

ALLIED COMLINE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

ALLIED COMLINE LIMITED

COMPANY INFORMATION

Directors

I D Kamdar
D M Kamdar
N K Popat
M Talwar
Ravi Talwar
Rohan Talwar
Dr K R Ellis

Company secretary

D M Kamdar

Registered number

03425533

Registered office

Unit B1
Luton Enterprise Park
Sundon Park Road
Luton
Bedfordshire
LU3 3GU

Independent auditor

MHA MacIntyre Hudson
Chartered Accountants and Statutory Auditor
910 The Crescent
Colchester Business Park
Colchester
Essex
CO4 9YQ

ALLIED COMLINE LIMITED

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ALLIED COMLINE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Introduction

The principal activity of the Company during the year was the wholesale and distribution of motor car spares, parts and other general merchandise.

Business review

During the year, Allied Comline Limited continued to make steady progress with the sales of both branded and private label sales of brake pads in the passenger car and commercial vehicles sectors.

The Company continued to serve a mix of private label customers in Europe and a wide cross section of UK motor factors and European parts distributors for its branded products. The Company increased its product range with a large number of new part introductions and also significantly extended the ECER90 certifications for the brake pad ranges.

The aftermarket remains resilient, and business performance was better than prior year. However, the story of our year has been centred almost entirely around the rising cost of freight.

Principal risks and uncertainties

Competition

The Directors consider that the Company can compete effectively in the current environment in its target market. The Company's ability to stabilise costs in a competitive environment will protect it against aggressive price reductions by competitors to gain market share. The Company will continue to compete on the basis of quality and service rather than price.

Foreign currency risk

The Company is exposed to adverse exchange rate movements, particularly in the current political climate following Brexit and exposure on USD purchasing. The Directors seek to manage this as far as possible through the application of existing forex mitigation strategies. Although this can only act in mitigation, the risk can be effectively managed.

Credit risk

The uncertain economic climate continues to give rise to a higher than usual bad debt risk. The Directors seek to mitigate this by adherence to the Company's robust credit control procedures. All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are reviewed on a regular basis and a provision is made for doubtful debts when necessary.

IT Security

The Directors attach high priority to managing the risks posed by IT security breaches, including a review of cybersecurity and General Data Protection Regulation (GDPR) compliance.

Impact of rising freight costs

Despite the impact of these costs during the year, the Company has gone from strength to strength, and been able to increase sales. The Directors continue to monitor the market, the competition and internal company KPIs and react to minimize the impact to the Company's trading position. The financial statements have therefore been prepared on a normal going concern basis.

ALLIED COMLINE LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Financial key performance indicators

The Directors use both financial and non financial performance indicators in order to monitor the performance of the business.

Other key performance indicators

The Directors also use non financial performance indicators to monitor the performance of the business. The Company continues to monitor customer satisfaction and supplier relationships throughout the year.

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



.....
I D Kamdar
Director
Date:

ALLIED COMLINE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Directors present their report and the financial statements for the year ended 31 March 2022.

Principal activity

The principal activity of the Company during the year was the wholesale and distribution of motor car spares, parts and other general merchandise.

Directors

The Directors who served during the year were:

I D Kamdar
D M Kamdar
N K Popat
M Talwar
Ravi Talwar
Rohan Talwar
Dr K R Ellis

Results and dividends

The profit for the year, after taxation, amounted to £257,267 (2021 - £332,845).

The Directors recommend a dividend of £400,000 (2021 - £400,000).

Directors' responsibilities statement

The Directors are responsible for preparing the Strategic Report, the Directors' Report 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 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 of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements 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 transactions and disclose with reasonable accuracy at any time the financial position of the Company 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ALLIED COMLINE LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Future developments

There are no significant future developments to report.

Disclosure of information to auditor

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's auditor is 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's auditor is aware of that information.

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



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I D Kamdar
Director

Date: 30th June 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALLIED COMLINE LIMITED

Opinion

We have audited the financial statements of Allied Comline Limited (the 'Company') for the year ended 31 March 2022, which comprise the Statement of Comprehensive Income, the Balance Sheet, the 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 Company's affairs as at 31 March 2022 and of its 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALLIED COMLINE LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's 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 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 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 Directors' Responsibilities Statement set out on page 3, 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 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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 Auditor's 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 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:

- Enquiry of management around actual and potential litigation and claims;
- Enquiry of staff to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditor's Report.

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 Auditor's 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.

Mike Kay BSc FCA CF (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants and Statutory Auditor

Colchester, United Kingdom

Date:

ALLIED COMLINE LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 £	2021 £
Turnover	4	16,159,629	14,031,458
Cost of sales		(15,338,141)	(13,009,490)
Gross profit		821,488	1,021,968
Distribution costs		(221,358)	(216,845)
Administrative expenses		(244,831)	(370,135)
Operating profit	5	355,299	434,988
Interest payable and similar expenses	8	(37,685)	(24,066)
Profit before tax		317,614	410,922
Tax on profit	9	(60,347)	(78,077)
Profit for the financial year		257,267	332,845

There was no Other Comprehensive Income for 2022 (2021 - £NIL).

The notes on pages 11 to 20 form part of these financial statements.

**BALANCE SHEET
AS AT 31 MARCH 2022**

	Note	2022 £	2022 £	2021 £	2021 £
Current assets					
Stocks	11	258,781		921,361	
Debtors: Amounts falling due within one year	12	4,975,501		3,966,922	
Cash at bank and in hand	13	2,540,490		812,478	
		<u>7,774,772</u>		<u>5,700,761</u>	
Creditors: Amounts falling due within one year	14	(7,547,882)		(5,331,138)	
Net current assets			226,890		369,623
Net assets			<u>226,890</u>		<u>369,623</u>
Capital and reserves					
Called up share capital	15		100		100
Profit and loss account	16		226,790		369,523
			<u>226,890</u>		<u>369,623</u>

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



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I D Kamdar
Director

Date: 30th June 2022

The notes on pages 11 to 20 form part of these financial statements.

ALLIED COMLINE LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2020	100	436,678	436,778
Comprehensive income for the year			
Profit for the year	-	332,845	332,845
Dividends: Equity capital	-	(400,000)	(400,000)
At 1 April 2021	100	369,523	369,623
Comprehensive income for the year			
Profit for the year	-	257,267	257,267
Dividends: Equity capital	-	(400,000)	(400,000)
At 31 March 2022	100	226,790	226,890

The notes on pages 11 to 20 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. General information

Allied Comline Limited is a private Company limited by shares incorporated in England and Wales (Company Registered Number 03425533).

The registered office address is Unit B1, Luton Enterprise Park, Sundon Park Road, Luton, Bedfordshire, LU3 3GU.

The significant accounting policies applied in the presentation of these financial statements are set out below.

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 financial statements are rounded to the nearest pound.

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

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A.

This information is included in the consolidated financial statements of Comline Holdings Limited as at 31 March 2022 and these financial statements may be obtained from Companies House.

2.3 Going concern

The Directors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. The Directors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Company has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Company's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Pound Sterling.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in Profit or Loss except when deferred in Other Comprehensive Income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit or Loss within 'finance income or costs'. All other foreign exchange gains and losses are presented in Profit or Loss within 'other operating income'.

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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 Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company 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 Company 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.

2.6 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.7 Borrowing costs

All borrowing costs are recognised in Profit or Loss in the year in which they are incurred.

2.8 Taxation

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 operates and generates 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; 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 Balance Sheet date.

2.9 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.

2.10 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.

2.11 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.12 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.

2.13 Invoice discounting

The Company has invoice discounting arrangements in respect of certain trade debtors. These are accounted for using the separate presentation method and, consequently, the trade debtors subject to invoice discounting and the advances against these are shown separately under debtors and creditors.

2.14 Financial instruments

The Company 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 non-puttable 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 financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit or Loss.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the Balance Sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in Profit or Loss in finance costs or income as appropriate. The Company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. **Accounting policies (continued)**

2.15 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.

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

Stock is valued at the lower of cost and net realisable value. The Directors assess the net realisable value of stock based on a statistical analysis and industry experience and make provisions for obsolescent and slow moving stock where appropriate.

3.1 Stock Valuation

Stock is valued at the lower of cost and net realisable value. The Directors assess the net realisable value of stock based on a statistical analysis and industry experience and make provisions for obsolescent and slow moving stock where appropriate.

ALLIED COMLINE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

4. Turnover

The whole of the turnover is attributable to the sale of own branded automotive parts.

Analysis of turnover by country of destination:

	2022 £	2021 £
United Kingdom	7,440,012	8,163,324
Rest of Europe	8,565,685	5,868,134
Rest of the World	153,932	-
	<u>16,159,629</u>	<u>14,031,458</u>

5. Operating profit

The operating profit is stated after charging:

	2022 £	2021 £
Exchange differences	<u>(63,375)</u>	<u>19,661</u>

6. Auditor's remuneration

	2022 £	2021 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>11,600</u>	<u>10,800</u>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

7. Employees

The Company has no employees other than the Directors, who did not receive any remuneration (2021 - £NIL).

A fellow group company, Comline Auto Parts Limited, acts as a payroll agent and raises management charges to the Company in respect of relevant staff members.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Interest payable and similar expenses

	2022	2021
	£	£
Bank interest payable	12,457	4,004
Other interest payable	25,228	20,062
	<u>37,685</u>	<u>24,066</u>

9. Taxation

	2022	2021
	£	£
Corporation tax		
Current tax on profits for the year	60,347	78,077
	<u>60,347</u>	<u>78,077</u>
Taxation on profit on ordinary activities	<u>60,347</u>	<u>78,077</u>

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2021 - the same as) the standard rate of corporation tax in the UK of 19% (2021 - 19%) as set out below:

	2022	2021
	£	£
Profit on ordinary activities before tax	317,614	410,922
	<u>317,614</u>	<u>410,922</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	60,347	78,077
	<u>60,347</u>	<u>78,077</u>
Total tax charge for the year	<u>60,347</u>	<u>78,077</u>

Factors that may affect future tax charges

An increase in the UK corporation tax rate from 19% to 25% was substantively enacted in June 2021 and will take effect from 1 April 2023 for profits over £250,000. For profits under £50,000 the tax rate will remain the same at 19% and for profits between these figures it will be subject to 25% but reduced by a marginal relief providing a gradual increase in the effective Corporation Tax rate.

ALLIED COMLINE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

10. Dividends

	2022 £	2021 £
Ordinary dividends	400,000	400,000
	400,000	400,000

11. Stocks

	2022 £	2021 £
Finished goods and goods for resale	258,781	921,361
	258,781	921,361

12. Debtors: Amounts falling due within one year

	2022 £	2021 £
Trade debtors	2,537,796	1,989,839
Amounts owed by group undertakings	2,291,494	1,535,465
Other debtors	117,211	440,927
Prepayments and accrued income	29,000	691
	4,975,501	3,966,922

13. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	2,540,490	812,478
Less: bank overdrafts	(1,554,726)	(219,874)
	985,764	592,604

ALLIED COMLINE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

14. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Bank overdrafts	1,554,726	219,874
Trade creditors	453,764	298,478
Amounts owed to group undertakings	323,052	134,582
Amounts owed to other participating interests	3,426,937	4,471,463
Corporation tax	60,353	78,081
Other taxation and social security	225,412	-
Other creditors	1,491,870	47,307
Accruals and deferred income	11,768	81,353
	7,547,882	5,331,138

The bank overdraft of £1,554,726 (2021 - £219,874), other creditors of £1,491,870 (2021 - £47,307) are due in less than one year are secured by a debenture comprising fixed and floating charges over all the assets of Allied Comline Limited, including all present and future freehold and leasehold property, book and other debts, chattels, goodwill and uncalled capital, both present and future.

An unlimited composite multilateral company guarantee has been given by Comline Auto Parts Limited, Allied Comline Limited, Motaquip Limited, Comline Hellas S.A., Comline Iberica S.L., Comline Holdings Limited and Royston Holdings Limited to secure all liabilities of each other.

15. Share capital

	2022	2021
	£	£
Allotted, called up and fully paid		
100 (2021 - 100) Ordinary shares of £1.00 each	100	100

16. Reserves**Profit and loss account**

The Profit and loss account represents the accumulation of retained profits, net of dividends, which are in the form of distributable reserves.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

17. Related party transactions

Allied Nippon Private Limited, a company registered in India, owns 51% of the issued share capital of Allied Comline Limited. During the year, sales of £154,197 (2021 - £NIL) and purchases of £15,154,149 (2021 - £11,970,712) were made to/from that Company. At the Balance Sheet date, an amount of £3,426,937 (2021 - £4,471,463) was owed to Allied Nippon Private Limited.

Comline Auto Parts Limited, a company registered in England and Wales, is a 100% subsidiary of Comline Holdings Limited. During the year, sales of £3,455,049 (2021 - £3,478,728) and purchases of £709,884 (2021 - £599,012) were made to/from that Company. At the Balance Sheet date, an amount of £455,224 (2021 - £1,063,067) was due from Comline Auto Parts Limited.

Motaquip Limited, a company registered in England and Wales, is a 100% subsidiary of Comline Holdings Limited. During the year, sales of £589,425 (2021 - £351,120) were made to that Company. At the Balance Sheet date, an amount of £143,785 (2021 - £41,592) was due from Motaquip Limited.

Comline Iberica S.L, a company registered in Spain, is a 100% subsidiary of Comline Holdings Limited. During the year, sales of £760,567 (2021 - £370,433) were made to that Company. At the Balance Sheet date, an amount of £746,853 (2021 - £204,280) was due from Comline Iberica S.L.

Comline Hellas A.E.E, a company registered in Greece, is a 100% subsidiary of Comline Holdings Limited. During the year, sales of £994,122 (2021 - £664,362) were made to that Company. At the Balance Sheet date, an amount of £812,111 (2021 - £226,526) was due from Comline Hellas A.E.E.

Comline Ireland Limited, a company registered in Ireland, is a 100% subsidiary of Comline Holdings Limited. During the year, sales of £329,143 (2021 - £NIL) were made to that Company. At the Balance Sheet date, an amount of £6,458 (2021 - £NIL) was due from Comline Ireland Limited.

18. Controlling party

Comline Holdings Limited holds 49% of the issued share capital with 51% being held by Allied Nippon Private Limited, a company registered in India. In the opinion of the Directors, Allied Nippon Private Limited does not use its majority shareholding to exert control over the Company.

Comline Holdings Limited is the parent of the smallest Group for which consolidated financial statements are drawn up. Comline Holdings Limited has included the Company in its Group financial statements which are publicly available. The registered office of Comline Holdings Limited is Unit B1, Luton Enterprise Park, Sundon Park Road, Luton, Bedfordshire, LU3 3GU.

ALLIED COMLINE LIMITED

DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Turnover	16,159,629	14,031,458
Cost of sales	(15,338,141)	(13,009,490)
Gross profit	<u>821,488</u>	<u>1,021,968</u>
Less: overheads		
Selling and distribution expenses	(221,358)	(216,845)
Administration expenses	(244,831)	(370,135)
Operating profit	<u>355,299</u>	<u>434,988</u>
Interest payable	(37,685)	(24,066)
Tax on profit on ordinary activities	(60,347)	(78,077)
Profit for the year	<u><u>257,267</u></u>	<u><u>332,845</u></u>

ALLIED COMLINE LIMITED

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2021 £
Turnover		
Sales - UK	7,440,012	8,163,324
Sales - Rest of EU	8,565,685	5,868,134
Sales - Rest of the World	153,932	-
	<u>16,159,629</u>	<u>14,031,458</u>
	2022 £	2021 £
Cost of sales		
Opening stock	921,361	539,463
Purchases	14,675,561	13,391,388
Closing stock	(258,781)	(921,361)
	<u>15,338,141</u>	<u>13,009,490</u>
	2022 £	2021 £
Selling and distribution expenses		
Advertising	7,942	6,358
Transport	4,796	1,867
Storage costs	208,620	208,620
	<u>221,358</u>	<u>216,845</u>
	2022 £	2021 £
Administration expenses		
Trade subscriptions	-	250
Legal and professional	110,558	111,354
Auditors' remuneration	11,600	10,800
Bank charges	3,290	3,705
Difference on foreign exchange	(63,375)	19,661
Sundry expenses	426	285
Sales expenses	182,332	224,080
	<u>244,831</u>	<u>370,135</u>

ALLIED COMLINE LIMITED

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022**

	2022	2021
	£	£
Interest payable		
Bank overdraft interest payable	1,902	1,309
Bank loan interest payable	10,555	2,695
Other interest - on invoice financing	25,228	20,062
	<u>37,685</u>	<u>24,066</u>