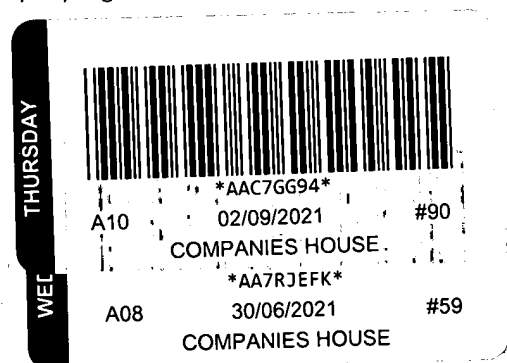


Valeos (2013) Limited

Annual Report and Unaudited Financial Statements

For the year ended 31 December 2020

Company registration number: 08718589



Valeos (2013) Limited
Annual Report and Unaudited Financial Statements
For the year ended 31 December 2020

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Company Information

Director	G Sidle
Company secretary	S.Atherton
Registered office	6 East Parade Leeds United Kingdom LS1 2AD
Registered number	08718589

Valeos (2013) Limited
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Director's Report

The Director presents their Annual Report and unaudited Financial Statements of Valeos (2013) Limited (the Company) for the year ended 31 December 2020.

Principal activities

The principal activity of the Company during the year was that of delivering insurance and assistance key products and services by means of brokers or retail propositions.

Review of the business and future developments

Details of the results for the year are set out on page 4 and show a profit before taxation amounting to £5,094 (2019: £17,808).

During the prior year the Company ceased the sale of new insured key products with the responsibility for the servicing of these policies expiring in May 2020. The Company continues to promote its non-insured key offering which generated revenue of £16,298 (2019: £68,197) during the year.

There have been no dividends paid during either the current or prior year. No dividends have been proposed since the year end. The Company has net liabilities of £17,414 (2019: £24,923).

The Director believes that key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the Company.

This Company qualifies as small in accordance with the provisions of section 382 (3) of the Companies Act 2006 and is therefore exempt from the requirement to prepare a strategic report under section 414B.

For the year ended 31 December 2020, the Company was entitled to an exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies.

Whilst the outbreak of the COVID-19 pandemic had an impact on the motor market in which the Company operates as evidenced by a reduction in revenue, costs are being controlled and the Company continues to trade profitably.

Going concern

The Company is currently in a net liability position and has inter-company balances due to the wider Group which may become payable.

It is the expectation of the Director that financing will be consistently available to support the Company's cash flow requirements over at least 12 months from the date of signing the financial statements, as confirmed by a letter of support from CPPGroup Plc. The Group's forecast profitability and cash flow projections are subject to robust downside stress testing involving modelling the impact of plausible adverse scenarios. The assessment fully considers the Group's modelling of the risks associated with the COVID-19 pandemic.

Having considered all the information available, the Director has a reasonable expectation that the Company has adequate resources to continue to operate for at least 12 months from the date of this report and accordingly the Director has continued to adopt the going concern basis in preparing the financial statements.

Valeos (2013) Limited
Annual Report and Unaudited Financial Statements
For the year ended 31 December 2020

Directors' Report (continued)

Directors

The Directors holding office during the year and up to the date of signing of these financial statements was as follows:

G Sidle (appointed 18 June 2020)
D Ross (resigned 18 June 2020)

Company secretary

The company secretary holding office during the year and up to the date of signing of these financial statements was as follows:

S Atherton (appointed 1 January 2021)
L Beavis (resigned 31 December 2020)

Events after the balance sheet date

There have been no material events subsequent to the balance sheet date.

Insurance

The Company has appropriate insurance cover in place in respect of any potential litigation against the Director.

Director's responsibilities statement

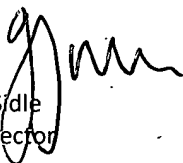
The Director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law the Director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". Under company law, the Director must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Director is required to:

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

The Director is 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. The Director has not obtained an audit of the Company's accounts for the year ended 31 December 2020 in accordance with section 472 of the Companies Act 2006. Further detail is provided on page 5.

Authorised and approved on behalf of the Board on 24 June 2021.


G Sidle
Director

Valeos (2013) Limited
Annual Report and Unaudited Financial Statements
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<u>Income statement</u>		2020	2019
	Note	£	£
Revenue	2	16,298	86,081
Cost of sales		(7,587)	(56,548)
Gross profit		<u>8,711</u>	<u>29,533</u>
Administrative expenses		(950)	(7,702)
Operating profit		<u>7,761</u>	<u>21,831</u>
Interest payable and similar charges	3	(2,667)	(4,023)
Profit before taxation		<u>5,094</u>	<u>17,808</u>
Taxation	4	<u>2,415</u>	<u>(8,792)</u>
Profit after taxation		<u><u>7,509</u></u>	<u><u>9,016</u></u>

All results arise from continuing operations.

The Company has no recognised gains or losses other than as stated above and therefore no statement of other comprehensive income has been presented.

The notes on pages 7 to 12 are an integral part of these financial statements.

Valeos (2013) Limited
Annual Report and Unaudited Financial Statements
For the year ended 31 December 2020

Balance Sheet

At 31 December

		2020	2019
	Note	£	£
Non-current assets			
Property, plant and equipment	6	-	1,024
Intangible assets	7	2,295	3,001
		<u>2,295</u>	<u>4,025</u>
Current assets			
Inventory		6,500	9,884
Trade and other receivables	8	6,729	14,006
Cash at bank		33,167	101,985
		<u>46,396</u>	<u>125,875</u>
Current liabilities			
Trade and other payables	9	(66,105)	(154,823)
		<u>(19,709)</u>	<u>(28,948)</u>
Net current liabilities		<u>(17,414)</u>	<u>(24,923)</u>
Net liabilities		<u>(17,414)</u>	<u>(24,923)</u>
Capital and reserves			
Share capital	10	166	166
Accumulated losses		(17,580)	(25,089)
Shareholders' deficit		<u>(17,414)</u>	<u>(24,923)</u>

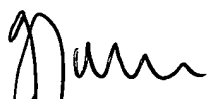
The notes on pages 7 to 12 are an integral part of these financial statements.

For the year ending 31 December 2020 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Director's responsibilities:

- the members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- the Director acknowledges their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Board on 24 June 2021 and signed on its behalf by:


G Sidle
Director

Company Registration Number: 08718589

Valeos (2013) Limited
Annual Report and Unaudited Financial Statements
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Statement of Changes in Equity

	Share capital £	Accumulated losses £	Total £
Balance at 1 January 2019	166	(34,105)	(33,939)
Total comprehensive income	-	9,016	9,016
Balance at 31 December 2019	166	(25,089)	(24,923)
Total comprehensive income	-	7,509	7,509
Balance at 31 December 2020	166	(17,580)	(17,414)

Valeos (2013) Limited
Annual Report and Unaudited Financial Statements
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Notes to the financial statements

1. Accounting Policies

Basis of preparation

Valeos (2013) Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The financial statements have been prepared under the historical cost basis. The presentation currency of these financial statements is sterling.

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. These financial statements were prepared in accordance with FRS 101 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to presentation of a cash flow statement, standards not yet effective, financial instruments and related party transactions. Where required, equivalent disclosures are given in the consolidated accounts of CPPGroup Plc. The consolidated accounts of CPPGroup Plc are available to the public and can be obtained as set out in note 11.

These financial statements are separate financial statements. The Company is exempt from the preparation and delivery of consolidated financial statements by virtue of section 400 of the Companies Act, because it is included in the group accounts of CPPGroup Plc.

The following new and revised Standards and Interpretations have been adopted in the current period. The application of these specific Standards and Interpretations has not had a material effect on the Company.

Standard	Subject
IFRS 3 (amendments)	Business Combinations – definition of a business
IAS 1 (amendments)	Presentation of financial instruments – definition of material
IAS 8 (amendments)	Accounting estimates – definition of material
IFRS 16 (practical expedient)	COVID-19 rent concessions

All new or amended standards and interpretations applied for the first time in the period commencing 1 January 2020 have not impacted the amounts recognised in prior periods.

The principal accounting policies are summarised below.

Going concern

The Director has, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources, as per the letter of support from CPPGroup Plc, to continue in operational existence for at least 12 months from the date of this report. Accordingly the Director continues to adopt the going concern basis of accounting in preparing the financial statements. Further details of the Director's assessment is set out in the Director's Report on page 2.

Tangible fixed assets

The cost of tangible fixed assets is their purchase cost. Depreciation is provided on all tangible fixed assets, at rates calculated to write-off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

Plant, equipment, fixtures and fittings 33% on cost

Valeos (2013) Limited
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Notes to the financial statements (continued)

1. Accounting policies (continued)

Intangible assets

The cost of intangible assets such as patents and trademarks are included at their purchase cost. Amortisation is provided on all intangible fixed assets, and commences when the assets are ready for their intended use, at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

Trademarks 10 years straight line

Amortisation is charged to administrative expenses in the Income statement. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense in the Income statement immediately.

Where the impairment loss subsequently reverses, the carrying amount of the asset may be increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

Intercompany loans

Intercompany loans are initially recorded at fair value and subsequently held at amortised cost using the effective interest method, less any allowance for irrecoverable amounts. Any estimated irrecoverable amounts are recognised in profit or loss. In accordance with IFRS 9, the Company recognises a lifetime expected credit loss (ECL) when there has been a significant increase in credit risk since initial recognition. The assessment of lifetime ECL considers all possible default events over the expected life of the intercompany loan.

Taxation

Taxation on the profit or loss for the period comprises both current and deferred. Taxation is charged or credited to the Income statement, except when it relates to items charged or credited directly to equity, in which case the tax is also included within equity. Current tax is the expected tax payable on the taxable income for the period using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full, using the liability method, on all taxable and deductible temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income tax levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Valeos (2013) Limited
Annual Report and Unaudited Financial Statements
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Notes to the financial statements (continued)

1. Accounting policies (continued)

Inventory

Inventory is stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Key assumptions and estimation uncertainty

In the application of the Company's accounting policies, as described above, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. We do not consider there to be any in the current period.

2. Operating profit

	2020	2019
	£	£
Operating profit is stated after charging:		
Depreciation – owned assets	1,024	1,568
Amortisation – patents and licenses	<u>706</u>	<u>706</u>

3. Interest payable and similar charges

	2020	2019
	£	£
Interest payable on amounts owed to Group entities	<u>2,667</u>	<u>4,023</u>

Valeos (2013) Limited
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Notes to the financial statements (continued)

4. Taxation

	2020	2019
	£	£
UK Corporation tax based on the profit for the year at 19.00% (2019: 19.00%) was as follows:		
Current tax (credit)/charge:		
UK corporation tax	968	3,383
Adjustment in respect of prior year UK corporation tax	(3,383)	5,409
Total current tax (credit)/charge	<u>(2,415)</u>	<u>8,792</u>
UK deferred tax charge	-	-
Total recognised tax (credit)/charge for the year	<u>(2,415)</u>	<u>8,792</u>

The tax (credit)/charge differs from that resulting from applying the standard rate of UK corporation tax to profit before tax. The difference is explained below:

	2020	2019
	£	£
Profit before tax	<u>5,094</u>	<u>17,808</u>
Tax charge at the UK corporation tax rate of 19.00% (2019: 19.00%)	968	3,383
Adjustments to tax in respect of prior periods	(3,383)	5,409
Total tax (credit)/charge for the year	<u>(2,415)</u>	<u>8,792</u>

5. Employee benefit expense

The Company has had no employees in either the current or prior year.

The Director of the Company during the year performed duties in respect of the other Group undertakings and was remunerated by those companies. No allocation to this Company is performed as the value of their services to the Company is considered to be immaterial.

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Notes to the financial statements (continued)

6. Property, plant and equipment

	£
Cost	
At 1 January 2020 and 31 December 2020	<u>4,750</u>
Accumulated Depreciation	
At 1 January 2020	3,726
Charge for the year	<u>1,024</u>
At 31 December 2020	<u>4,750</u>
Carrying Value	
At 31 December 2019	<u>1,024</u>
At 31 December 2020	<u>-</u>

Property, plant and equipment are depreciated at rates reflective of their individual expected useful life as per the Company policy presented in note 1.

7. Intangible asset

	£
Cost	
At 1 January 2020 and 31 December 2020	<u>7,060</u>
Accumulated Depreciation	
At 1 January 2020	4,059
Charge for the year	<u>706</u>
At 31 December 2020	<u>4,765</u>
Carrying Value	
At 31 December 2019	<u>3,001</u>
At 31 December 2020	<u>2,295</u>

Intangible assets held by the Company consists of a trademark. Intangible assets are depreciated at rates reflective of their individual expected useful life as per the Company policy presented in note 1. As at 31 December 2020, the remaining period of amortisation was 3.25 years.

Valeos (2013) Limited
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Notes to the financial statements (continued)

8. Trade and other receivables

	2020 £	2019 £
Amounts falling due within one year:		
Trade receivables	-	7,758
Prepayments and other receivables	6,729	6,248
	<u>6,729</u>	<u>14,006</u>

9. Trade and other payables

	2020 £	2019 £
Amounts falling due within one year:		
Trade payables	600	1,068
Amounts owed to Group undertakings	54,137	140,867
Other payables including tax and social security	5,118	9,946
Accruals and deferred income	6,250	2,942
	<u>66,105</u>	<u>154,823</u>

There are no fixed dates for repayment of the intercompany loans and they are repayable on demand. Interest has been charged at the market rate which is LIBOR plus 2.5%.

10. Share capital

	2020 Number	2020 £	2019 Number	2019 £
Authorised allotted and fully paid				
£1 Ordinary shares:				
Ordinary A	150	150	150	150
Ordinary B	16	16	16	16
	<u>166</u>	<u>166</u>	<u>166</u>	<u>166</u>

11. Related parties and ultimate control

The Company is a wholly owned subsidiary of CPP Holdings Limited. The ultimate parent company and ultimate controlling party is CPPGroup Plc. Advantage has been taken of the related party disclosure exemptions in respect of group transactions since consolidated financial statements have been prepared by the ultimate parent company CPPGroup Plc, which is the parent of the largest and smallest groups for which consolidated accounts are prepared and of which the Company is a member. Copies of these accounts may be obtained from the Company's registered office at 6 East Parade, Leeds, LS1 2AD.