

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

	Note	2021 £	2020 £
Turnover	<b>4</b>	99,000,300	77,409,820
Cost of sales		(90,324,720)	(72,047,120)
<b>Gross profit</b>		<u>8,675,580</u>	<u>5,362,700</u>
Administrative expenses		(5,544,968)	(5,072,203)
Other operating income	<b>5</b>	<u>162,643</u>	<u>965,190</u>
<b>Operating profit</b>	<b>6</b>	<u>3,293,255</u>	<u>1,255,687</u>
Interest receivable and similar income	<b>10</b>	1,385	999
Interest payable and similar expenses	<b>11</b>	<u>(533,974)</u>	<u>(505,727)</u>
<b>Profit before taxation</b>		<u>2,760,666</u>	<u>750,959</u>
Tax on profit	<b>12</b>	<u>(598,140)</u>	<u>(28,254)</u>
<b>Profit for the financial year</b>		<u><u>2,162,526</u></u>	<u><u>722,705</u></u>
Unrealised surplus on revaluation of assets		75,000	-
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<u><u>2,237,526</u></u>	<u><u>722,705</u></u>
<b>Profit for the year attributable to:</b>			
Non-controlling interests		-	-
Owners of the parent Company		<u>2,162,526</u>	<u>722,705</u>
		<u><u>2,162,526</u></u>	<u><u>722,705</u></u>

The Consolidated Statement of Comprehensive Income is prepared on the basis that all operations are continuing operations.

The notes on pages 22 to 47 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Intangible assets	14	6,000	-
Tangible fixed assets	15	2,344,360	2,112,894
Investment property	17	740,000	680,000
		<u>3,090,360</u>	<u>2,792,894</u>
<b>Current assets</b>			
Stocks	18	13,894,088	18,937,248
Debtors: amounts falling due within one year	19	2,175,622	3,188,704
Cash and cash equivalents	20	2,851,545	194,623
		<u>18,921,255</u>	<u>22,320,575</u>
Creditors: amounts falling due within one year	21	(18,018,037)	(23,128,042)
<b>Net current assets/(liabilities)</b>		<u>903,218</u>	<u>(807,467)</u>
<b>Total assets less current liabilities</b>		<u>3,993,578</u>	<u>1,985,427</u>
Creditors: amounts falling due after more than one year	22	(858,551)	(803,849)
<b>Provisions for liabilities</b>			
Deferred taxation	26	(122,353)	(71,430)
		<u>(122,353)</u>	<u>(71,430)</u>
<b>Net assets</b>		<u><u>3,012,674</u></u>	<u><u>1,110,148</u></u>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 DECEMBER 2021**

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	Note	2021 £	2020 £
<b>Capital and reserves</b>			
Called up share capital	<b>27</b>	75,000	75,000
Revaluation reserve	<b>28</b>	322,045	247,045
Profit and loss account	<b>28</b>	2,612,177	784,651
<b>Equity attributable to owners of the parent Company</b>		<u>3,009,222</u>	<u>1,106,696</u>
Non-controlling interests		<u>3,452</u>	<u>3,452</u>
<b>Total equity</b>		<u><u>3,012,674</u></u>	<u><u>1,110,148</u></u>

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

**J E Corderoy**  
Director

Date: 31 May 2022

The notes on pages 22 to 47 form part of these financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Intangible assets	14	6,000	-
Tangible fixed assets	15	1,672,546	1,297,981
Investments	16	1,685,564	1,685,564
Investment property	17	740,000	680,000
		<u>4,104,110</u>	<u>3,663,545</u>
<b>Current assets</b>			
Stocks	18	8,461,586	13,588,606
Debtors: amounts falling due within one year	19	1,292,920	1,865,817
Cash and cash equivalents	20	1,350,723	2,960
		<u>11,105,229</u>	<u>15,457,383</u>
Creditors: Amounts Falling Due Within One Year	21	(12,244,949)	(17,575,827)
<b>Net current liabilities</b>		<u>(1,139,720)</u>	<u>(2,118,444)</u>
<b>Total assets less current liabilities</b>		<u>2,964,390</u>	<u>1,545,101</u>
Creditors: amounts falling due after more than one year	22	(831,668)	(390,865)
<b>Provisions for liabilities</b>			
Deferred taxation	26	(110,048)	(56,121)
		<u>(110,048)</u>	<u>(56,121)</u>
<b>Net assets</b>		<u><u>2,022,674</u></u>	<u><u>1,098,115</u></u>

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)  
AS AT 31 DECEMBER 2021

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	Note	2021 £	2020 £
<b>Capital and reserves</b>			
Called up share capital	<b>27</b>	75,000	75,000
Revaluation reserve	<b>28</b>	322,045	247,045
Profit and loss account	<b>28</b>	1,625,629	776,070
<b>Total equity</b>		<u>2,022,674</u>	<u>1,098,115</u>

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 profit after tax of the parent Company for the year was £ 1,184,559 (2020: profit of £472,595).

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

**J E Corderoy**  
Director

Date: 31 May 2022

The notes on pages 22 to 47 form part of these financial statements.

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

	Called up share capital	Revaluation reserve	Profit and loss account	Equity attributable to owners of parent Company	on-controlling interests	Total equity
	£	£	£	£	£	£
<b>At 1 January 2020</b>	75,000	247,045	61,946	383,991	3,452	387,443
<b>Comprehensive income for the year</b>						
Profit for the year	-	-	722,705	722,705	-	722,705
<b>At 1 January 2021</b>	75,000	247,045	784,651	1,106,696	3,452	1,110,148
<b>Comprehensive income for the year</b>						
Profit for the year	-	-	2,162,526	2,162,526	-	2,162,526
Surplus on revaluation of investment property	-	60,000	-	60,000	-	60,000
Surplus on revaluation of freehold property	-	15,000	-	15,000	-	15,000
Dividends	-	-	(335,000)	(335,000)	-	(335,000)
<b>At 31 December 2021</b>	<u>75,000</u>	<u>322,045</u>	<u>2,612,177</u>	<u>3,009,222</u>	<u>3,452</u>	<u>3,012,674</u>

The notes on pages 22 to 47 form part of these financial statements.

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

	Called up share capital £	Revaluation reserve £	Profit and loss account £	Total equity £
<b>At 1 January 2020</b>	75,000	247,045	303,475	625,520
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	472,595	472,595
<b>At 1 January 2021</b>	75,000	247,045	776,070	1,098,115
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	1,184,559	1,184,559
Surplus on revaluation of investment property	-	60,000	-	60,000
Surplus on revaluation of freehold property	-	15,000	-	15,000
Dividends	-	-	(335,000)	(335,000)
<b>At 31 December 2021</b>	<u>75,000</u>	<u>322,045</u>	<u>1,625,629</u>	<u>2,022,674</u>

The notes on pages 22 to 47 form part of these financial statements.

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

	2021 £	2020 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	2,162,526	722,705
<b>Adjustments for:</b>		
Amortisation of intangible assets	2,000	-
Depreciation of tangible fixed assets	389,839	405,040
Interest paid	533,974	505,727
Interest received	(1,385)	(999)
Taxation charge	598,140	28,254
Decrease/(increase) in stocks	5,043,212	(811,289)
Decrease in debtors	1,096,876	877,422
Increase in amounts owed by related party	(83,568)	(161,051)
Increase/(decrease) in creditors	(5,520,611)	1,031,281
Corporation tax (paid)/received	(66,020)	22,469
<b>Net cash generated from operating activities</b>	<b>4,154,983</b>	<b>2,619,559</b>
<b>Cash flows from investing activities</b>		
Purchase of intangible assets	(8,000)	-
Purchase of tangible fixed assets	(606,305)	(183,469)
Interest received	1,385	999
HP interest paid	(6,484)	(11,567)
<b>Net cash from investing activities</b>	<b>(619,404)</b>	<b>(194,037)</b>
<b>Cash flows from financing activities</b>		
New/(repayment) of loans	61,420	(169,947)
Repayment of finance leases	(63,217)	(68,227)
Dividends paid	(335,000)	-
Interest paid	(527,490)	(494,160)
<b>Net cash used in financing activities</b>	<b>(864,287)</b>	<b>(732,334)</b>



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

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	2021 £	2020 £
<b>Net increase in cash and cash equivalents</b>	2,671,292	1,693,188
Cash and cash equivalents at beginning of year	180,253	(1,512,935)
<b>Cash and cash equivalents at the end of year</b>	<u>2,851,545</u>	<u>180,253</u>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	2,851,545	194,623
Bank overdrafts	-	(14,370)
	<u>2,851,545</u>	<u>180,253</u>

The notes on pages 22 to 47 form part of these financial statements.

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

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**1. General information**

Breeze Motor Company Limited (No. 03943216) is a private company limited by shares incorporated in England and Wales. The registered office is 5th Floor Merck House, Seldown Lane, Poole, Dorset, BH15 1TW. Its principal business address is Tower Park, Yarrow Road, Poole, BH12 4QY.

The principal activity of the Group and Company in the year under review was that of a motor retailer.

**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 judgement 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 Company is a qualifying entity for the purposes of FRS 102 and has elected to take the exemption under FRS 102, para 1.12 (b) not to present the Company Statement of Cash Flows.

The financial statements are presented in Sterling (£).

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.

**2.3 Going concern**

The financial statements have been prepared on a going concern basis. In considering going concern, management has reviewed the financial information of the Group and the Company for a period of at least 12 months from the date of approval of the accounts. Having reviewed this information, management has a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Breeze continue to have the support of our financial stakeholders at Barclays Bank, Lombard and Volkswagen Bank for the overdraft facility and stocking facility. for the overdraft facility and stocking facility.

As at 31 December 2021 the Group reported a profit of £2,162,526 (2020: profit of £722,705) and a net asset position of £3,012,674 (2020: £1,110,148). The director has applied the going concern basis in preparing the financial statements.

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

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**2. Accounting policies (continued)**

**2.4 Turnover**

Turnover 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. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Sales of motor vehicles, parts and accessories are recognised on the earlier of full payment by, or delivery date to, the customer together with the associated manufacturer vehicle bonus income. Any other manufacturer income in relation to achieving targets is recognised on an accruals basis. Servicing revenue is recognised on the completion of the agreed work.

**Sale of goods**

Turnover 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 turnover 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**

Turnover 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 turnover 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.

**2.5 Operating leases: the Group as lessee**

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

**2.6 Leased assets: the Group as lessee**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Comprehensive Income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.



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

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**2. Accounting policies (continued)**

**2.7 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

**2.8 Interest receivable and similar income**

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

**2.9 Interest payable and similar expenses**

Finance costs are charged to the Consolidated Statement of Comprehensive Income 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.

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

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2. Accounting policies (continued)

2.10 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 other creditors as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income 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 reporting 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 reporting 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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 reporting date.

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

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**2. Accounting policies (continued)**

**2.12 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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.

**2.13 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 2.5% straight line on buildings
Long-term leasehold property	- Over the period of the lease
Plant and machinery	- 20% straight line
Fixtures and fittings	- 20% straight line
Computer equipment	- 33% straight line
Assets in the course of construction	- Not depreciated

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 the Consolidated Statement of Comprehensive Income.