

Company Registration No. SC476986 (Scotland)

CHARLTON SCOTLAND LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

CHARLTON SCOTLAND LIMITED

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CHARLTON SCOTLAND LIMITED

COMPANY INFORMATION

| | |
|--------------------------|--|
| Director | M O'Hare |
| Secretary | C Chambers |
| Company number | SC476986 |
| Registered office | 15 Birkmyre Road Glasgow United Kingdom G51 3JH |
| Auditor | Consilium Audit Limited 169 West George Street Glasgow Scotland G2 2LB |

CHARLTON SCOTLAND LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2022

| | | 2022 | | 2021 | |
|--|-------|--------------------|---------------------------|--------------------|---------------------------|
| | Notes | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 4 | | 395,751 | | 636,293 |
| Current assets | | | | | |
| Debtors | 5 | 396,190 | | 367,172 | |
| Cash at bank and in hand | | - | | 1,028 | |
| | | <u>396,190</u> | | <u>368,200</u> | |
| Creditors: amounts falling due within one year | 6 | <u>(1,894,950)</u> | | <u>(1,696,714)</u> | |
| Net current liabilities | | | <u>(1,498,760)</u> | | <u>(1,328,514)</u> |
| Total assets less current liabilities | | | <u>(1,103,009)</u> | | <u>(692,221)</u> |
| Creditors: amounts falling due after more than one year | 7 | | <u>(33,763)</u> | | <u>(386,239)</u> |
| Net liabilities | | | <u><u>(1,136,772)</u></u> | | <u><u>(1,078,460)</u></u> |
| Capital and reserves | | | | | |
| Called up share capital | | | 1 | | 1 |
| Profit and loss reserves | | | <u>(1,136,773)</u> | | <u>(1,078,461)</u> |
| Total equity | | | <u><u>(1,136,772)</u></u> | | <u><u>(1,078,460)</u></u> |

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 31 May 2023 and are signed on its behalf by:

M O'Hare
Director

Company Registration No. SC476986

CHARLTON SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Charlton Scotland Limited is a private Company limited by shares incorporated in Scotland. The registered office is 15, Birkmyre Road, Glasgow, United Kingdom, G51 3JH. The Company's registration number is SC476986.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional and presentational currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The Company is dependent on the ongoing support of Thebookingroom Group Limited, the ultimate parent Company, to provide funds to meet its debts and other financial obligations as they fall due. Thebookingroom Group Limited has pledged its support to the Company to enable it to continue in operational existence for the foreseeable future.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|----------------|-------------------|
| Motor vehicles | 25% straight line |
|----------------|-------------------|

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

CHARLTON SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.6 Stocks

When vehicles are purchased with an intention to sell them these are treated as stock. Stocks are stated at the lower of cost and estimate selling price less costs to complete and sell.

When such a vehicle is sold the proceeds are recognised as turnover with the costs recognised in cost of sales.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Company's balance sheet when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all its liabilities.

CHARLTON SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow Group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

CHARLTON SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.12 Leases

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value, and are depreciated in accordance with the above depreciation policies.

Future instalments payable under such agreements, net of finance charges, are included within creditors. Rentals payable are apportioned between the capital element, which reduces the outstanding obligation included within creditors, and the finance element, which is charged to the profit and loss account on a straight line basis.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Employees

The average monthly number of persons (including directors) employed by the Company during the year was:

| | 2022 Number | 2021 Number |
|-------|----------------|----------------|
| Total | 8 | 15 |

3 Auditor's remuneration

The audit fee for the Company was borne by a fellow Group Company in the current and prior year.

CHARLTON SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4 Tangible fixed assets

| | Motor vehicles |
|------------------------------------|----------------|
| | £ |
| Cost | |
| At 1 January 2022 | 1,265,871 |
| Additions | 187,000 |
| Disposals | (438,030) |
| | <hr/> |
| At 31 December 2022 | 1,014,841 |
| | <hr/> |
| Depreciation and impairment | |
| At 1 January 2022 | 629,578 |
| Depreciation charged in the year | 265,307 |
| Eliminated in respect of disposals | (275,795) |
| | <hr/> |
| At 31 December 2022 | 619,090 |
| | <hr/> |
| Carrying amount | |
| At 31 December 2022 | 395,751 |
| | <hr/> <hr/> |
| At 31 December 2021 | 636,293 |
| | <hr/> <hr/> |

The net carrying value of tangible fixed assets includes the following in respect of assets held under hire purchase contracts.

| | 2022 | 2021 |
|----------------|-------------|-------------|
| | £ | £ |
| Motor vehicles | 113,609 | 447,353 |
| | <hr/> | <hr/> |
| | 113,609 | 447,353 |
| | <hr/> <hr/> | <hr/> <hr/> |

The depreciation charge for the year in respect of assets held under finance leases or hire purchase contracts was £196,244 (2021: £360,412).

5 Debtors

| | 2022 | 2021 |
|---|-------------|-------------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade debtors | 88,712 | 130,047 |
| Amounts owed by Group undertakings | 120,708 | 56,735 |
| Other debtors | 55,190 | 9,821 |
| | <hr/> | <hr/> |
| | 264,610 | 196,603 |
| Deferred tax asset | 131,580 | 170,569 |
| | <hr/> | <hr/> |
| | 396,190 | 367,172 |
| | <hr/> <hr/> | <hr/> <hr/> |

CHARLTON SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

6 Creditors: amounts falling due within one year

| | | 2022 | 2021 |
|------------------------------------|---|------------------|------------------|
| | | £ | £ |
| Bank overdrafts | | 413,935 | 1,232,575 |
| Obligations under finance leases | 8 | 126,446 | 202,355 |
| Trade creditors | | 95,139 | 96,905 |
| Amounts owed to Group undertakings | | 1,139,772 | 17,556 |
| Taxation and social security | | 25,018 | 72,226 |
| Other creditors | | 4,155 | 17,308 |
| Accruals and deferred income | | 90,485 | 57,789 |
| | | <u>1,894,950</u> | <u>1,696,714</u> |

The bank overdraft is secured by a floating charge over the whole assets of the Company.

Hire purchase contracts are secured over the assets to which they relate, supported by a personal guarantee from the Director.

7 Creditors: amounts falling due after more than one year

| | | 2022 | 2021 |
|----------------------------------|-------|---------------|----------------|
| | Notes | £ | £ |
| Obligations under finance leases | 8 | 33,763 | 386,239 |
| | | <u>33,763</u> | <u>386,239</u> |

8 Finance lease obligations

| | | 2022 | 2021 |
|---|--|----------------|----------------|
| | | £ | £ |
| Future minimum lease payments due under finance leases: | | | |
| Within one year | | 126,446 | 202,355 |
| In two to five years | | 33,763 | 386,239 |
| | | <u>160,209</u> | <u>588,594</u> |

9 Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £4,149 (2021 - £5,259). Contributions totalling £240 (2021 - £1,028) were payable to the fund at the balance sheet date and are included in other creditors.

CHARLTON SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

10 Contingent liabilities

An unlimited composite intercompany guarantee has been given by Thebookingroom Group Limited, Thebookingroom.com Limited, Charlton Chauffeur Drive Limited, TBR Europe Limited, TBR Global Limited, TBR Logistics Limited and Charlton Scotland Limited to secure all bank term loan and bank overdraft liabilities of each other.

To support this, the Company has granted a floating charge over all assets, goodwill, undertaking and uncalled capital, both present and future of the Company, At the year end, borrowings for the companies included in the guarantee totalled £2,731,492 (2021 - £4,155,744).

11 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the Company and movements thereon:

| | Assets 2022 £ | Assets 2021 £ |
|-------------------------------------|------------------------------|------------------------------|
| Balances: | | |
| Fixed asset timing differences | 131,580 | 170,277 |
| Other short term timing differences | - | 292 |
| | <u>131,580</u> | <u>170,569</u> |
| | | 2022 £ |
| Movements in the year: | | |
| Asset at 1 January 2022 | | 170,569 |
| Charge to profit or loss | | (38,989) |
| | | <u>131,580</u> |

12 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was David Holt and the auditor was Consilium Audit Limited.

CHARLTON SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

13 Operating lease commitments

Lessee

At the reporting end date the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

| | 2022 | 2021 |
|-----------------|------|--------|
| | £ | £ |
| Within one year | - | 24,610 |
| | - | 24,610 |

14 Related party transactions

Transactions with related parties

During the year the Company entered into the following transactions with related parties:

| | Sales | | Purchases | |
|-----------------------|---------|--------|-----------|--------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Other related parties | 330,340 | 62,969 | 67,339 | 23,836 |

The Company has taken advantage of the exemption in section 33.1a of FRS 102 not to disclose transactions with other wholly owned members of the Group.

15 Director's transactions

At 31 December 2022, the balance due to the Director was £nil (2021 - £7,397).

During the year £83,160 was advanced by the Director to the Company, with £90,557 being repaid. The loan is interest free and repayable on demand.

16 Controlling party

Until 28th December 2022, the Company's immediate parent undertaking was TBR Europe Limited. On this date, TBR Europe's investment in the Company was transferred to Thebookingroom Group Limited at fair value.

From 28th December 2022 onwards, the Company's immediate and ultimate parent undertaking is Thebookingroom Group Limited. The Company is included within the consolidated financial statements of the Thebookingroom Group Limited which are available from Companies House, 139 Fountainbridge, Edinburgh.

The majority shareholders of Thebookingroom Group Limited are M O'Hare and L O'Hare and as a result they were in ultimate control of the Company during the year.

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.