

**Group Strategic Report, Report of the Directors and
Audited Consolidated Financial Statements for the Year Ended 31 October 2020
for
Green 4 Motor Group Limited**

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for the Year Ended 31 October 2020**

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Green 4 Motor Group Limited
Company Information
for the Year Ended 31 October 2020

DIRECTORS: Mr T Leggett
Mr A P Dodds
Mr D Everitt
Mrs A C France

SECRETARY: Mrs A C France

REGISTERED OFFICE: 540 London Road
Coventry
West Midlands
CV3 4EW

REGISTERED NUMBER: 08777828 (England and Wales)

AUDITORS: Underwood Green Limited, Statutory Auditor
Pinnacle House
1 Pinnacle Way
Derby
Derbyshire
DE24 8ZS

**Group Strategic Report
for the Year Ended 31 October 2020**

The directors present their strategic report of the company and the group for the year ended 31 October 2020.

REVIEW OF BUSINESS

The group turnover decreased in the year to £28.92 million from £39.35 million, a decrease of 26.52% (2019: Increase of 2.4%).

The operating profit of the group decreased in the year to £221k compared to £403k in the previous year.

PRINCIPAL RISKS AND UNCERTAINTIES

The trading performance to date in the year to 31 October 2020 had been in line with the directors expectations, given the outbreak of COVID-19 during the year and the ongoing pandemic that has gripped the country.

Although the directors are satisfied that there are no specific significant risks to the business outside those normally associated with the competitive nature of the motor industry, they do recognise that there are some significant risks and uncertainties in relation to the wider economic market in the UK.

There is some uncertainty within the UK in relation to its exit from the European Union. Although this is a principal risk and there is an element of associated uncertainty, the directors believe that the company is well placed to overcome any negative impact of this, and therefore it is not viewed as a material uncertainty.

The UK, alongside the wider global economy, continues to battle with the COVID-19 pandemic. The various steps taken by the UK government in order to control the spread of the virus had resulted in an almost total drop in business for the group as a whole. Even though the UK is due to almost fully lift all COVID restrictions in the coming days, this remains a principal risk to the business and does give rise to a material uncertainty, due to the risk of further mutation of the virus that could give rise to another wave and further restriction being implemented as a consequence. However, based on the cash reserves held by the group and the various schemes that have been implemented by the UK government in order to support businesses, which the group has taken full advantage of, this has mitigated the effects that the pandemic has had on the group. However, there is a risk of further lock down periods (however unlikely) in the future and if this were to happen it could have a significant impact on the group over the longer term.

FINANCIAL KEY PERFORMANCE INDICATORS

The directors use turnover and operating profits as key performance indicators for the business.

ON BEHALF OF THE BOARD:

Mr T Leggett - Director

14 July 2021

**Report of the Directors
for the Year Ended 31 October 2020**

The directors present their report with the financial statements of the company and the group for the year ended 31 October 2020.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of the sale of motor vehicles.

DIVIDENDS

The total distribution of dividends for the year ended 31 October 2020 was £210,967 (2019: £286,146).

RESEARCH AND DEVELOPMENT

The company is not currently undertaking any research and development activities.

FUTURE DEVELOPMENTS

The trading performance to date in the year to 31 October 2020 had been in line with the directors expectations, until the outbreak of the current Covid-19 pandemic that has gripped the country.

Although the directors are satisfied that there are no specific significant risks to the business outside those normally associated with the competitive nature of the motor industry, they do recognise that there are some significant risks and uncertainties in relation to the wider economic market in the UK.

Further information can be found in the Strategic Report.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 November 2019 to the date of this report.

Mr T Leggett
Mr A P Dodds
Mr D Everitt
Mrs A C France

Other changes in directors holding office are as follows:

Mr J Wainwright - resigned 11 February 2020
Miss J C Evans - resigned 1 October 2020

**Report of the Directors
for the Year Ended 31 October 2020**

FINANCIAL INSTRUMENTS

Treasury operations

The company operates a centralised treasury function which is responsible for managing the liquidity and interest rate risks associated with the company's activities. The company's principal instruments are a bank loan and bank and cash balances. In addition the company has various other financial assets and liabilities such as trade debtors, trade creditors and consignment stock creditors arising directly from the operations of the business.

Liquidity risk

The company manages its cash requirements centrally to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of its business.

Interest rate risk

The company is exposed to fair value interest rate risk on its bank loan facility only. The company does not have a bank overdraft facility.

Foreign currency risk

The company does not have any foreign currency risk as all sales and purchases are made within the UK.

Credit risk

Investments of cash surpluses are made with the company's main bankers. Receivable balances are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

DISCLOSURE IN THE STRATEGIC REPORT

The directors have chosen to disclose the Review of the Business and Principal Risks and Uncertainties of the business within the company's Strategic Report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 and then apply them consistently;
- make judgements 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Report of the Directors
for the Year Ended 31 October 2020**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

ON BEHALF OF THE BOARD:

Mr T Leggett - Director

14 July 2021

Report of the Independent Auditors to the Members of Green 4 Motor Group Limited

Opinion

We have audited the financial statements of Green 4 Motor Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 October 2020 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 October 2020 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Emphasis of matter

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in the Strategic Report, note 2 and note 21 to the financial statements concerning the company's ability to continue to trade as a going concern.

The continuing COVID-19 pandemic in the UK and around the world does give rise to a material uncertainty which may cast significant doubt about the company's ability to continue to trade as a going concern. The directors believe that the group has significant cash reserves and having utilised government support schemes this year is able to continue to trade as a going concern. The financial statements do not include any adjustments that would result if the company was unable to continue as a going concern.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Report of the Independent Auditors to the Members of Green 4 Motor Group Limited

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors 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 Report of the Directors.

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

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

Responsibilities of directors

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

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 a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 Report of the Auditors.

**Report of the Independent Auditors to the Members of
Green 4 Motor Group Limited**

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 a Report of the Auditors 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.

Gary Underwood (Senior Statutory Auditor)
for and on behalf of Underwood Green Limited, Statutory Auditor
Pinnacle House
1 Pinnacle Way
Derby
Derbyshire
DE24 8ZS

14 July 2021

Green 4 Motor Group Limited (Registered number: 08777828)

**Consolidated Income Statement
for the Year Ended 31 October 2020**

	Notes	2020 £	2019 £
TURNOVER		28,915,012	39,348,663
Cost of sales		<u>27,875,794</u>	<u>37,624,815</u>
GROSS PROFIT		1,039,218	1,723,848
Administrative expenses		<u>1,114,872</u> (75,654)	<u>1,321,051</u> 402,797
Other operating income		<u>297,381</u>	<u>-</u>
OPERATING PROFIT and PROFIT BEFORE TAXATION		221,727	402,797
Tax on profit	5	<u>62,208</u>	<u>79,842</u>
PROFIT FOR THE FINANCIAL YEAR		<u>159,519</u>	<u>322,955</u>
Profit attributable to: Owners of the parent		<u>159,519</u>	<u>322,955</u>

The notes form part of these financial statements

**Consolidated Other Comprehensive Income
for the Year Ended 31 October 2020**

Notes	2020 £	2019 £
PROFIT FOR THE YEAR	159,519	322,955
OTHER COMPREHENSIVE INCOME		
Capital redemption	(95,800)	-
Income tax relating to other comprehensive income	-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	<u>(95,800)</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>63,719</u>	<u>322,955</u>
Total comprehensive income attributable to: Owners of the parent	<u>63,719</u>	<u>322,955</u>

Green 4 Motor Group Limited (Registered number: 08777828)

**Consolidated Balance Sheet
31 October 2020**

	Notes	2020 £	£	2019 £	£
FIXED ASSETS					
Intangible assets	8		(176,842)		(189,474)
Tangible assets	9		289,114		512,877
Investments	10		<u>-</u>		<u>-</u>
			112,272		323,403
CURRENT ASSETS					
Stocks	11	5,111,066		5,702,881	
Debtors	12	256,397		979,881	
Cash at bank		<u>1,374,564</u>		<u>523,752</u>	
		6,742,027		7,206,514	
CREDITORS					
Amounts falling due within one year	13	<u>5,910,929</u>		<u>6,694,530</u>	
NET CURRENT ASSETS			<u>831,098</u>		<u>511,984</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			943,370		835,387
CREDITORS					
Amounts falling due after more than one year	14		(309,560)		(30,961)
PROVISIONS FOR LIABILITIES	18		<u>(42,619)</u>		<u>(41,187)</u>
NET ASSETS			<u>591,191</u>		<u>763,239</u>
CAPITAL AND RESERVES					
Called up share capital	19		124,600		149,400
Capital redemption reserve	20		24,800		-
Retained earnings	20		<u>441,791</u>		<u>613,839</u>
SHAREHOLDERS' FUNDS			<u>591,191</u>		<u>763,239</u>

The financial statements were approved by the Board of Directors and authorised for issue on 14 July 2021 and were signed on its behalf by:

Mr T Leggett - Director

Green 4 Motor Group Limited (Registered number: 08777828)

**Company Balance Sheet
31 October 2020**

	Notes	2020 £	£	2019 £	£
FIXED ASSETS					
Intangible assets	8		-		-
Tangible assets	9		-		-
Investments	10		<u>250,000</u>		<u>250,000</u>
			<u>250,000</u>		<u>250,000</u>
CURRENT ASSETS					
Cash at bank		1,173,292		344,021	
CREDITORS					
Amounts falling due within one year	13	<u>1,273,892</u>		<u>324,021</u>	
NET CURRENT (LIABILITIES)/ASSETS			<u>(100,600)</u>		<u>20,000</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>149,400</u></u>		<u><u>270,000</u></u>
CAPITAL AND RESERVES					
Called up share capital	19		124,600		149,400
Capital redemption reserve	20		24,800		-
Retained earnings	20		-		<u>120,600</u>
SHAREHOLDERS' FUNDS			<u><u>149,400</u></u>		<u><u>270,000</u></u>
Company's profit for the financial year			<u><u>210,967</u></u>		<u><u>406,746</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 14 July 2021 and were signed on its behalf by:

Mr T Leggett - Director

**Consolidated Statement of Changes in Equity
for the Year Ended 31 October 2020**

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 November 2018	149,400	577,030	-	726,430
Changes in equity				
Dividends	-	(286,146)	-	(286,146)
Total comprehensive income	-	322,955	-	322,955
Balance at 31 October 2019	<u>149,400</u>	<u>613,839</u>	<u>-</u>	<u>763,239</u>
Changes in equity				
Issue of share capital	(24,800)	-	-	(24,800)
Dividends	-	(210,967)	-	(210,967)
Total comprehensive income	-	38,919	24,800	63,719
Balance at 31 October 2020	<u>124,600</u>	<u>441,791</u>	<u>24,800</u>	<u>591,191</u>

**Company Statement of Changes in Equity
for the Year Ended 31 October 2020**

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 November 2018	149,400	-	-	149,400
Changes in equity				
Dividends	-	(286,146)	-	(286,146)
Total comprehensive income	-	406,746	-	406,746
Balance at 31 October 2019	<u>149,400</u>	<u>120,600</u>	<u>-</u>	<u>270,000</u>
Changes in equity				
Issue of share capital	(24,800)	-	-	(24,800)
Dividends	-	(210,967)	-	(210,967)
Total comprehensive income	-	90,367	24,800	115,167
Balance at 31 October 2020	<u>124,600</u>	<u>-</u>	<u>24,800</u>	<u>149,400</u>

Green 4 Motor Group Limited (Registered number: 08777828)

**Consolidated Cash Flow Statement
for the Year Ended 31 October 2020**

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	919,577	(105,089)
Tax paid		<u>(87,195)</u>	<u>(101,378)</u>
Net cash from operating activities		<u>832,382</u>	<u>(206,467)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(109,821)	(322,832)
Sale of tangible fixed assets		<u>208,959</u>	<u>181,003</u>
Net cash from investing activities		<u>99,138</u>	<u>(141,829)</u>
Cash flows from financing activities			
New loans in year		300,000	-
Loan repayments in year		(34,170)	(45,961)
Capital repayments in year		(60,304)	31,639
Amount introduced by directors		45,366	22,865
Amount withdrawn by directors		(33)	(9,287)
Share buyback		(120,600)	-
Equity dividends paid		<u>(210,967)</u>	<u>(286,146)</u>
Net cash from financing activities		<u>(80,708)</u>	<u>(286,890)</u>
Increase/(decrease) in cash and cash equivalents		<u>850,812</u>	<u>(635,186)</u>
Cash and cash equivalents at beginning of year	2	523,752	1,158,938
Cash and cash equivalents at end of year	2	<u>1,374,564</u>	<u>523,752</u>

The notes form part of these financial statements

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 October 2020

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2020	2019
	£	£
Profit before taxation	221,727	402,797
Depreciation charges	111,993	117,421
Decrease in consignment stock	<u>(12,952)</u>	<u>402,593</u>
	320,768	922,811
Decrease/(increase) in stocks	591,815	(1,193,517)
Decrease/(increase) in trade and other debtors	723,484	(440,810)
(Decrease)/increase in trade and other creditors	<u>(716,490)</u>	<u>606,427</u>
Cash generated from operations	<u><u>919,577</u></u>	<u><u>(105,089)</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 October 2020

	31.10.20	1.11.19
	£	£
Cash and cash equivalents	<u>1,374,564</u>	<u>523,752</u>

Year ended 31 October 2019

	31.10.19	1.11.18
	£	£
Cash and cash equivalents	<u>523,752</u>	<u>1,158,938</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.11.19	Cash flow	At 31.10.20
	£	£	£
Net cash			
Cash at bank	<u>523,752</u>	<u>850,812</u>	<u>1,374,564</u>
	<u>523,752</u>	<u>850,812</u>	<u>1,374,564</u>
Debt			
Finance leases	(68,775)	60,304	(8,471)
Debts falling due within 1 year	(33,875)	12,769	(21,106)
Debts falling due after 1 year	<u>(30,961)</u>	<u>(278,599)</u>	<u>(309,560)</u>
	<u>(133,611)</u>	<u>(205,526)</u>	<u>(339,137)</u>
Total	<u><u>390,141</u></u>	<u><u>645,286</u></u>	<u><u>1,035,427</u></u>

**Notes to the Consolidated Financial Statements
for the Year Ended 31 October 2020**

1. STATUTORY INFORMATION

Green 4 Motor Group Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the use of fair values for certain financial instruments in accordance with the accounting policies set out below.

Going concern and material uncertainties

The financial statements have been prepared on the going concern basis as the directors believe the group to be a going concern, based on the current group cash reserves and the availability of government support schemes. However the Covid-19 crisis does give rise to a material uncertainty which may cast significant doubt over the company, and group's, ability to trade as a going concern.

Further information has been provided within the Strategic Report and Post Balance Sheet Events note 24.

Significant judgements and estimates

In the application of the companies accounting policies, 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. Actual results may differ from these estimates.

The estimates and underlying assumption are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is reversed if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements

No significant judgements have been made by managements in preparing these financial statements.

Key sources of estimation uncertainty

No key sources of uncertainty have been identified by management in preparing these financial statements other than those detailed in these accounting policies.

Turnover

The company recognises revenue when the amount of revenue can be reliably measured, and it is probable that future economic benefits can be reliably measured, and it is probable that future economic benefits will flow to the entity. Revenue from the sale of goods is recognised when the risks and rewards of ownership are transferred to the customer. Revenue from services is recognised in the accounting periods in which the services are rendered.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2020

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Improvements to property	-	14.28%/20% on cost
Plant and machinery	-	20% on cost
Fixtures and fittings	-	20% on cost
Computer equipment	-	33% on cost
Motor vehicles	-	33% on cost

Government grants

During the year the company received income in regard to the Coronavirus Job Retention Scheme for members of staff that had been furloughed. In addition, it received further income in the form of the Local Restrictions Support Grants which supported businesses that were required to close due to national restrictions imposed due to Coronavirus.

The amounts received are shown in other income within the financial statements.

Stocks

Stocks consists of new and used cars for sale, together with spare parts and are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is determined using the first-in, first out (FIFO) method. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Stocks held on consignment are accounted for on the balance sheet when in terms of a consignment and commercial practice indicate that the principal benefit and risks of owning the stocks rest with the company. The corresponding creditor is accordingly accounted for on the balance sheet.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2020

2. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of liability.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

Intangible fixed liabilities

Negative goodwill arises on the consolidation of the group accounts following the purchase of Coventry Motor Company Holdings Limited in January 2014 and is being amortised over 20 years. In the opinion of the directors, this represents a prudent estimate of the period over which the company will derive economic benefit from the reputation and customer loyalty acquired as part of that business.

Financial instruments

The limited company enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors, loans from and to related parties and bank loans.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due for goods sold or services rendered in the ordinary course of business.

Trade debtors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtor.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Trade creditors are classified as current liabilities of the company does not have an unconditional right, at the end of the reporting date, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2020

3. EMPLOYEES AND DIRECTORS

	2020	2019
	£	£
Wages and salaries	1,422,919	1,426,035
Social security costs	148,319	181,801
Other pension costs	29,033	26,623
	<u>1,600,271</u>	<u>1,634,459</u>

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

	2020	2019
Management and Administration	21	17
Sales	14	16
Parts and Servicing	36	29
	<u>71</u>	<u>62</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 71 (2019 - 62).

	2020	2019
	£	£
Directors' remuneration	99,911	142,582
Compensation to director for loss of office	<u>30,000</u>	<u>-</u>

4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2020	2019
	£	£
Hire of plant and machinery	37,092	14,983
Other operating leases	292,025	290,010
Depreciation - owned assets	113,675	130,053
Goodwill amortisation	(12,632)	(12,632)
Auditors' remuneration	<u>18,750</u>	<u>18,300</u>

5. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2020	2019
	£	£
Current tax:		
UK corporation tax	60,776	87,195
Deferred tax	1,432	(7,353)
Tax on profit	<u>62,208</u>	<u>79,842</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2020

5. **TAXATION - continued**

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2020 £	2019 £
Profit before tax	<u>221,727</u>	<u>402,797</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	42,128	76,531
Effects of:		
Expenses not deductible for tax purposes	1,352	-
Depreciation in excess of capital allowances	12,546	10,664
Deferred income taxable	4,750	-
Deferred tax charge	<u>1,432</u>	<u>(7,353)</u>
Total tax charge	<u><u>62,208</u></u>	<u><u>79,842</u></u>

Tax effects relating to effects of other comprehensive income

	Gross £	2020 Tax £	Net £
Capital redemption	<u>(95,800)</u>	<u>-</u>	<u>(95,800)</u>

6. **INDIVIDUAL INCOME STATEMENT**

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

7. **DIVIDENDS**

	2020 £	2019 £
Interim	<u>210,967</u>	<u>286,146</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2020

8. INTANGIBLE FIXED ASSETS

Group	Goodwill £
COST	
At 1 November 2019 and 31 October 2020	<u>(262,477)</u>
AMORTISATION	
At 1 November 2019	(73,003)
Amortisation for year	<u>(12,632)</u>
At 31 October 2020	<u>(85,635)</u>
NET BOOK VALUE	
At 31 October 2020	<u>(176,842)</u>
At 31 October 2019	<u>(189,474)</u>

Negative goodwill arises on the consolidation of the group accounts following the purchase of Green 4 Holdings Limited in previous years and is being amortised over 20 years. In the opinion of the directors, this represents a prudent estimate of the period over which the company will derive economic benefit from the reputation and customer loyalty acquired as part of that business.

9. TANGIBLE FIXED ASSETS

Group	Improvements to property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 November 2019	555,952	260,925	269,790
Additions	-	-	2,800
Disposals	-	-	-
At 31 October 2020	<u>555,952</u>	<u>260,925</u>	<u>272,590</u>
DEPRECIATION			
At 1 November 2019	375,150	244,922	207,157
Charge for year	62,842	10,929	23,729
Impairments	-	-	-
At 31 October 2020	<u>437,992</u>	<u>255,851</u>	<u>230,886</u>
NET BOOK VALUE			
At 31 October 2020	<u>117,960</u>	<u>5,074</u>	<u>41,704</u>
At 31 October 2019	<u>180,802</u>	<u>16,003</u>	<u>62,633</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2020

9. TANGIBLE FIXED ASSETS - continued

Group

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 November 2019	266,745	72,602	1,426,014
Additions	73,164	33,857	109,821
Disposals	(208,959)	-	(208,959)
At 31 October 2020	<u>130,950</u>	<u>106,459</u>	<u>1,326,876</u>
DEPRECIATION			
At 1 November 2019	21,652	64,256	913,137
Charge for year	684	15,491	113,675
Impairments	10,950	-	10,950
At 31 October 2020	<u>33,286</u>	<u>79,747</u>	<u>1,037,762</u>
NET BOOK VALUE			
At 31 October 2020	<u>97,664</u>	<u>26,712</u>	<u>289,114</u>
At 31 October 2019	<u>245,093</u>	<u>8,346</u>	<u>512,877</u>

10. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 November 2019 and 31 October 2020	<u>250,000</u>
NET BOOK VALUE	
At 31 October 2020	<u>250,000</u>
At 31 October 2019	<u>250,000</u>

Green 4 Motor Group Limited (Registered number: 08777828)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2020**

10. FIXED ASSET INVESTMENTS - continued

	Country of incorporation	Class of shares	Percentage held by the company	Nature of business
Green 4 Holdings Limited	England	Ordinary	100%	Holding Company
Green 4 Motor Company Limited *	England	Ordinary	100%	Motor vehicle retailers

*Held by Green 4 Holdings Limited

The registered office addresses of the above named companies, are the same as Green 4 Motor Group Limited, which is detailed on the Company Information page.

11. STOCKS

	Group	
	2020	2019
	£	£
Finished goods	<u>5,111,066</u>	<u>5,702,881</u>

Costs of stocks recognised as an expense in the year amounted to £26,386,480 (2019: £35,296,217)

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	
	2020	2019
	£	£
Trade debtors	193,894	668,914
Other debtors	17,669	2,958
VAT	-	105,638
Prepayments and accrued income	<u>44,834</u>	<u>202,371</u>
	<u>256,397</u>	<u>979,881</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2020

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Bank loans and overdrafts (see note 15)	21,106	33,875	-	-
Hire purchase contracts (see note 16)	8,471	68,775	-	-
Consignment stock creditor	1,877,867	1,890,819	-	-
Trade creditors	3,102,981	3,971,166	-	-
Amounts owed to group undertakings	-	-	1,199,042	294,504
Tax	60,776	87,195	-	-
Social security and other taxes	103,536	104,542	-	-
VAT	134,258	-	-	-
Other creditors	118,977	39,731	-	-
Directors' current accounts	74,850	29,517	74,850	29,517
Accruals and deferred income	408,107	468,910	-	-
	<u>5,910,929</u>	<u>6,694,530</u>	<u>1,273,892</u>	<u>324,021</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	2020	2019
	£	£
Bank loans (see note 15)	<u>309,560</u>	<u>30,961</u>

15. LOANS

An analysis of the maturity of loans is given below:

	Group	
	2020	2019
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>21,106</u>	<u>33,875</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>34,560</u>	<u>30,961</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>275,000</u>	<u>-</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2020

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	2020	2019
	£	£
Net obligations repayable:		
Within one year	<u>8,471</u>	<u>68,775</u>

Group

	Non-cancellable operating leases	
	2020	2019
	£	£
Within one year	287,703	300,000
Between one and five years	1,242,575	760,110
In more than five years	<u>2,155,756</u>	<u>777,151</u>
	<u>3,686,034</u>	<u>1,837,261</u>

Operating lease payments recognised as an expense in the year amounted to £292,025 (2019: £290,010).

17. SECURED DEBTS

The following secured debts are included within creditors:

	Group	
	2020	2019
	£	£
Bank loans	<u>330,666</u>	<u>64,836</u>

The bank loan is secured by way of a Debenture, being a fixed and floating charge over the whole assets of the company.

18. PROVISIONS FOR LIABILITIES

	Group	
	2020	2019
	£	£
Deferred tax		
Accelerated capital allowances	39,677	41,187
Tax losses carried forward	<u>2,942</u>	<u>-</u>
	<u>42,619</u>	<u>41,187</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2020

18. PROVISIONS FOR LIABILITIES - continued

Group

	Deferred tax £
Balance at 1 November 2019	41,187
Provided during year	<u>1,432</u>
Balance at 31 October 2020	<u><u>42,619</u></u>

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020 £	2019 £
124,600	Ordinary	£1	<u>124,600</u>	<u>149,400</u>

The above shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

20. RESERVES

Group

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 November 2019	613,839	-	613,839
Profit for the year	159,519		159,519
Dividends	(210,967)		(210,967)
Purchase of own shares	<u>(120,600)</u>	<u>24,800</u>	<u>(95,800)</u>
At 31 October 2020	<u><u>441,791</u></u>	<u><u>24,800</u></u>	<u><u>466,591</u></u>

Company

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 November 2019	120,600	-	120,600
Profit for the year	210,967		210,967
Dividends	(210,967)		(210,967)
Purchase of own shares	<u>(120,600)</u>	<u>24,800</u>	<u>(95,800)</u>
At 31 October 2020	<u><u>-</u></u>	<u><u>24,800</u></u>	<u><u>24,800</u></u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2020

21. PENSION COMMITMENTS

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The amount charged against profits represent the contributions payable to the scheme in respect of the accounts accounting period and amounts to £29,033 (2019: £26,623.) There were no outstanding contributions payable at the year end.

22. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 31 October 2020 and 31 October 2019:

	2020 £	2019 £
J Wainwright		
Balance outstanding at start of year	-	7,470
Amounts advanced	-	39,996
Amounts repaid	-	(47,466)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>-</u>
A P Dodds		
Balance outstanding at start of year	-	4,376
Amounts advanced	-	39,996
Amounts repaid	-	(44,372)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>-</u>

23. RELATED PARTY DISCLOSURES

Key management personnel of the entity or its parent (in the aggregate)

Directors fees amounted to £24,600 for the year.

During the year, the total amount paid to key management personnel, including directors fees, was £104,513 (2019: £151,226).

Other related parties

The total amount of rent payable to companies with common directors was £113,012 (2019: £120,000).

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2020**

24. POST BALANCE SHEET EVENTS

Following the accounting period to which these financial statements relate, the outbreak of COVID-19 around the world has continued to have a significant impact to the global economy.

The directors believe that any financial effect on the company cannot be reasonably and reliably measured and do not believe it to be appropriate to adjust the financial statements in respect to this event.

The financial statements have been prepared on the going concern basis as the directors believe the group to be a going concern, based on the current group cash reserves and the availability of government support schemes. However the COVID-19 crisis does give rise to a material uncertainty which may cast significant doubt over the company, and group's ability to trade as a going concern.

Further information has been provided within the Strategic Report and Accounting Policies note 2.

25. ULTIMATE CONTROLLING PARTY

The controlling party is T Leggett.

Mr T Leggett owns 60.2% of the company's share capital at the year end and therefore has control.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.