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

21. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Bank overdrafts	-	14,370	-	14,370
Bank loans	194,518	207,234	194,518	157,234
Payments received on account	414,057	237,810	274,674	155,736
Trade creditors	13,420,083	11,153,096	7,693,769	7,103,305
Consignment creditor	1,330,236	9,503,342	1,123,550	7,812,911
Amounts owed to group undertakings	-	-	1,361,153	986,792
Corporation tax	547,356	65,881	293,705	51,831
Other taxation and social security	454,012	871,260	330,571	713,030
Obligations under finance lease and hire purchase contracts	23,750	67,533	-	-
Other creditors	633,392	227,295	451,865	170,734
Accruals and deferred income	1,000,633	780,221	521,144	409,884
	<u>18,018,037</u>	<u>23,128,042</u>	<u>12,244,949</u>	<u>17,575,827</u>

The bank loan represents a term loan from Barclays Bank upon which interest is payable at between 2.5% and 3.85% above base rate. Bank loans also consist of term loans from Volkswagen Financial Services (UK) Limited upon which interest is payable at 2.85% above Finance House base rate.

The bank loans and overdrafts are secured by a debenture which incorporates a fixed and floating charge over all property and assets of the Company.

Trade creditors include vehicle stocking loans totaling £10,415,969 (2020: £10,110,045) which are secured against the vehicle stocks to which it relates.

Consignment creditor totaling £1,330,236 (2020: £9,503,342) is secured against the vehicle stocks to which it relates.

There is a group set-off arrangement in place between Breeze Motor Company Limited, Breeze (Southampton) Limited, Bournemouth TPS Limited, Southampton TPS LLP and Coastal Cars LLP. The items of security comprise of a cross-guarantee and a debenture between the entities above.

Amounts owed to group undertakings are unsecured, interest-free and repayable on demand.

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

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Bank loans	831,668	757,532	831,668	390,865
Obligations under finance lease and hire purchase contracts	26,883	46,317	-	-
	<u>858,551</u>	<u>803,849</u>	<u>831,668</u>	<u>390,865</u>

23. Loans

The bank loans are secured by a debenture which incorporates a fixed and floating charge over all property and assets of the Company.

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Amounts falling due within one year				
Bank loans	<u>194,518</u>	<u>207,234</u>	<u>194,518</u>	<u>157,234</u>
Amounts falling due 1-2 years				
Bank loans	<u>201,999</u>	<u>207,234</u>	<u>201,999</u>	<u>157,234</u>
Amounts falling due 2-5 years				
Bank loans	<u>302,999</u>	<u>341,153</u>	<u>302,999</u>	<u>191,153</u>
Amounts falling due after more than 5 years				
Bank loans	<u>326,670</u>	<u>209,145</u>	<u>326,670</u>	<u>42,478</u>
	<u>1,026,186</u>	<u>964,766</u>	<u>1,026,186</u>	<u>548,099</u>

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24. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2021 £	Group 2020 £
Within one year	23,750	67,533
Between 1-5 years	26,883	46,317
	<u>50,633</u>	<u>113,850</u>

25. Financial instruments

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Financial assets				
Financial assets that are debt instruments measured at amortised cost	<u>4,527,114</u>	<u>2,752,655</u>	<u>2,277,415</u>	<u>1,530,772</u>
Financial liabilities				
Financial liabilities measured at amortised cost	<u>(16,080,294)</u>	<u>(13,139,649)</u>	<u>(11,054,117)</u>	<u>(9,791,093)</u>

Financial assets measured at amortised cost comprise of cash, trade debtors, other debtors and amounts owed by related parties.

Financial liabilities measured at amortised cost comprise of bank overdrafts, bank loans, other loans, trade creditors, amounts owed to group companies, other creditors and accruals.

26. Deferred taxation**Group**

	2021 £	2020 £
At beginning of year	(71,430)	(86,588)
Charged to the Consolidated Statement of Comprehensive Income	<u>(50,923)</u>	<u>15,158</u>
At end of year	<u><u>(122,353)</u></u>	<u><u>(71,430)</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
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26. Deferred taxation (continued)**Company**

			2021 £	2020 £
At beginning of year			(56,121)	(62,778)
Charged to the Consolidated Statement of Comprehensive Income			(53,927)	6,657
At end of year			<u><u>(110,048)</u></u>	<u><u>(56,121)</u></u>
	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Accelerated capital allowances	(125,503)	(71,430)	(112,405)	(56,121)
Short term timing differences	3,150	-	2,357	-
	<u><u>(122,353)</u></u>	<u><u>(71,430)</u></u>	<u><u>(110,048)</u></u>	<u><u>(56,121)</u></u>

27. Called up share capital

	2021 £	2020 £
Authorised, allotted, called up and fully paid		
75,000 (2020: 75,000) ordinary shares shares of £1 each	<u><u>75,000</u></u>	<u><u>75,000</u></u>

The Company has one class of ordinary shares, each share carries one voting right and no right to fixed income.

28. Reserves**Revaluation reserve**

The revaluation reserve includes all movements arising from revaluations of investment properties and other assets accounted for under the valuation method.

Profit and loss account

The profit & loss account is made up of distributable reserves less any dividends paid.

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

29. Analysis of net debt

	At 1 January 2021 £	Cash flows £	Repayment of finance leases £	At 31 December 2021 £
Cash at bank and in hand	194,623	2,656,922	-	2,851,545
Bank overdrafts	(14,370)	14,370	-	-
Debt due after 1 year	(757,532)	(74,136)	-	(831,668)
Debt due within 1 year	(9,710,576)	8,092,758	-	(1,617,818)
Finance leases	(113,850)	-	63,217	(50,633)
	<u>(10,401,705)</u>	<u>10,689,914</u>	<u>63,217</u>	<u>351,426</u>

30. Pension commitments

The Company and Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company and Group in an independently administered fund. The pension cost charge represents contributions payable by the Company and Group to the fund and amounted to £119,403 (2020: £116,004). Contributions totaling £26,274 (2020: £6,456) were payable to the fund at the reporting date.

31. Commitments under operating leases

At 31 December 2021 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Not later than 1 year	1,057,698	976,913	893,844	711,059
Later than 1 year and not later than 5 years	2,786,363	2,394,301	2,202,946	1,747,908
Later than 5 years	4,507,959	4,102,878	3,178,956	2,042,500
	<u>8,352,020</u>	<u>7,474,092</u>	<u>6,275,746</u>	<u>4,501,467</u>

32. Other financial commitments

At the year end the Company is committed to purchasing vehicles with a value of £1,097,299 (2020: £1,206,776).

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33. Related party transactions

The Company has taken advantage of the exemption in section 33 of FRS102 from the requirement to disclose transactions with group companies on the grounds that it is wholly owned, except for Southampton TPS LLP which was dormant for the year ended 31 December 2021.

During the year the Group entered into transactions, in the ordinary course of business, with Coastal Cars LLP, a company in which J E Corderoy has a controlling interest. There were sales made to Coastal Cars LLP in the year of £3,786,056 (2020: £1,638,259) and purchases from Coastal of £167,282 (2020: £15,002). As at 31 December 2021 £17,838 (2020: £47,396) was owed to Breeze Motor Company Group Limited.

As at 31 December 2021 loans from J Corderoy totalled £77,314 (2020 loans to: £141,936) with the maximum balance outstanding during the year of £241,936 (2020: £141,936). The total amounts loaned during the year was £335,000 (2020: loaned £131,533). The loan was repaid in April 2021.

34. Post balance sheet events

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

35. Controlling party

J E Corderoy is the single controlling party of Breeze Motor Company Limited, by virtue of his 100% shareholding.

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