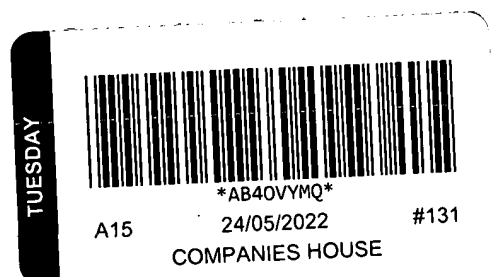

GLOBAL MOTO HOLDINGS LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**



GLOBAL MOTO HOLDINGS LIMITED

COMPANY INFORMATION

Directors	L R Gregory J G Heal
Registered number	11019590
Registered office	6 Commerce Way Colchester CO2 8HH
Independent auditors	Hillier Hopkins LLP Chartered Accountants & Statutory Auditor Radius House 51 Clarendon Road Watford Hertfordshire WD17 1HP

GLOBAL MOTO HOLDINGS LIMITED

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GLOBAL MOTO HOLDINGS LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Introduction

Global Moto has knowledge and experience going back over 100 years, and is one of the largest motorcycle retailers in the UK. We have between 45 - 50 members of staff, and are dealers for Kawasaki, Suzuki, Royal Enfield Moto Guzzi, Piaggio, Vespa, Aprilia, Mutt, Benelli, Sym and Keeway road bikes and scooters.

The current directors have well over 40 years' experience retailing motorcycles, and have long standing relationships with suppliers and finance providers. As a company we provide regular training and updates to our staff to ensure that they are fully up to date and compliant with the latest products and procedures.

Business review

We seek to continue to grow our business and offer the very best products and services to our customers. We strive to continue to be associated with excellent customer service. We also look to remain as trend setters amongst our competitors and be the first to implement and take advantage of new trends in marketing and for our brand and corporate image.

Range of Products & Services

- Sale of new Kawasaki road motorcycles
- Sale of new Piaggio, Moto Guzzi, Vespa, and Aprilia road motorcycles and scooters
- Sale of new Mutt motorcycles
- Sale of new Royal Enfield, Benelli, Sym and Keeway motorcycles and scooters
- Sale of new Suzuki road motorcycles
- Sale of used motorcycles
- Servicing, repairs and MOTs on all makes and models of motorcycle
- Sale of motorcycle clothing and protective equipment
- Sale of motorcycle parts and accessories

Company Values

Global Moto's largest current dealership, Colchester Kawasaki, makes up part of only 10 Elite Kawasaki dealers in the UK, having been recognised as representing the best in motorcycle retailing. Colchester Kawasaki has also been awarded MCN's "Dealer Of The Year" several times, alongside various other manufacturer awards, and the Company prides ourselves in offering the very best customer service.

Company Strategic Objectives

Global Moto has grown rapidly over the last few years, having opened Northampton Moto in 2018, Clay Cross Kawasaki in 2020, and now due to open our fifth and largest site to date in 2022 in Coventry. The new showroom and distribution centre is due to open in August 2022. With the purchase of this new property, Global Moto seeks to break into the import and distribution side of the motorcycle industry. The new facility houses a huge storage facility as well as the potential for a large logistic hub to distribute product to dealers throughout the UK.

In early 2022, Global Moto also took on several new manufacturers such as Suzuki, Royal Enfield, Benelli, Keeway and Sym motorcycles and scooters. The Company seeks to grow the product sales for these manufacturers and establish itself as leading dealers within the UK for all of these new brands.

GLOBAL MOTO HOLDINGS LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Principal risks and uncertainties

Key Person Risk

Problems can arise when key people in the company leave, or are unable to fulfil their work load. To reduce this risk Global Moto regularly:

- Identifies the key people in the business and why they are key
- Assesses the potential problems that could occur if a key person was to leave
- Puts plans into place to reduce the risk, and take action where necessary
- Provides and passes on training (so that the skills of the key person can be spread more widely)
- Stores copies of key documents at more than one location
- Encourages key people to share responsibilities by discussing how the work load can be shared

Clients being given unsuitable advice

Global Moto keeps up to date with the latest FCA regulations and receives regular training from our finance providers. We pass this information on and train all our sales staff so they comply fully with FCA procedures. Should a customer wish to make a complaint we have a complaints procedure in place, and actively try to resolve any issues directly with the customer. Should this not be possible, we provide details for how the customer can refer their complaint to the Financial Ombudsman service.

Economic Factors

The current management team and directors have successfully managed the Global Moto group through the year and half UK recession in 2008/9, through Brexit and through the ongoing Coronavirus global pandemic. This was accomplished through successful marketing, ensuring our prices were constantly competitive, careful cashflow management, and maintaining strict control on all the purchasing made in the company.

Due to the nature of the business, should the economy decline and people seek to make cuts in their spending, a viable financial option for many is to use a motorcycle, rather than a car, as their primary means of transport. Motorcycles are cheaper to purchase, insure, run and maintain than cars, and we used this as a focus of much of our marketing.

Should the economy drop, or the demand for motorcycles decline, we would use the experience and knowledge gained from navigating through previous difficult economic situations to adjust our business plan and focus the marketing to counteract the drop in sales.

Competitors

Global Moto is one of the largest motorcycle dealers in the UK. Our showroom and storage facilities allow us to hold a large number of motorcycles in stock, and pass on our savings to offer the very best deals to our customers. We regularly check our prices against our local and national competitors to ensure we offer the best deals and constantly remain competitively priced.

Financial key performance indicators

In January 2021, Global Moto consolidated their smaller companies into one group company, which has simplified and streamlined our paperwork and administration. The consolidation has meant that cross-company invoicing has now ceased, which has led to a drop in our turnover. However an increase in both unit sales and net profit, as well as an increase in property and stock holdings, indicates strong growth within the group.

GLOBAL MOTO HOLDINGS LIMITED

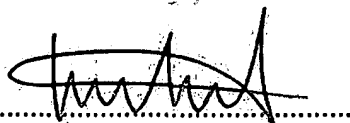
**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Other key performance indicators

Aside from our main revenue stream, vehicle sales, we also closely monitor our secondary revenue streams. These include vehicle service and repair, parts and accessory sales, and income from our on-site café.

Our turnover and profit in all of these areas has increased year on year. We are set targets by the manufacturers we work with which increase year on year as the business turnover goes up. We have always hit and exceeded these targets and the growth in these departments is evident. We also set internal weekly, monthly and/or quarterly targets for sales based on the projected growth over last year, which are consistently reached by our teams.

This report was approved by the board and signed on its behalf.



.....
L R Gregory
Director

Date: 09.05.2022

GLOBAL MOTO HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

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

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £712,041 (2020 - £504,990).

Total dividends paid in the year were £64,800 (2020 - £108,600).

Directors

The directors who served during the year were:

L R Gregory
J G Heal

Future developments

We are continuing to grow the business and aim to remain one of the largest motorcycle retailers in the UK, as well as expand our business towards importing and distribution of one or more new motorcycle brands.

GLOBAL MOTO HOLDINGS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

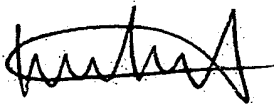
Post balance sheet events

There have been no significant events affecting the Group since the year end.

Auditors

The auditors, Hillier Hopkins LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



L R Gregory
Director

Date: 09/05/2022

GLOBAL MOTO HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLOBAL MOTO HOLDINGS LIMITED

Opinion

We have audited the financial statements of Global Moto Holdings Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2021, which comprise the Group Statement of Comprehensive Income, the Group and Company Balance Sheets, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2021 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

GLOBAL MOTO HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLOBAL MOTO HOLDINGS LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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. 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 in 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.

Opinion 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 Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

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.

GLOBAL MOTO HOLDINGS LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLOBAL MOTO HOLDINGS LIMITED
(CONTINUED)**

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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.

GLOBAL MOTO HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLOBAL MOTO HOLDINGS LIMITED (CONTINUED)

Auditors' 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 Auditors' 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 Group financial statements.

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

- the nature of the industry and sector, control environment and business performance including the remuneration incentives and pressures of key management;
- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Group's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team and involving relevant regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and relevant tax legislation.

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

GLOBAL MOTO HOLDINGS LIMITED


INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLOBAL MOTO HOLDINGS LIMITED
(CONTINUED)

Other matters

In the previous accounting period, the Directors took advantage of audit exemption under the Companies Act 2006. Therefore the prior period financial statements were not subject to audit.

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 Auditors' 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.



Richard Malone ACA (Senior Statutory Auditor)

for and on behalf of
Hillier Hopkins LLP

Chartered Accountants
Statutory Auditor

Radius House
51 Clarendon Road
Watford
Hertfordshire
WD17 1HP
Date: 11 May 2022

GLOBAL MOTO HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	Unaudited 2020 £
Turnover	4	14,986,547	16,295,137
Cost of sales		(12,527,854)	(14,271,639)
Gross profit		2,458,693	2,023,498
Administrative expenses		(1,614,520)	(1,491,853)
Operating profit		844,173	531,645
Interest payable and similar expenses	8	(28,139)	(35,789)
Profit before taxation		816,034	495,856
Tax on profit	9	(103,993)	9,134
Profit for the financial year		712,041	504,990
Profit for the year attributable to:			
Owners of the parent Company		712,041	504,990

There were no recognised gains and losses for 2021 or 2020 other than those included in the consolidated statement of comprehensive income.

There was no other comprehensive income for 2021 (2020:£NIL).

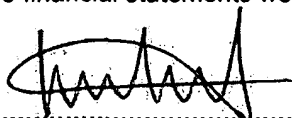
The notes on pages 18 to 35 form part of these financial statements.

GLOBAL MOTO HOLDINGS LIMITED
REGISTERED NUMBER: 11019590

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	Unaudited As restated 2020 £
Fixed assets			
Tangible assets	12	1,855,024	1,712,907
Current assets			
Stocks	14	4,013,475	3,572,895
Debtors: amounts falling due within one year	15	122,791	210,534
Cash at bank and in hand	16	64,245	25,542
		<u>4,200,511</u>	<u>3,808,971</u>
Creditors: amounts falling due within one year	17	(3,472,994)	(3,602,572)
Net current assets		<u>727,517</u>	<u>206,399</u>
Total assets less current liabilities		<u>2,582,540</u>	<u>1,919,310</u>
Creditors: amounts falling due after more than one year	18	(362,417)	(400,432)
Provisions for liabilities			
Deferred taxation	21	(75,308)	(21,304)
Net assets		<u>2,144,815</u>	<u>1,497,574</u>
Capital and reserves			
Called up share capital	22	200	200
Merger reserve	23	975,790	975,790
Profit and loss account	23	1,168,825	521,584
Equity attributable to owners of the parent Company		<u>2,144,815</u>	<u>1,497,574</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



.....
L R Gregory
 Director

Date: 09/05/2022

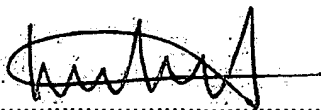
The notes on pages 18 to 35 form part of these financial statements.

GLOBAL MOTO HOLDINGS LIMITED
REGISTERED NUMBER: 11019590

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	Unaudited As restated 2020 £
Fixed assets			
Investments	13	976,090	976,090
Current assets			
Cash at bank and in hand	16	21,654	8,491
		<u>21,654</u>	<u>8,491</u>
Creditors: amounts falling due within one year	17	(25,448)	(10,946)
Net current liabilities		<u>(3,794)</u>	<u>(2,455)</u>
Net assets		<u><u>972,296</u></u>	<u><u>973,635</u></u>
Capital and reserves			
Called up share capital	22	200	200
Merger reserve	23	975,790	975,790
Profit and loss account brought forward		(2,355)	(2,040)
Profit for the year		63,461	108,285
Dividends paid		(64,800)	(108,600)
Profit and loss account carried forward		<u>(3,694)</u>	<u>(2,355)</u>
		<u><u>972,296</u></u>	<u><u>973,635</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



L R Gregory
Director

Date: 09/05/2022

The notes on pages 18 to 35 form part of these financial statements.

GLOBAL MOTO HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital £	Merger reserve £	Profit and loss account £	Equity attributable to owners of parent Company £	Total equity £
At 1 January 2020	200	975,790	125,194	1,101,184	1,101,184
Profit for the year	-	-	504,990	504,990	504,990
Dividends: Equity capital	-	-	(108,600)	(108,600)	(108,600)
At 1 January 2021	200	975,790	521,584	1,497,574	1,497,574
Profit for the year	-	-	712,041	712,041	712,041
Dividends: Equity capital	-	-	(64,800)	(64,800)	(64,800)
At 31 December 2021	200	975,790	1,168,825	2,144,815	2,144,815

The notes on pages 18 to 35 form part of these financial statements.

GLOBAL MOTO HOLDINGS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital £	Merger reserve £	Profit and loss account £	Total equity £
At 1 January 2020	200	975,790	(2,040)	973,950
Profit for the year	-	-	108,285	108,285
Dividends: Equity capital	-	-	(108,600)	(108,600)
At 1 January 2021	200	975,790	(2,355)	973,635
Profit for the year	-	-	63,461	63,461
Dividends: Equity capital	-	-	(64,800)	(64,800)
At 31 December 2021	200	975,790	(3,694)	972,296

The notes on pages 18 to 35 form part of these financial statements.

GLOBAL MOTO HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021 £	2020 £
Cash flows from operating activities		
Profit for the financial year	712,045	504,989
Adjustments for:		
Depreciation of tangible assets	119,739	99,487
Loss on disposal of tangible assets	(21,500)	22,104
Interest paid	28,138	35,789
Taxation charge	103,993	(9,134)
(Increase) in stocks	(440,580)	(260,813)
Decrease/(increase) in debtors	87,743	(68,123)
(Decrease)/increase in creditors	(62,278)	244,475
Corporation tax (paid)/received	(19,505)	100,141
Net cash generated from operating activities	507,795	668,915
Cash flows from investing activities		
Purchase of tangible fixed assets	(261,856)	(181,302)
Sale of tangible fixed assets	21,500	4,519
HP interest paid	(4,831)	(4,598)
Net cash from investing activities	(245,187)	(181,381)
Cash flows from financing activities		
Repayment of loans	(32,619)	(14,372)
Repayment of other loans	(25,000)	(100,000)
Repayment of/new finance leases	(1,150)	35,768
Dividends paid	(64,800)	(108,600)
Interest paid	(23,307)	(31,191)
Net cash used in financing activities	(146,876)	(218,395)
Net increase in cash and cash equivalents	115,732	269,139
Cash and cash equivalents at beginning of year	(51,487)	(320,626)
Cash and cash equivalents at the end of year	64,245	(51,487)
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	64,245	25,542
Bank overdrafts	-	(77,029)

GLOBAL MOTO HOLDINGS LIMITED

CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2021

	At 1 January 2021 £	Cash flows £	New finance leases £	At 31 December 2021 £
Cash at bank and in hand	25,542	38,703	-	64,245
Bank overdrafts	(77,029)	77,029	-	-
Debt due after 1 year	(351,461)	36,198	-	(315,263)
Debt due within 1 year	(233,138)	21,422	-	(211,716)
Finance leases	(73,831)	37,069	(35,920)	(72,682)
	<u>(709,917)</u>	<u>210,421</u>	<u>(35,920)</u>	<u>(535,416)</u>

The notes on pages 18 to 35 form part of these financial statements.

GLOBAL MOTO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

Global Moto Holdings Limited is a company limited by shares, incorporated in England and Wales.

The principal activity of the group is the sale, maintenance and repair of motorcycles.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

GLOBAL MOTO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.5 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

GLOBAL MOTO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.6 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.8 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

GLOBAL MOTO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Freehold property	-	1% reducing balance.
Plant and machinery	-	20% reducing balance.
Motor vehicles	-	25% reducing balance.
Fixtures and fittings	-	20% reducing balance.
Office equipment	-	20% reducing balance.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

The valuation of investment was restated in the prior year to the current brought forward value of £976,090 due to an incorrect investment value being used on acquisition. Subsequently, the share premium that arose from the investment has been restated to merger reserve as per note 23.

2.11 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.12 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

GLOBAL MOTO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.14 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.16 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

GLOBAL MOTO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.17 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

In the 2021 financial year it was noted that the company did not have sufficient reserves and an unlawful dividend was paid. This position was corrected as soon as the directors became aware of it and a dividend was paid to the company by its subsidiary to provide sufficient reserves.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

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

Stock:

The Directors have reviewed the valuation of all stock and have concluded that the value in the accounts is appropriate.

Depreciation:

The directors have reviewed the asset lives and associated residual values of all fixed asset classes, and have concluded that asset lives and residual values are appropriate.

4. Turnover

The whole of the turnover is attributable to its principal activity which is the sale, maintenance and repair of motorcycles.

All turnover arose within the United Kingdom.

GLOBAL MOTO HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

5. Auditors' remuneration

	2021 £	<i>Unaudited</i> 2020 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	10,000	-
Fees payable to the Group's auditor and its associates in respect of:		
All other services	6,665	-
	6,665	-

In the previous accounting period, the Directors took advantage of audit exemption under the Companies Act 2006. Therefore the prior period financial statements were not subject to audit.

6. Employees

Staff costs, including directors' remuneration, were as follows:

	Group	<i>Group</i> <i>Unaudited</i>	Company	<i>Company</i> <i>Unaudited</i>
	2021	2020	2021	2020
	£	£	£	£
Wages and salaries	1,218,185	639,482	-	-
Social security costs	170,291	82,949	-	-
Cost of defined contribution scheme	27,872	194,075	-	-
	1,416,348	916,506	-	-

The average monthly number of employees, including the directors, during the year was as follows:

2021 No.	2020 No.
49	25

The Company has no employees other than the directors, who did not receive any remuneration (2020 - £NIL)

GLOBAL MOTO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

7. Directors' remuneration

	2021 £	Unaudited 2020 £
Directors' emoluments	206,571	143,311
Group contributions to defined contribution pension schemes	2,229	2,229
	<u>208,800</u>	<u>145,540</u>

During the year retirement benefits were accruing to 2 directors (2020 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £170,000 (2020 - £106,417).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £1,319 (2020 - £1,319).

8. Interest payable and similar expenses

	2021 £	Unaudited 2020 £
Bank interest payable	10,773	15,405
Other loan interest payable	-	1,635
Finance leases and hire purchase contracts	4,831	4,598
Other interest payable	12,535	14,151
	<u>28,139</u>	<u>35,789</u>

GLOBAL MOTO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

9. Taxation

	2021 £	Unaudited 2020 £
Corporation tax		
Current tax on profits for the year	130,551	99,936
Adjustments in respect of previous periods	(80,562)	(109,070)
	<u>49,989</u>	<u>(9,134)</u>
Total current tax	<u>49,989</u>	<u>(9,134)</u>
Deferred tax		
Origination and reversal of timing differences	54,004	-
Total deferred tax	<u>54,004</u>	<u>-</u>
Taxation on profit/(loss) on ordinary activities	<u>103,993</u>	<u>(9,134)</u>

GLOBAL MOTO HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 - lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	Unaudited 2020 £
Profit on ordinary activities before tax	816,034	495,856
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	155,046	94,213
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,291	(620)
Capital allowances for year in excess of depreciation	(13,363)	(15,762)
Utilisation of tax losses	-	(6,630)
Adjustments to tax charge in respect of prior periods	(9,615)	-
Non-taxable income	(375)	-
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	(70,947)	(108,273)
Dividends from UK companies	(12,048)	(20,634)
Enhanced research and development expenditure relief	-	48,572
Deferred taxation	54,004	-
Total tax charge for the year	103,993	(9,134)

Factors that may affect future tax charges

On 3 March 2021 the Chancellor of the Exchequer announced an increase in the main rate of UK corporation tax to 25 per cent for businesses with profits greater than £250,000. Businesses with profits of £50,000 or less will continue to be taxed at 19% with marginal relief for profits up to £250,000. These changes were substantially enacted on 25 May 2021 and will take effect from 1 April 2023.

GLOBAL MOTO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

10. Dividends

	2021 £	<i>Unaudited</i> 2020 £
Dividends paid	64,800	108,600
	<u>64,800</u>	<u>108,600</u>

11. Intangible assets

Group

	Development expenditure £
Cost	
At 1 January 2021	5,438
At 31 December 2021	<u>5,438</u>
Amortisation	
At 1 January 2021	5,438
At 31 December 2021	<u>5,438</u>
Net book value	
At 31 December 2021	<u>-</u>
At 31 December 2020	<u>-</u>

GLOBAL MOTO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

12. Tangible fixed assets

Group

	Freehold property £	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equip- ment £	Total £
Cost or valuation							
At 1 January 2021	1,425,505	-	139,966	107,517	321,288	61,822	2,056,098
Additions	87,742	16,902	8,362	39,420	78,038	31,392	261,856
At 31 December 2021	1,513,247	16,902	148,328	146,937	399,326	93,214	2,317,954
Depreciation							
At 1 January 2021	58,783	16,902	92,087	38,758	100,498	36,163	343,191
Charge for the year on owned assets	15,301	-	11,248	438	58,459	12,718	98,164
Charge for the year on financed assets	-	-	-	21,575	-	-	21,575
At 31 December 2021	74,084	16,902	103,335	60,771	158,957	48,881	462,930
Net book value							
At 31 December 2021	1,439,163	-	44,993	86,166	240,369	44,333	1,855,024
At 31 December 2020	1,366,721	(16,902)	47,879	68,760	220,790	25,659	1,712,907

The net book value of land and buildings may be further analysed as follows:

	2021 £	Unaudited 2020 £
Freehold	1,439,162	1,279,462
Long leasehold	-	70,357
	<u>1,439,162</u>	<u>1,349,819</u>

GLOBAL MOTO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

12. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2021 £	Unaudited 2020 £
Motor vehicles	83,105	68,760
	<u>83,105</u>	<u>68,760</u>

13. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2021	976,090
At 31 December 2021	<u>976,090</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Global Moto Limited	UK	Ordinary	100%
Northampton Moto Limited	UK	Ordinary	100%
Lids Direct Limited	UK	Ordinary	100%

GLOBAL MOTO HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

14. Stocks

	Group	<i>Group</i>
	2021	<i>Unaudited</i>
	£	<i>2020</i>
		<i>£</i>
Finished goods and goods for resale	4,013,475	<i>3,572,895</i>

15. Debtors

	Group	<i>Group</i>
	2021	<i>Unaudited</i>
	£	<i>2020</i>
		<i>£</i>
Trade debtors	13,180	<i>(15,746)</i>
Other debtors	39,506	<i>210,151</i>
Prepayments and accrued income	70,105	<i>16,129</i>
	122,791	<i>210,534</i>

16. Cash and cash equivalents

	Group	<i>Group</i>	Company	<i>Company</i>
	2021	<i>Unaudited</i>	2021	<i>Unaudited</i>
	£	<i>2020</i>	£	<i>2020</i>
		<i>£</i>		<i>£</i>
Cash at bank and in hand	64,245	<i>25,542</i>	21,654	<i>8,491</i>
Less: bank overdrafts	-	<i>(77,029)</i>	-	<i>-</i>
	64,245	<i>(51,487)</i>	21,654	<i>8,491</i>

GLOBAL MOTO HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

17. Creditors: Amounts falling due within one year

	Group	<i>Group</i>	Company	<i>Company</i>
	2021	<i>Unaudited</i>	2021	<i>Unaudited</i>
	£	<i>2020</i>	£	<i>2020</i>
		£		£
Bank overdrafts	-	77,029	-	-
Bank loans	33,689	30,111	-	-
Other loans	178,027	203,027	-	-
Trade creditors	2,722,599	2,528,593	-	-
Corporation tax	130,420	99,935	-	-
Other taxation and social security	90,037	445,641	-	-
Obligations under finance lease and hire purchase contracts	25,527	24,861	-	-
Other creditors	178,195	95,595	25,448	10,946
Accruals and deferred income	114,500	97,780	-	-
	3,472,994	3,602,572	25,448	10,946

Finance lease and hire purchase contracts are secured on the assets under lease.

Bank loans are secured by fixed and floating charges over the assets of the company.

18. Creditors: Amounts falling due after more than one year

	Group	<i>Group</i>
	2021	<i>Unaudited</i>
	£	<i>2020</i>
		£
Bank loans	315,263	351,461
Net obligations under finance leases and hire purchase contracts	47,154	48,971
	362,417	400,432

GLOBAL MOTO HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

19. Loans

Analysis of the maturity of loans is given below:

	Group 2021 £	<i>Group Unaudited 2020 £</i>
Amounts falling due within one year		
Bank loans	33,689	30,111
Other loans	178,027	203,027
	<u>211,716</u>	<u>233,138</u>
Amounts falling due 1-2 years		
Bank loans	33,689	30,111
	<u>33,689</u>	<u>30,111</u>
Amounts falling due 2-5 years		
Bank loans	101,068	90,333
	<u>101,068</u>	<u>90,333</u>
Amounts falling due after more than 5 years		
Bank loans	180,506	231,017
	<u>180,506</u>	<u>231,017</u>
	<u><u>526,979</u></u>	<u><u>584,599</u></u>

The bank loan was drawn in March 2016 and is repayable over a period of 15 years. The interest rate payable on the above loans is 2.75% above the Bank of England base rate.

GLOBAL MOTO HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

20. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group	<i>Group</i> <i>Unaudited</i>
	2021	2020
	£	£
Within one year	25,527	24,861
Between 1-5 years	47,154	48,971
	<u>72,681</u>	<u>73,832</u>

21. Deferred taxation

Group

	2021 £
At beginning of year	(21,304)
Charged to profit or loss	(54,004)
At end of year	<u>(75,308)</u>

	Group	<i>Group</i> <i>Unaudited</i>
	2021	2020
	£	£
Accelerated capital allowances	<u>(75,308)</u>	<u>(21,304)</u>

22. Share capital

	2021 £	<i>Unaudited</i> <i>2020</i> £
Allotted, called up and fully paid		
80 (2020 - 80) Ordinary A shares of £1.00 each	80	80
120 (2020 - 120) Ordinary B shares of £1.00 each	120	120
	<u>200</u>	<u>200</u>

GLOBAL MOTO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

23. Reserves

Merger Reserve

The merger relief reserve arose on the acquisition of Global Moto Limited as a result of share for share exchange which qualified for merger relief in accordance with Companies Act 2006.

Profit and loss account

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

24. Contingent liabilities

The group is included in a debenture and cross guarantee which includes fixed and floating charge on all the assets, property and undertakings of the Company. This charge contains a negative pledge.

The group's bankers Barclays PLC have provided a duty deferment bond of £30,000 to HM Revenue & Customs.

25. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £27,872 (2020: £14,151). Contributions totalling £6,185 (2020: £3,682) were payable to the fund at the balance sheet date and are included in creditors.

26. Related party transactions

The group has taken advantage of the exemption in Financial Reporting Standard 102 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

At the balance sheet date the group owed £243,578 (2020: £269,880) to companies under common control.