277,368</u>	<u>9,620,990</u>	<u>9,305,798</u>

**19 Borrowings**

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
<i>Creditors: amounts falling due within one year:</i>				
Bank loans	-	-	-	-
Finance lease liabilities	6,422,762	5,352,064	-	-
	<u>6,422,762</u>	<u>5,352,064</u>	<u>-</u>	<u>-</u>
<i>Creditors: amounts falling due after more than one year:</i>				
Finance lease liabilities	8,702,000	9,013,695	-	-
Loans from related parties	9,599,057	9,287,923	9,599,057	9,287,923
	<u>24,723,819</u>	<u>23,653,682</u>	<u>9,599,057</u>	<u>9,287,923</u>

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**20 Deferred Tax**

	Deferred tax asset £
<i>Group</i>	
At 1 January 2022	725,753
Profit and loss account	(191,757)
Balance at 31 December 2022	<u>533,996</u>

The deferred tax asset is made up as follows:

	Group 2022 £	2021 £
Accelerated capital allowances	<u>533,996</u>	<u>725,753</u>

Deferred tax has not been provided on tax losses not deemed recoverable as follows:

	Group 2022 £	2021 £
Tax losses available at 19% (2021: 19%)	<u>557,322</u>	<u>385,041</u>

Deferred tax is recognised at a rate of 25% except in cases where it is expected to unwind in a period in which the rate of corporation tax is expected to differ, in which case it will be recognised at that expected rate.

**21 Share capital and reserves**

	2022 £	2021 £
Company share capital		
Allotted, issued and fully paid:		
10 Ordinary shares of £1 each	<u>10</u>	<u>10</u>

*Ordinary share rights*

The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**21 Share capital and reserves (Continued)**

**Reserves**

Reserves of the group and Company represent the following:

*Profit and loss account*

Cumulative profit and loss net of distributions to owners.

*Share premium*

Consideration received for shares issued above their nominal value net of transaction costs.

**22 Reconciliation of profit after tax to net cash generated from operating activities**

	2022 £	2021 £
Profit after tax	(666,782)	(112,233)
Adjustments for:		
Depreciation of tangible fixed assets	5,384,514	5,093,162
Amortisation of goodwill	687,700	687,700
Amortisation of intangible assets	2,219	23,573
Profit on sale of fixed assets	(1,808,049)	(1,802,866)
Interest receivable	-	-
Interest payable	953,591	889,082
Hire purchase interest included in cost of sales	617,340	565,051
Taxation	191,757	(174,666)
Operating cash flows before movements in working capital	5,362,290	5,168,803
Decrease in stock	98,789	(156,793)
Decrease in debtors	163,483	1,970,091
Decrease in creditors	1,213,374	(4,213,927)
Cash generated from operations	<u>6,837,936</u>	<u>2,768,174</u>
Cash and cash equivalents		
	2022 £	2021 £
Cash and cash equivalents represent:		
Cash at bank and in hand	<u>244,300</u>	<u>1,736,214</u>

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**23 Financial commitments**

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Land and buildings	
	2022	2021
	£	£
Amounts due:		
Within one year	433,173	534,389
Between one and five years	207,252	483,589
After five years	-	-
	<u>640,425</u>	<u>1,017,978</u>

**24 Retirement benefits**

The group operates a defined contribution pension scheme for all qualifying employees in the United Kingdom. The assets of the scheme are held separately from those of the group in an independently administered fund. Contributions payable by the group charged to profit or loss amounted to:

	2022	2021
	£	£
Contributions payable by the group for the year	<u>82,931</u>	<u>92,445</u>

There were £Nil (2021: £Nil) unpaid pension contributions at the year end.

**25 Related party transactions**

Premier has taken advantage of the exemptions provided by Section 33 of FRS 102 'Related Party Disclosures' and has not disclosed transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is party to the transaction is wholly owned by a member of that group.

At the period end Realview Limited ("Realview"), a company which has the same ultimate beneficial owner Premier, was owed £9,599,057 (2021: £9,287,923) by Premier. Interest of £911,134 (2021: £877,072) has been accrued on this balance as at 31 December 2022, interest of £600,000 (2021: £600,000) was paid in the year.

**PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**25 Related party transactions** (Continued)

*The directors have received confirmation that the funding received from Realview will not be withdrawn within one year from the date of approval of these financial statements. The ultimate beneficial owner has agreed to provide financial support, should it be required, to enable the group to meet its external obligations as and when they fall due.*

Sales made to S Roff, a director of the group and company, during the year amounted to £Nil (2021: £10,921). Outstanding at the end of the year was £Nil (2021: £Nil).

The group is related to International Investment & Underwriting ("IIU") by virtue of a common director. During the year there were purchases of £490 (2021: £757) from IIU, and at 31 December there was an amount of £490 (2021: £Nil) outstanding in respect of these purchases.

**26 Remuneration of key management personnel**

The directors are considered to be the only key management personnel. Directors remuneration is disclosed in note 7. Employers national insurance contributions paid on behalf of these employees during the year amounted to £68,988 (2021: £75,915).

**27 Ultimate controlling party**

The group's immediate parent undertaking is The Bottin Limited Partnership, a company registered in Gibraltar. The group's ultimate parent undertaking is The Apple Limited Partnership.

*Mr Dermot Desmond has the ability to exercise dominant influence over The Apple Limited Partnership.*