

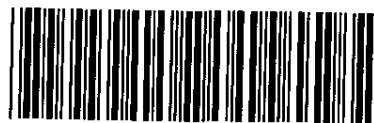
Ridgeway TPS Limited

Report and unaudited financial statements

For the 15 months ended 31 March 2022

Company Number 06112651

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Ridgeway TPS Limited
Report and unaudited financial statements
For the 15 months ended 31 March 2022

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Ridgeway TPS Limited
Officers and Professional Advisers
For the 15 months ended 31 March 2022

The Board of Directors

R. J. Blumberger
J. H. Crowther
J. L. Head
T. G. Lampert

Company Secretary

S.R. Jones

Registered Office

Airport House
The Airport
Cambridge
CB5 8RY
United Kingdom

Banker

HSBC plc
6 Northbrook Street
Newbury
RG14 1DJ

Solicitor

Dentons UKMEA LLP
The Pinnacle
170 Midsummer Boulevard
Milton Keynes
MK9 1FE

Ridgeway TPS Limited

Directors' Report

For the 15 months ended 31 March 2022

Directors

The Directors of the Ridgeway TPS Limited ("the Company") throughout the period and to the date of this report were:

D. Gupta (resigned on 25 May 2022)
R. J. Blumberger
J. H. Crowther (appointed on 1 July 2022)
J. L. Head (appointed on 1 July 2022)
T. G. Lampert (appointed on 1 July 2022)

Principal activities

The activities of the Company continue to consist of the distribution of vehicle parts and associated activities.

The Company is owned by Marshall Motor Holdings Limited ("the Group").

Results and dividends

On 21 December 2021, the Company changed its accounting reference date from 31 December to 31 March. Consequently, the Company's financial performance as reported in these financial statements is for the 15 month period ended 31 March 2022; the comparative period remains that of the year ended 31 December 2020.

The profit for the period, after tax, amounted to £159,000 (year ended 31 December 2020: £59,000). No dividends have been paid during the period (year ended 31 December 2020: £nil).

A Strategic Report has not been completed for the Company as it has elected to claim the small companies exemption from doing so under section 414A of the Companies Act 2006.

Events since the balance sheet date

For full details of all such events, see Note 20 'Events after the reporting period'.

Going concern

The financial statements are prepared on a going concern basis. After making appropriate enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and for at least one year from the date that these financial statements are signed. For these reasons, the Directors continue to adopt the going concern basis in preparing the financial statements.

For further information on the going concern assessment see Note 1 'Basis of preparation and statement of compliance'.

Future developments

The Company's strategic vision is to ensure continuity of its principal activities.

Business relationships

The Directors recognise that it is essential for the ongoing success and reputation of the Company to foster strong relationships with the stakeholder community. For full details of these considerations and the effect this regard has had on the principal decisions made in the period, see the Board Decision Making (s172 Statement) section of the Strategic Report in the Marshall Motor Holdings Limited consolidated financial statements.

Approval

This Directors' Report was approved by order of the Board on 16 December 2022.

DocuSigned by:



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R. J. Blumberger
Director

Ridgeway TPS Limited

Statement of Directors' Responsibilities

For the 15 months ended 31 March 2022

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

Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have elected to prepare the Company 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 its profit or loss for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Ridgeway TPS Limited

Income Statement

For the 15 months ended 31 March 2022

		15 months ended 31 March 2022 £'000	Year ended 31 December 2020 £'000
	Note		
Turnover	4	1,601	1,054
Administrative expenses		(1,406)	(1,053)
Other operating income	5	-	73
Profit on ordinary activities before taxation	6	195	74
Tax on profit on ordinary activities	8	(36)	(15)
Profit for the financial period		159	59

The Company has no recognised gains or losses other than the profit for the period as set out above.

All of the activities of the Company are classed as continuing.

The notes on pages 8 to 15 form part of these financial statements.

Ridgeway TPS Limited

Balance Sheet


As at 31 March 2022

	Note	31 March 2022		31 December 2020	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	9		37		51
Current assets					
Debtors	10	343		398	
Cash at bank and in hand		1,717		1,527	
		<u>2,060</u>		<u>1,925</u>	
Creditors: amounts falling due within one year	11	<u>(394)</u>		<u>(434)</u>	
Net current assets			1,666		1,491
Total assets less current liabilities			<u>1,703</u>		<u>1,542</u>
Provisions for liabilities	12		<u>(92)</u>		<u>(90)</u>
Net assets			<u><u>1,611</u></u>		<u><u>1,452</u></u>
Capital and reserves					
Called-up share capital	16		-		-
Profit and loss account	18		1,611		1,452
Shareholder's funds			<u><u>1,611</u></u>		<u><u>1,452</u></u>

The notes on pages 8 to 15 form part of these financial statements.

For the 15 months ended 31 March 2022 the Company was entitled to exemption under section 479A of the Companies Act 2006. No members have required the Company to obtain an audit of its accounts for the period in question in accordance with section 476 of the Companies Act 2006. The Directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and for the preparation of accounts.

The financial statements were approved by the Board of Directors and authorised for issue on 16 December 2022.

DocuSigned by:

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R. J. Blumberger
Director

Company Number: 06112651

Ridgeway TPS Limited
Statement of Changes in Equity
For the 15 months ended 31 March 2022

	Called up share capital £'000	Profit and loss account £'000	Total £'000
At 1 January 2020	-	1,393	1,393
Profit for the financial year	-	59	59
Total comprehensive income for the year	-	59	59
At 31 December 2020	-	1,452	1,452
Profit for the financial period	-	159	159
Total comprehensive income for the period	-	159	159
At 31 March 2022	-	1,611	1,611

Ridgeway TPS Limited

Notes to the Financial Statements

For the 15 months ended 31 March 2022

1. Basis of preparation and statement of compliance

Ridgeway TPS Limited (company number: 06112651) ("the Company") is a private company, limited by shares, incorporated in England and Wales. The registered office is Airport House, The Airport, Newmarket Road, Cambridge, CB5 8RY. The financial statements have been prepared in compliance with FRS 102, 'the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland'.

The financial statements of the Company were authorised for issue by the Board of Directors on 16 December 2022.

The financial statements are prepared in sterling which is the functional and presentational currency of the Company. All amounts are rounded to the nearest £'000.

The Company accounts have also adopted the following disclosure exemptions:

- presentation of a cash-flow statement and related notes
- financial instrument related disclosures
- key management personnel compensation disclosures
- related party disclosures with wholly owned subsidiaries within the Group.

These exemptions have been applied as the Company is a qualifying entity and the shareholders of the Company have been notified in writing and no objection has been made to the use of the exemptions.

The Company has taken the exemption from an audit for the 15 months ended 31 March 2022 by virtue of s479A of the Companies Act 2006. In order to allow the Company to take the audit exemption, the parent company Marshall Motor Holdings Limited has given a statutory guarantee of all the outstanding liabilities of the Company as at 31 March 2022.

Under section 479C of the Companies Act 2006, the parent company Marshall Motor Holdings Limited has guaranteed all outstanding liabilities to which the Company was subject as at 31 March 2022 until they are satisfied in full. Such guarantees are enforceable against Marshall Motor Holdings Limited by any person to whom any such liability is due.

Reporting period

The Company's immediate parent undertaking is Ridgeway Garages (Newbury) Limited which is a subsidiary of Marshall Motor Holdings Limited. On 11 May 2022 the entire share capital of Marshall Motor Holdings Limited was acquired by CAG Vega 2 Limited, part of the Constellation Automotive Group. In anticipation of this change of ownership, to align the reporting period with that of the acquirer, all entities in the Group changed their accounting reference date from 31 December to 31 March. Amounts presented in respect of the 2022 reporting period cover 15 months. Comparative figures per the Income Statement, Statement of Changes in Equity and related notes are for a 12 month period.

Going concern

The Company reported a profit for the 15 months ended 31 March 2022 and maintained a positive financial position. In addition, the Company has a treasury arrangement with other companies in the group of companies of which Marshall Motor Holdings Limited is the parent company ("the Group"). As at 31 March 2022 the Group had £60 million of committed, but undrawn, banking facilities made available under a facility agreement due to expire in September 2024. These Group treasury arrangements facilitate the Company being able to meet its liabilities as they fall due.

The financial statements are prepared on a going concern basis. After making appropriate enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and for at least one year from the date that these financial statements are signed. For these reasons, the Directors continue to adopt the going concern basis in preparing the financial statements. Accordingly, these financial statements do not include any adjustments to the carrying amount or classification of assets and liabilities that would result if the Company were unable to continue as a going concern.

2. Accounting policies

Revenue recognition

Turnover represents amounts chargeable, net of Value Added Tax, in respect of commissions earned under agency agreement for the distribution of vehicle parts to customers and expenses recharged to the parts supplier. Turnover is recognised at the point at which a customer takes possession of a part, which in turn triggers the agency commission.

Ridgeway TPS Limited

Notes to the Financial Statements *(continued)*

For the 15 months ended 31 March 2022

2. Accounting policies *(continued)*

Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. All such grants relate to expense items. The grant is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

The grant income is disclosed in other operating income in the Income Statement.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any accumulated impairment losses. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. When parts of an item of tangible fixed assets have different useful lives, those components are accounted for as separate items of tangible fixed assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Income Statement.

Depreciation is charged to the Income Statement on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Estimated residual values are included in the calculation of depreciation. The useful lives applicable are:

Leasehold improvements	- shorter of the lease term or 10 years
Plant and Machinery	- 2 - 5 years

Impairment of non-financial assets

At each reporting date assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the Income Statement for the period.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior periods. A reversal of an impairment loss is recognised immediately in the Income Statement for the period.

Basic financial instruments

Debtors

Short term debtors are measured at transaction price, less any impairment. Any losses arising from impairment are recognised in the Income Statement in administrative expenses.

Creditors

Short term trade creditors are measured at the transaction price.

Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and cash in hand.

Provisions for liabilities

A provision is recognised in the Balance Sheet when the Company has; a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the obligation. If the effect is material provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. The increase in the provision due to the passage of time is recognised in interest payable.

Ridgeway TPS Limited

Notes to the Financial Statements *(continued)*

For the 15 months ended 31 March 2022

2. Accounting policies *(continued)*

Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

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

Deferred tax is calculated without discounting using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

With the exception of changes arising on the initial recognition in a business combination, the tax charge / (credit) is presented either in the Income Statement or Statement of Changes in Equity depending on the transaction that resulted in the tax charge / (credit).

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. Deferred tax assets and deferred tax liabilities are offset only if:

- the Company has a legally enforceable right to set off current tax assets against current tax liabilities, and
- the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

Pensions

The parent company, Marshall Motor Holdings Limited operates a defined contribution scheme for the employees of the Group. The Company participates in a defined contribution scheme for its employees. Contributions are charged to the Income Statement as they become payable in accordance with the rules of the scheme.

3. Significant judgements and key sources of estimation uncertainty

The Company makes judgements and estimates concerning the future. The judgements and estimates that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below:

Estimated useful life of tangible fixed assets and impairment of non-financial assets

The Company estimates the useful life and residual values of tangible fixed assets and reviews these estimates at each financial period end. The Company also tests for impairment when a trigger event occurs or annually as appropriate.

Dilapidation provisions

The Company operates from a number of leasehold premises and is typically required by the terms of the lease to restore leased premises to their original condition on vacation of the premises at the end of the lease term. Estimates of dilapidation costs are calculated in accordance with the specific remediation requirements stipulated in each lease contract. At the point at which these remediation costs can be reliably estimated, a provision is recognised. Whilst this data is deemed representative of current estimates it is possible that costs can vary from those applied.

4. Turnover

Turnover is all attributable to the principal activity of the Company, which is car and commercial parts sales, distribution and service. All turnover arises from continuing activities within the United Kingdom and is stated net of VAT.

Turnover is analysed as follows:

	15 months ended 31 March 2022 £'000	Year ended 31 December 2020 £'000
Recharged expenses	1,601	1,054
	1,601	1,054

Ridgeway TPS Limited
Notes to the Financial Statements *(continued)*
For the 15 months ended 31 March 2022

5. Other operating income

	15 months ended 31 March 2022	Year ended 31 December 2020
	£'000	£'000
Coronavirus Job Retention Scheme grant income	-	73

6. Profit on ordinary activities before taxation

This is stated after charging:

	15 months ended 31 March 2022	Year ended 31 December 2020
	£'000	£'000
Depreciation of tangible fixed assets (note 9)	10	27
Operating lease costs - land and buildings	136	111
Operating lease costs - vehicles and equipment	19	17

7. Staff costs

Staff costs during the period were as follows:

	15 months ended 31 March 2022	Year ended 31 December 2020
	£'000	£'000
Wages and salaries	903	683
Social security costs	71	55
Other pension costs	15	12
	989	750

Employee costs stated above exclude grant income of £nil (year ended 31 December 2020: £73,000) received under the Coronavirus Job Retention Scheme.

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

	15 months ended 31 March 2022	Year ended 31 December 2020
	No.	No.
Administration	19	19
Sales and aftersales	15	17
	34	36

The costs of Directors' services are borne by the Group.

Ridgeway TPS Limited
Notes to the Financial Statements *(continued)*
For the 15 months ended 31 March 2022

8. Tax

a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	15 months ended 31 March 2022 £'000	Year ended 31 December 2020 £'000
<i>Current tax</i>		
Current tax on profits for the period	37	18
Total current tax	37	18
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	(3)
Effect of change in tax rates	(1)	-
Total deferred tax	(1)	(3)
Taxation on profit on ordinary activities	36	15

b) Factors affecting the total tax charge

The tax assessed on the profit on ordinary activities for the period is lower (year ended 31 December 2020: higher) than the standard rate of corporation tax in the UK of 19% (year ended 31 December 2020: 19%). The differences are explained below:

	15 months ended 31 March 2022 £'000	Year ended 31 December 2020 £'000
Profit on ordinary activities before tax	195	74
Profit on ordinary activities at the standard rate of corporation tax in the UK of 19% (2020: 19%)	37	14
Effects of:		
Expenses not deductible for tax purposes	-	1
Effect of change in tax rates	(1)	-
Total tax charge for the period	36	15

c) Factors that may affect future tax charges

Future corporation tax charges, therefore, the Company's effective tax rate, may be affected by factors such as acquisitions, disposals, restructuring and tax regime reforms.

In the Budget of 3 March 2021, the Chancellor of the Exchequer announced a 6% increase in the standard rate of corporation tax, which will be applicable in the financial year beginning 1 April 2023. This change in the rate of corporation tax to 25% will affect the amount of future tax payments for which the Company will be responsible. Being substantively enacted, this rate change has already been reflected in the measurement of the Company's deferred tax assets and liabilities.

For further information on deferred tax balances see Note 13.

Ridgeway TPS Limited

Notes to the Financial Statements *(continued)*

For the 15 months ended 31 March 2022

9. Tangible fixed assets

	Leasehold improvements £'000	Plant and machinery £'000	Total £'000
Cost			
At 1 January 2021	181	29	210
Additions	-	5	5
Disposals	(9)	-	(9)
At 31 March 2022	172	34	206
Depreciation			
At 1 January 2021	141	18	159
Charge for the period	4	6	10
At 31 March 2022	145	24	169
Net book value			
At 31 March 2022	27	10	37
At 1 January 2021	40	11	51

10. Debtors

	31 March 2022 £'000	31 December 2020 £'000
Trade debtors	142	165
Amounts owed by Group undertakings	87	87
Other debtors	84	102
Prepayments	27	42
Deferred taxation (note 13)	3	2
	343	398

Outstanding balances with Group entities are unsecured, interest free and are expected to be settled in cash. During the 15 months ended 31 March 2022, the Company has not made any provision for doubtful debts relating to amounts owed by related parties (year ended 31 December 2020: £nil).

11. Creditors: amounts falling due within one year

	31 March 2022 £'000	31 December 2020 £'000
Trade creditors	8	61
Amounts owed to Group undertakings	224	246
Other taxation and social security	85	71
Other creditors	1	3
Accruals	76	53
	394	434

Management considers the carrying amount of creditors to approximate their fair value.

Outstanding balances with Group entities are unsecured, interest free and are expected to be settled in cash.

12. Provisions for liabilities - dilapidations

The movement in provisions during the period was:

	31 March 2022 £'000	31 December 2020 £'000
As at 1 January 2021	90	75
Charged to Income Statement in the period	2	90
Released and credited to Income Statement in the period	-	(75)
As at period end	92	90

Ridgeway TPS Limited

Notes to the Financial Statements *(continued)*

For the 15 months ended 31 March 2022

13. Deferred tax

The movement in the deferred tax asset / (liability) during the period was:

	31 March 2022	31 December 2020
	£'000	£'000
At 1 January 2021	2	(1)
Changes in provision	1	3
At period end	3	2

The balance of the deferred tax asset consists of the tax effect of timing differences in respect of:

	31 March 2022	31 December 2020
	£'000	£'000
Decelerated capital allowances	3	2
Total deferred tax	3	2

During the year beginning 1 April 2022, the net reversal of existing deferred tax assets and liabilities is expected to increase the corporation tax charge for the year by £1,000. This is due to fixed asset movements expected during the period and deductions available for pension contribution paid.

14. Pensions

As described in Note 2, the Company participates in a defined contribution pension scheme for the benefit of its employees. The scheme is funded by the payment of contributions to a trustee-administered fund which is kept independently from the assets of the participating employers.

The total pension cost for the period for the Company in respect of defined contribution schemes was £15,000 (year ended 3 December 2020: £12,000).

The total unpaid pension contributions outstanding at the period-end were £2,000 (31 December 2020: £3,000).

15. Operating lease commitments

The Company's future minimum operating lease commitments are as follows:

	31 March 2022		31 December 2020	
	Property	Vehicles and equipment	Property	Vehicles and equipment
	£'000	£'000	£'000	£'000
Within one year	47	2	99	11
Between one and five years	169	-	188	4
After more than five years	138	-	191	-
	354	2	478	15

16. Share capital

	31 March 2022	31 December 2020
	£	£
Allotted, called up and fully paid:		
1 ordinary share of £1 each	1	1

Ridgeway TPS Limited

Notes to the Financial Statements (*continued*)

For the 15 months ended 31 March 2022

17. Guarantees and other financial commitments

There is a contingent liability in respect of bank borrowings of group companies which have been secured by intercompany cross-guarantees. The contingent liabilities under this arrangement, being the aggregate bank borrowing of the Group at 31 March 2022 amounted to £4,222,000 (31 December 2020: £5,024,000).

The Company had no other contingent liabilities at 31 March 2022 or 31 December 2020.

The Group has a revolving credit facility of £60,000,000 of which £nil was drawn at 31 March 2022 (31 December 2020: £nil). This facility includes access to an overdraft facility of £25,000,000. This facility is available for general corporate purposes including acquisitions or working capital requirements.

The facility is secured by cross-guarantees granted by certain members of the Group. The facility is available until September 2024.

18. Reserves

Profit and loss account reserves – includes all current and prior period profits and losses.

19. Ultimate parent company

The Company's immediate parent undertaking is Ridgeway Garages (Newbury) Limited which is a subsidiary of Marshall Motor Holdings Limited. On 11 May 2022 Marshall Motor Holdings Limited was acquired by a new intermediate parent company, CAG Vega 2 Limited, a company incorporated in England and Wales. The ultimate controlling party became TDR Capital LLP, a Limited Liability Partnership incorporated in England and Wales. Constellation Automotive Holdings Limited is the largest undertaking that consolidates these financial statements. The parent company of the smallest such group is Marshall Motor Holdings Limited.

Copies of the consolidated financial statements for both Marshall Motor Holdings Limited and Constellation Automotive Holdings Limited can be obtained from The Registrar of Companies at Companies House, Crown Way, Cardiff CF14 3UZ.

20. Events after the reporting period

Change of control

On 29 November 2021 the Board of Constellation Automotive Holdings Limited announced the terms of a cash offer pursuant to which its wholly-owned subsidiary CAG Vega 2 Limited would acquire the entire issued, and to be issued, share capital of Marshall Motor Holdings Limited, subject to the requisite regulatory approvals being obtained. Marshall of Cambridge (Holdings) Limited provided an irrevocable undertaking to accept the offer in respect of its entire shareholding in the ordinary share capital of Marshall Motor Holdings, representing approximately 64.4% of the issued ordinary share capital. Following the granting of the requisite regulatory approvals on 11 May 2022, the change of control took effect.