

# ÅRSREDOVISNING

för

## International Motors Nordic AB

Org.nr. 556443-4974

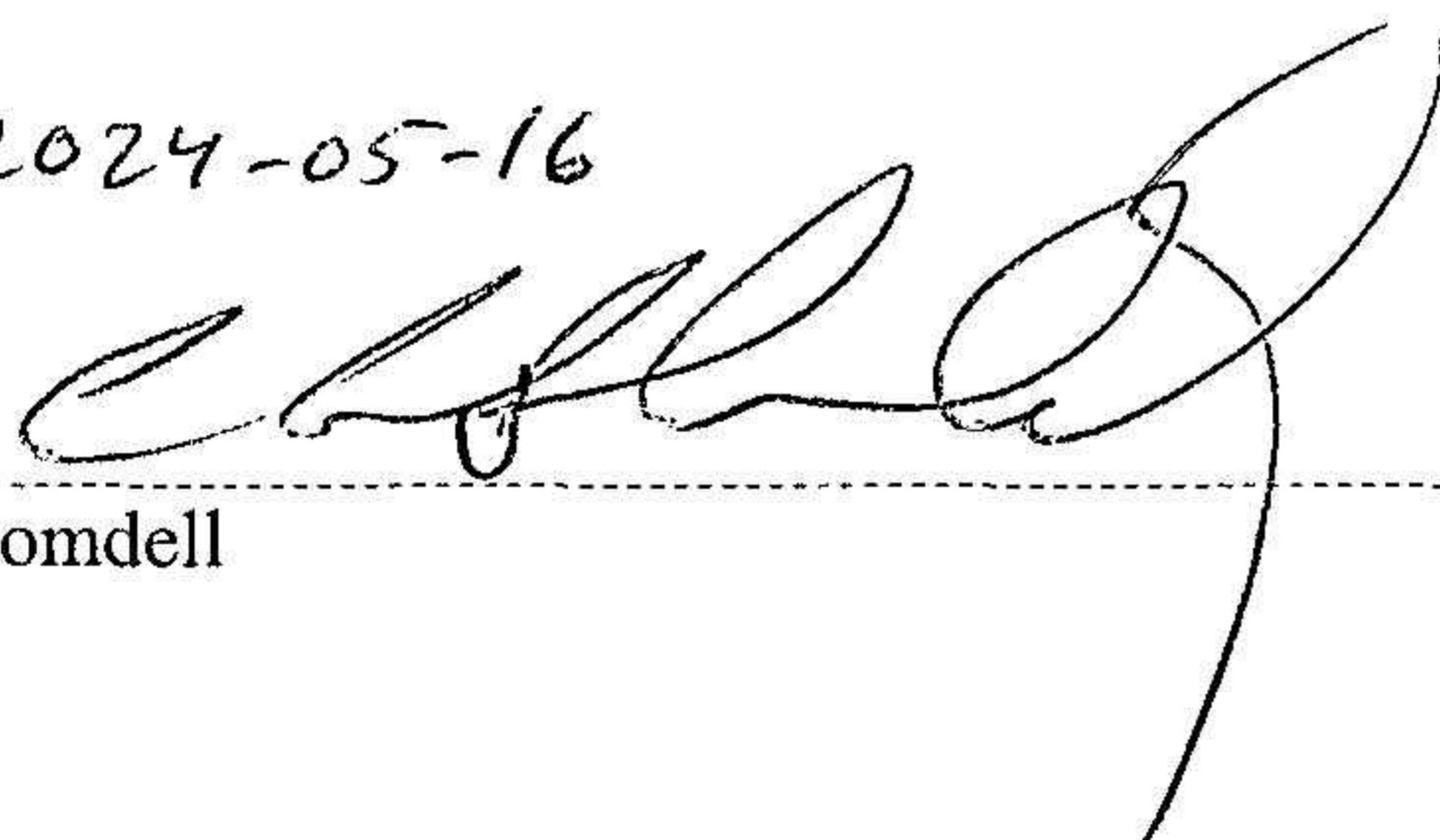
Styrelsen och verkställande direktören får härmed avlämna årsredovisning för räkenskapsåret 2023-01-01 - 2023-12-31

Innehåll	Sida
- förvaltningsberättelse	2
- resultaträkning	3
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Undertecknad styrelseledamot i International Motors Nordic AB intygar härmed, dels att denna kopia av årsredovisningen överensstämmer med originalet, dels att resultat- och balansräkning fastställts på årsstämma den 2024-05-16. Stämman beslöt tillika godkänna styrelsens förslag till vinstdisposition.

Malmö 2024-05-16

Christer Blomdell



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Styrelsen och verkställande direktören får härmed avlämna årsredovisning för räkenskapsåret 2023-01-01 - 2023-12-31

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## FÖRVALTNINGSBERÄTTELSE

Årsredovisningen är upprättad i KSEK.

### Verksamheten

Företagets verksamhet jämte förvaltning av aktier i rörelsedrivande dotterbolag är att tillhandahålla administrativa tjänster till övriga bolag i koncernen.

Företagets säte är Burlöv.

### Flerårsjämförelse\*

	2023	2022	2021	2020	2019
Nettoomsättning	75 501	69 925	44 285	34 742	30 565
Res. efter finansiella poster	4 412	6 391	5 835	3 377	3 956
Res. i % av nettoomsättningen	5,84	9,13	13,17	9,72	12,94
Balansomslutning	257 118	273 980	207 375	196 118	273 137
Soliditet (%)	19,74	17,27	22,12	21,04	14,14

\*Definitioner av nyckeltal, se noter

### Ägarförhållanden

Koncernen består av International Motors Nordic AB samt dess helägda dotterbolag Subaru Nordic AB, Great Wall Motors Nordic AB, IM Properties Nordic AB, Isuzu Sverige AB, I.M Automotive AB samt dotterdotterbolaget Daihatsu (Sverige) AB. International Motors Nordic AB är moderbolag, men med stöd av ÅRL 7 kap 2§ upprättas inte någon koncernredovisning. Övergripande koncernredovisning upprättas av IM Group Ltd, Storbritannien.

### Förändringar i eget kapital

	Aktiekapital	Övrigt bundet eget kapital	Övrigt fritt eget kapital	Årets resultat	Summa fritt eget kapital
Belopp vid årets ingång	1 000	0	44 873	1 456	46 329
Resultatdisp. enl. beslut av årsstämma:			1 456	-1 456	0
Årets vinst				3 434	3 434
Belopp vid årets utgång	1 000	0	46 329	3 434	49 763

### Resultatdisposition (kronor)

Förslag till disposition av bolagets vinst i kr

Till årsstämmans förfogande står balanserad vinst	46 328 793
årets vinst	3 433 795
	<u>49 762 588</u>
Styrelsen föreslår att i ny räkning överföres	49 762 588
	<u>49 762 588</u>

Beträffande bolagets resultat och ställning i övrigt hänvisas till efterföljande resultat- och balansräkningar med tillhörande noter.

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# International Motors Nordic AB

Org.nr. 556443-4974

## RESULTATRÄKNING

	Not	2023-01-01 2023-12-31	2022-01-01 2022-12-31
<b>Rörelsens intäkter m.m.</b>			
Nettoomsättning	2	<u>75 501</u> 75 501	<u>69 925</u> 69 925
<b>Rörelsens kostnader</b>			
Övriga externa kostnader	3	-40 764	-34 753
Personalkostnader	4	-34 516	-32 262
Avskrivningar av materiella anläggningstillgångar		-185	-74
Övriga rörelsekostnader		<u>-118</u>	<u>-246</u>
		-75 583	-67 335
<b>Rörelseresultat</b>		-82	2 590
<b>Resultat från finansiella poster</b>			
Ränteintäkter från koncernföretag		4 368	4 368
Övriga ränteintäkter och liknande resultatposter		127	14
Räntekostnader och liknande resultatposter		-1	0
Räntekostnader till koncernföretag		<u>0</u>	<u>-581</u>
		4 494	3 801
<b>Resultat efter finansiella poster</b>		4 412	6 391
<b>Bokslutsdispositioner</b>			
Lämnade koncernbidrag		<u>0</u>	<u>-4 500</u>
		0	-4 500
<b>Resultat före skatt</b>		4 412	1 891
Skatt på årets resultat	5	-978	-435
<b>Årets resultat</b>		<u>3 434</u>	<u>1 456</u>

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**BALANSRÄKNING**

**TILLGÅNGAR**

**Anläggningstillgångar**

**Materiella anläggningstillgångar**

Inventarier, verktyg och installationer  
Summa materiella anläggningstillgångar

Not

2023-12-31

2022-12-31

6

281

290

281

290

**Finansiella anläggningstillgångar**

Andelar i koncernföretag  
Fordringar hos koncernföretag  
Summa finansiella anläggningstillgångar

7

94 627

94 627

8

142 958

156 089

237 585

250 716

**Summa anläggningstillgångar**

237 866

251 006

**Omsättningstillgångar**

**Kortfristiga fordringar**

Fordringar hos koncernföretag  
Aktuell skattefordran  
Övriga fordringar  
Förutbetalda kostnader och upplupna intäkter  
Summa kortfristiga fordringar

5 276

8 078

530

12 194

11 454

1 697

435

0

17 695

21 969

**Kassa och bank**

Kassa och bank  
Summa kassa och bank

1 557

1 005

1 557

1 005

**Summa omsättningstillgångar**

19 252

22 974

**SUMMA TILLGÅNGAR**

**257 118**

**273 980**

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2103

# International Motors Nordic AB

Org.nr. 556443-4974

## BALANSRÄKNING

### EGET KAPITAL OCH SKULDER

#### Eget kapital

##### Bundet eget kapital

Aktiekapital

9

1 000

1 000

Summa bundet eget kapital

1 000

1 000

##### Fritt eget kapital

Balanserat resultat

46 329

44 873

Årets resultat

3 434

1 456

Summa fritt eget kapital

49 763

46 329

Summa eget kapital

50 763

47 329

#### Kortfristiga skulder

Leverantörsskulder

2 675

2 922

Skulder till koncernföretag

185 371

208 402

Övriga skulder

3 309

2 800

Upplupna kostnader och förutbetalda intäkter

10

15 000

12 527

Summa kortfristiga skulder

206 355

226 651

**SUMMA EGET KAPITAL OCH SKULDER**

**257 118**

**273 980**

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12/05

**NOTER****Not 1 Redovisnings- och värderingsprinciper**

Årsredovisningen är upprättad i enlighet med årsredovisningslagen och BFNAR 2012:1 Årsredovisning och koncernredovisning. Principerna är oförändrade jämfört med föregående år.

*Fordringar*

Fordringar har upptagits till de belopp varmed de beräknas inflyta.

*Övriga tillgångar, avsättningar och skulder*

Övriga tillgångar, avsättningar och skulder har värderats till anskaffningsvärden om inget annat anges nedan.

*Intäktsredovisning*

Inkomsten redovisas till det verkliga värdet av vad som erhållits eller kommer att erhållas. Företaget redovisar därför inkomsten till nominellt värde (fakturabelopp) om ersättningen erhålls i likvida medel direkt vid leverans. Avdrag görs för lämnade rabatter.

*Materiella anläggningstillgångar*

Materiella anläggningstillgångar redovisas till anskaffningsvärde med avdrag för ackumulerade avskrivningar och eventuella nedskrivningar. Tillgångarna skrivs av linjärt över tillgångarnas bedömda nyttjandeperiod förutom mark som inte skrivs av. Nyttjandeperioden omprövas per varje balansdag. Följande nyttjandeperioder tillämpas:

	Antal år
Inventarier, verktyg och maskiner	3 - 5 år

*Inkomstskatt*

Aktuell skatt är inkomstskatt för innevarande räkenskapsår som avser årets skattepliktiga resultat och den del av tidigare räkenskapsårs inkomstskatt som ännu inte har redovisats. Aktuell skatt värderas till det sannolika beloppet enligt de skattesatser och skatteregler som gäller på balansdagen.

*Ersättningar till anställda**Pensioner**Avgiftsbestämda pensionsplaner*

Avgifter för avgiftsbestämda pensionsplaner kostnadsförs löpande.

*Fordringar och skulder i utländsk valuta*

Monetära fordringar och skulder i utländsk valuta har räknats om till balansdagens kurs.

Valutakursdifferenser som uppkommer vid reglering eller omräkning av monetära poster redovisas i resultaträkningen det räkenskapsår de uppkommer, antingen som en rörelsepost eller som en finansiell post utifrån den underliggande affärshändelsen.

**UPPLYSNINGAR TILL ENSKILDA POSTER****Not 2 Inköp och försäljning inom koncernen**

	2023	2022
Andel av försäljningen som avser koncernföretag	100,00%	100,00%
Andel av inköpen som avser koncernföretag	11,84%	17,43%

# International Motors Nordic AB

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## NOTER

### Not 3 Ersättning till revisorer 2023 2022

*BDO Sweden AB*  
Revisionsuppdrag

	90		90
	90		90

Med revisionsuppdrag avses revisors arbete för den lagstadgade revisionen och med revisionsverksamhet olika typer av kvalitetssäkringstjänster. Övriga tjänster är sådant som inte ingår i revisionsuppdrag, revisionsverksamhet eller skatterådgivning.

### Not 4 Medelantal anställda 2023 2022

#### *Medelantal anställda*

Medelantalet anställda bygger på av bolaget betalda närvarotimmar relaterade till en normal arbetstid.

Medelantal anställda har varit	38,00		38,00
varav kvinnor	11,00		11,00
varav män	27,00		27,00

### Not 5 Skatt på årets resultat 2023 2022

Aktuell skatt	-978		-435
	-978		-435

#### *Avstämning av effektiv skatt*

Resultat före skatt	4 412		1 891
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Skattekostnad 20,60% (20,60%)	-909		-390
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Skatteeffekt av:

Ej avdragsgilla kostnader	-103		-45
Ej skattepliktiga intäkter	26		0
Skatt hänförlig till tidigare år	8		0
Summa	-978		-435

### Not 6 Inventarier, verktyg och installationer 2023-12-31 2022-12-31

Ingående anskaffningsvärde	657		707
Inköp	176		161
Försäljningar/utrangeringar	0		-211
Utgående ackumulerade anskaffningsvärden	833		657
Ingående avskrivningar	-367		-306
Försäljningar/utrangeringar	0		13
Årets avskrivningar	-185		-74
Utgående ackumulerade avskrivningar	-552		-367
Utgående redovisat värde	281		290

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# International Motors Nordic AB

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## NOTER

### Not 7 Andelar i koncernföretag

2023-12-31

2022-12-31

Företag	Antal/Kap. andel %	Redovisat värde	Redovisat värde
<b>Organisationsnummer</b>	<b>Säte</b>		
Great Wall Motors Nordic AB 556782-5541	Burlöv	500	500
Subaru Nordic AB 556418-8117	Burlöv	53 535	53 535
IM Properties Nordic AB 556766-4080	Malmö	20 311	20 311
Isuzu Sverige AB 556373-3053	Malmö	20 181	20 181
IM Automotive AB 559360-2377	Malmö	100	100
		<hr/>	<hr/>
		94 627	94 627

### Uppgifter om eget kapital och resultat

Eget kapital

Resultat

Great Wall Motors Nordic AB	2 581	1
Subaru Nordic AB	720 863	69 957
IM Properties Nordic AB	76 351	9 236
Isuzu Sverige AB	36 231	21 959
IM Automotive AB	253	-42

### Not 8 Fordringar hos koncernföretag

2023-12-31

2022-12-31

Ingående anskaffningsvärde	156 089	137 571
Tillkommande	0	18 542
Avgående	-13 131	-24
Utgående ackumulerade anskaffningsvärden	<hr/>	<hr/>
Utgående redovisat värde	142 958	156 089
	142 958	156 089

### Not 9 Upplysningar om aktiekapital

Antal aktier

Kvotvärde per aktie

Antal/värde vid årets ingång	10 000	100,00
Antal/värde vid årets utgång	10 000	100,00

### Not 10 Upplupna kostnader och förutbetalda intäkter

2023-12-31

2022-12-31

Personalrelaterade kostnader	13 233	11 101
Marknadsrelaterade kostnader	1 067	1 265
Övriga upplupna kostnader	700	161
	<hr/>	<hr/>
	15 000	12 527

### Not 11 Definition av nyckeltal

Soliditet

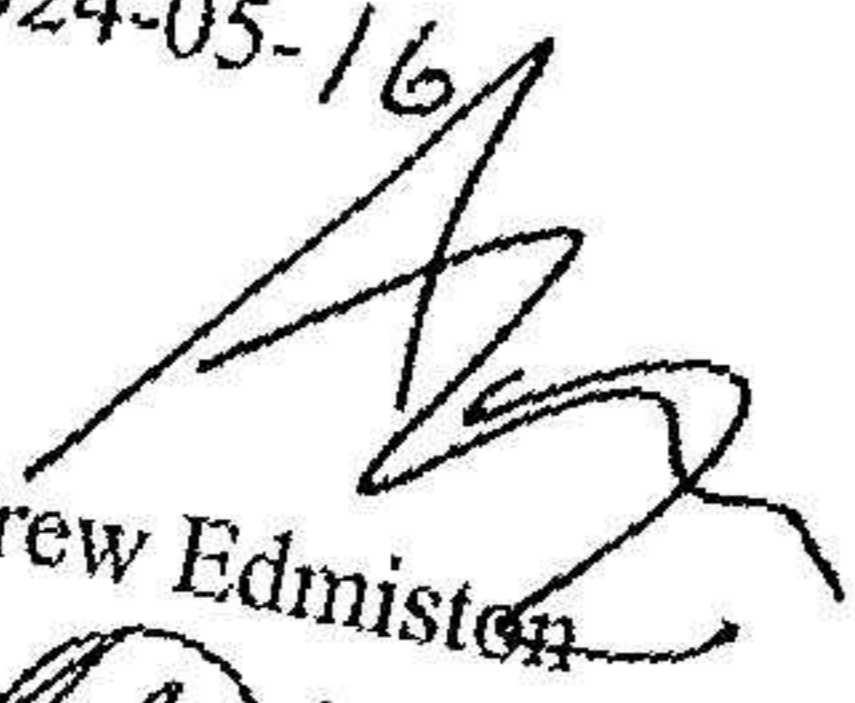
Justerat eget kapital i procent av balansomslutning


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**NOTER**

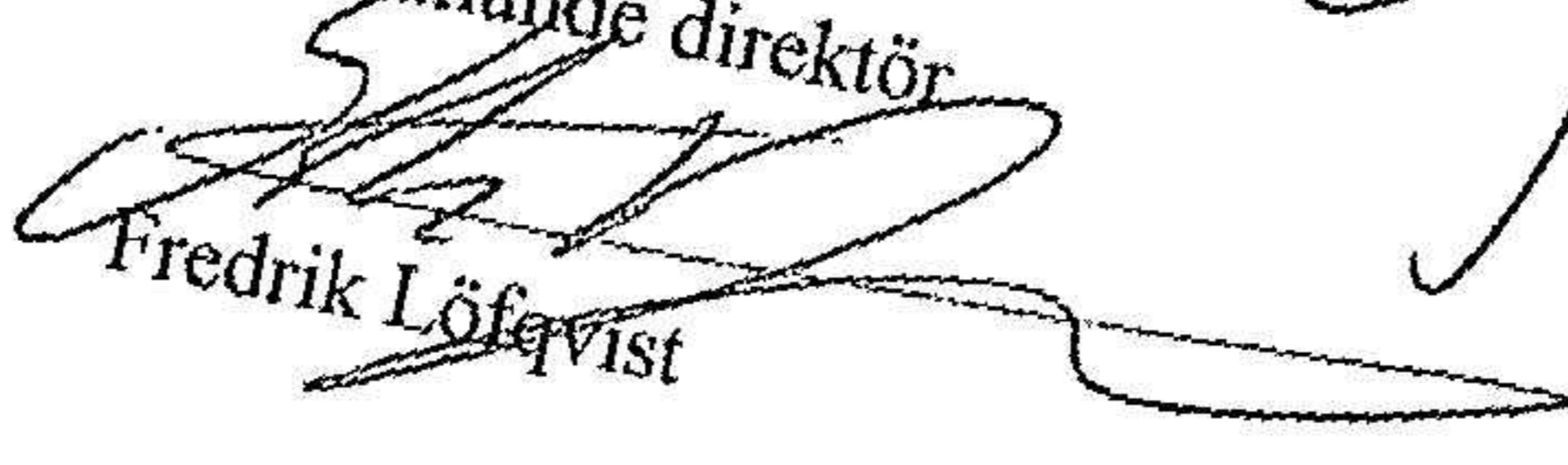
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Malmö  
2024-05-16

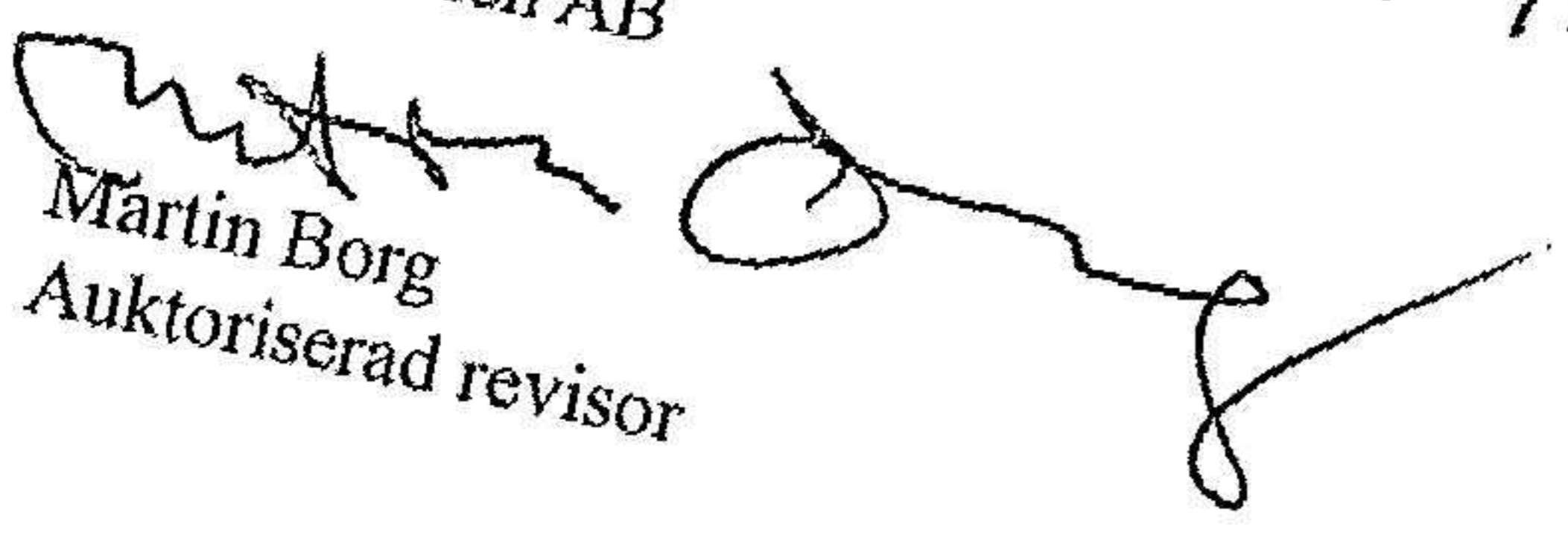
  
Andrew Edmiston

  
Gary Hutton

  
Christer Blomdell  
Verkställande direktör

  
Fredrik Löfvist

Vår revisionsberättelse har lämnats den 16/5 - 2024.

BDO Sweden AB  
  
Martin Borg  
Auktoriserad revisor



## REVISIONSBERÄTTELSE

Till bolagsstämman i International Motors Nordic AB  
Org.nr. 556443-4974

### Rapport om årsredovisningen

#### Uttalanden

Vi har utfört en revision av årsredovisningen för International Motors Nordic AB för år 2023.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av International Motors Nordic ABs finansiella ställning per den 31 december 2023 och av dess finansiella resultat för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

#### Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet "Revisorns ansvar". Vi är oberoende i förhållande till International Motors Nordic AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

#### Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

#### Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.

- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.

- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens och verkställande direktörens uppskattningar i redovisningen och tillhörande upplysningar.

- drar vi en slutsats om lämpligheten i att styrelsen och verkställande direktören använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om huruvida det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.

- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

## Rapport om andra krav enligt lagar och andra författningar

### Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning för International Motors Nordic AB för år 2023 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

### Grund för uttalanden

Vi har utfört revisionen enligt god revisions sed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet "Revisorns ansvar". Vi är oberoende i förhållande till International Motors Nordic AB enligt god revisors sed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

### Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt. Verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

### Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisions sed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisions sed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår

professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat om förslaget är förenligt med aktiebolagslagen.

Helsingborg den 16 maj 2024

BDO Sweden AB

Martin Borg

Auktoriserad revisor

2024071007900

## **I.M. Group Limited**

Report and Consolidated Financial Statements

Year Ended

31 December 2023

Company Number 03456018

**I.M. GROUP LIMITED  
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FOR THE YEAR ENDED 31 DECEMBER 2023**

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**Directors**

Lord Edmiston  
A M Edmiston  
G E Hutton

**Secretary and registered office**

A G Clarke, The Gate, International Drive, Solihull, Birmingham, B90 4WA

**Company number**

03456018

**Auditor**

BDO LLP, Two Snowhill, Birmingham, B4 6GA

## I.M. GROUP LIMITED STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

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The directors present their Strategic Report and the financial statements for the year ended 31 December 2023.

### Review of the business

The Consolidated Statement of Total Comprehensive Income is set out on page 22-23 and shows the profit for the year.

In 2022, the Group operated in three distinct sectors. The principal activities of the Group were:

- Property investment, management, development and construction (The Property Division);
- the importation and franchised distribution of motor vehicles and parts in the United Kingdom, Ireland, Sweden, Denmark, Finland and the Baltic Republics (The Automotive Division); and
- the provision of and servicing of finance, and the selling of related financial products (The Finance Division).

As part of a Group reorganisation, the Property and Finance divisions were demerged from I.M. Group Limited (IM Group) on 31 December 2022. These financial statements comparatives include results up to the date of the demerger. Following on from the reorganisation the Group's principal activity is that of the IM Group's Automotive Division.

The Principal activity of the company is that of a Holding Company to the Automotive division with shared resource activity for other fellow subsidiaries of I.M. Group (UK) Holdings Limited.

The Group is in a strong financial position with net assets at 31 December 2023 of £246.8m (2022 - £224.1m) and continues to expand its activities through the development of existing business operations and seeking strategically placed acquisitions. The directors consider it important for the Group to retain its cash and short-term resources to finance such opportunities when they arise.

The directors are satisfied with the performance of the Group during the year.

### Overview

2023's financial result was very positive, and the Directors are satisfied with the performance of the Automotive Division. Despite turbulent market forces, the management team have worked tirelessly to generate a positive result for the business whilst continuing to secure the long-term future of the Group. The Directors are very proud that the Group was able to make Charitable Donations of £4.2m (2022 - £53.0m) during the year.

The Directors would like to congratulate and say a big thank you to all employees of the Group who have worked tirelessly to keep the Group operating effectively and profitably during extremely difficult times. We appreciate that individuals have faced a lot of personal uncertainty and are impacted by increases in the cost of living, yet they have stayed focussed on the core activities of the business and made this year a success. The Group's performance has demonstrated how versatile and flexible our team can be. Our employees are true to the Group's core values and able to compromise their own personal needs for the sustainability and success of the business.

Consolidated turnover, for the year was £523.8m (2022 - £344.4m) and the Automotive division achieved a gross profit of £102.7m (2022 - £84.2m). After the deduction of overheads and before management charges the group generated an operating profit, the Group's operating profit was £37.0m (2022 - £41.2m).

Following a period of supply shortages in the automotive industry the focus of the Group was on working very closely with manufacturers and dealers to maximize stock availability and manage customer expectations. The management team adapted to work with uncertain, and lower than anticipated volumes, carefully controlling the Group's cost base and looking for opportunities to generate other sources of income.

**I.M. GROUP LIMITED  
STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**Review of the business (continued)**

During 2022, the Automotive division re-established its long-standing relationship with Great Wall Motors to import new EV product and parts into the UK, Nordic and Irish markets. Manufacturer and shipping delays meant that most of this stock landed during Q4 2022 increasing the Automotive divisions year end stock holding significantly. The division is excited to be bringing this new brand into the passenger car marketplace and has invested significantly in building a strong dealer network and creating brand awareness. 2023's UK and European EV market has proven to be difficult. With consumer incentives withdrawn by government and reservations about range, residuals and pricing damaging customer confidence, new EV models have been slower than anticipated to market. Senior management are, however, optimistic about the future opportunity for EV product, in particular in the UK where the Z-EV Mandate is using financial penalties to drive manufacturers to increase the mix of EV's to Internal Combustion Engines registered each year.

The key financial performance indicators of the group are Turnover, Gross Profit, Profit Before Tax and cash generation. These matters are disclosed in detail within these financial statements. The directors do not consider that there are any key (measurable) non-financial performance indicators.

The Directors are positive about the Group's performance during the year. The primary drivers of this year's result were the performance of Isuzu (UK) Limited ('Isuzu UK'), Subaru (UK) Limited ('Subaru UK') and Subaru Nordic AB ('Subaru Nordic'). These results are supported by the stability of aftersales profits and profit from our associate, International Motors Finance Limited. The Result also includes a strong year's performance of Mitsubishi's parts and aftersales business.

Isuzu UK's trading performance in 2023 was very positive for the year with commercial vehicles primarily sold to private and small business customers. Isuzu UK has continued to invest significantly in brand awareness in order to maximise the opportunity in the current D-Max model, a product that has proven very popular with pick-up customers. The Directors see that Isuzu is well placed in the UK Pick-up market. Isuzu UK has achieved higher than budgeted sales volumes, despite uncertain macro-economic factors Isuzu are cautiously optimistic about strong volumes in 2024. The company enters the new year with a strong order book and is committed to investing in the Isuzu brand.

Isuzu has an established dealer network with national coverage. New interest from external parties in taking up the franchise has been strong. Isuzu continues to lead as a quality reliable pick-up. During the year Isuzu UK has maintained marketing activity including the continuation of a sponsorship agreement with the Welsh Rugby Union that is generating brand awareness in the UK.

The Directors have been satisfied with Subaru UK's performance. The Directors are positive about the outlook for the brand and has launched the Subaru Solterra into the market, being the Brand's first full EV product. The company's working capital saw a move to normalized stock levels and vehicle margins strengthened by the value of GBP against JPY.

In 2021, the Group acquired the parts distribution and aftersales business for Mitsubishi Motors in the UK. The business is a good fit for IM allowing it to capitalize on capacity at its central fulfillment facility in the West Midlands. The Group takes pride in representing the Mitsubishi brand in the UK and will continue to ensure that customers receive a good level of aftersales care and parts availability at least equal to that under its former ownership. 2023's result for Mitsubishi exceeded expectations and the business is well established within IM's infrastructure.

Parts and accessory sales have performed well showing consistently satisfactory performance. The directors are pleased with the result for the year and are positive about the future performance of the parts business, anticipating continued growth in accessory sales generated by a growing vehicle parc.

In summary, the directors were pleased with the overall results for 2023 as the group capitalised on well established relationships with our dealer network and manufacturers. The directors remain conscious of potential headwinds for the economies in our primary markets together with continued uncertainty surrounding the UK exit from the European Union, the War in Ukraine, inflationary pressures, exchange rate volatility and the more recent political uncertainty.

**I.M. GROUP LIMITED  
STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**Review of the business (continued)**

The Group continues to benefit from the diversity provided by the different franchises and the exposure to markets in different countries. The directors expect this to enable the International Motors Group to continue supporting the development of emerging brands in the UK and Nordic markets and look for other investment opportunities, while delivering sustainable profits in line with the long-term strategies of the Group.

The latest revaluation of the defined benefit pension deficit was performed by the Group's actuaries as at 31 December 2023. Actuarial gains/losses recognized on the schemes net assets are taken to Other Comprehensive Income. The scheme has been in surplus since 2022. The scheme had a surplus of £15.3m (2022 - £13.3m) which was restricted to £Nil (2022 - £Nil) as there was no unconditional right to this surplus. The scheme continues to be funded as required and the group has more than sufficient liquid assets to honour the scheme deficit obligations.

Other Comprehensive Income also includes gains on translation of the assets and liabilities of the Group's overseas subsidiaries.

**Funding and going concern**

The Group generated pre-tax profit during the year of £32.1m (2022 - £32.9m). This result was after Charitable Donations of £4.2m (2022 - £53.0m). At 31 December 2023 the Group had net assets of £246.8m (2022 - £224.1m). Included within net current assets is a positive 'Cash at Bank and in Hand' position of £100.5m (2022 - £106.0m). The Directors consider this year's performance to be positive, given the economic backdrop, and provides strong evidence of the robust and well diversified nature of the Group.

The directors of I.M. Group Limited and its subsidiaries ('the Group') have prepared a detailed cash flow forecast ('the forecast') for the Group for the period to 31 December 2025 ('the period') which shows the Group trading cash flows and expected available bank facilities for the period.

The executive directors of I.M. Group Limited were fully involved in the preparation and detail of the Group forecast. The funding facilities available to the Group are generally term loans or overdrafts and are primarily in place for at least the period. The bank funding facilities are subject to covenants. I.M. Group funding facilities also include short term funding of £59.1m (2022 - £59.1m) provided by the ultimate controlling party and the pension scheme of the ultimate controlling party.

The forecast shows that the Group will be able to operate and meet its external liabilities as they fall due for payment during the period within available borrowings and other funding. The forecast also shows that the Group will continue to meet its covenant requirements during the period. The forecast includes the assumption that short term funding provided by the ultimate controlling party will remain fully available to the Group during the period.

In the preparation of the forecast and these financial statements the directors have considered the impact of current and anticipated trading conditions. Risks continue to exist in the economy and automotive sector. The automotive sector is going through a very significant change as we move to electrification of vehicles and with it comes many challenges including increased production costs as well as infrastructure limitations. Legislative changes also came in to affect in 2024 with the introduction of the ZEV mandate which aims to support the UK's environmental targets. In addition to this the forecast also considers supply side risks.

The directors consider that the forecasts prepared for the going concern assessment reflect a reasonably prudent trading position for the Group and that this still shows significant headroom available for all months during the period.

After careful consideration the directors consider that the Group forecast is achievable, that sufficient facilities will continue in place throughout the period in order for the Group to operate and meet its liabilities as they fall due for payment. Therefore, the Directors consider that it is appropriate to prepare the financial statements on a going concern basis.

**I.M. GROUP LIMITED  
STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**Monitoring and managing risk**

The Group has an established, structured approach to risk management. The Group's activities expose it to a variety of financial risks, including the effects of market changes, credit, liquidity, cash flow, exchange rate and interest rate risks. The Group has adopted risk management policies that seek to mitigate these risks in a cost effective manner.

The Directors understand that in order to generate a return it is necessary to face a level of risk. The key is to ensure these risks remain within acceptable levels agreed by the Board. The Directors believe that the structure allows the Group not just to identify, measure and manage risk, but also to respond quickly where opportunities are identified, giving a competitive advantage. The Group operates in the automotive sector and has a diversified product mix of commercial, electric and passenger vehicles including sale of vehicle parts and accessory. This diversification mitigates exposure to sector specific risks.

The Directors consider the principal risks and uncertainties to the Group to be as follows:

*Exposure to foreign currency*

The automotive division is exposed to the risk of fluctuating exchange rates.

The Group's financial performance is exposed to the risk of adverse movements in the value of sterling against the Japanese Yen and the Euro increasing the purchase price of vehicles. In a competitive market place the Group is not always able to recover these additional costs by increasing its selling price. The Group's automotive division manages these risks by entering a forward contract for the relevant currency at the time an order is placed.

*Market risk*

The Group is exposed to market risk as a result of its operations, particularly relating to the demand for its products and services. However, the Directors consider that they are close enough to the market to be able to react quickly to changes and hence the impact on the Group's performance.

*Adverse interest rate movements*

The Group is exposed to adverse interest rate movements. This risk is largely mitigated through the use of derivative instruments, including interest rate swaps and caps. Hedging levels are monitored on an ongoing basis.

*Political and economic risk*

The Group is exposed to political and economic risks such as Brexit implications and disruptions to product availability, driven by a worsening shortage of a range of components, including semiconductors which has led to reduced distribution volumes. Disruption and component shortages are expected to ease in 2024.

The Group holds a diversified business model which mitigates economic risk impacting a specific sector or region. The Group operates across the United Kingdom, Ireland, Sweden and China. Significant cash reserves are maintained within the Group. The Group treasury function is managed on a centralised basis.

2023 saw uncertainty surrounding the ongoing political climate, high inflation and the war in Ukraine. The Group has a strong net asset position, including a high level of cash reserves which, along with vigilant management will place the Group in the best position to continue its long history of trading profitably in ever changing circumstances.

**I.M. GROUP LIMITED  
STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**Monitoring and managing risk (continued)**

*Covenant breach*

The Group has financial covenants attached to its debt facilities and therefore exposed to the risk of facility withdrawal should compliance with the Covenants not be met. Financial covenants are monitored by management on an ongoing basis and reported to the banks in accordance with agreed terms. Where appropriate, modelling is undertaken to determine the impact on covenants as part of the Group's decision-making process.

*Credit risk*

Credit risk is the risk of loss in value of financial assets due to counterparties failing to meet all or part of their obligations. The Group performs ongoing credit evaluation of its customers' financial condition and has policies that require appropriate credit checks on potential customers before sales are made, monitoring of accounts and prompt collection of outstanding balances.

The Group has no significant concentration of credit risk with exposure spread over a large number of customers.

*Regulatory risk*

Regulatory risk is the risk that the Group is exposed to financial penalties and reputational damage should industry regulations surrounding its various business activities be breached.

The Group has a central Risk and Compliance function that is dedicated to identifying and mitigating financial and regulatory risk within the Group, in particular around the preservation of sensitive data (GDPR).

*Cyber security risks*

As we invest in our digital capability, gather and hold more data and rely ever more heavily on technology platforms, we open up new opportunities for cyber attacks, many of which are well-funded and well organised. Attacks can be aimed at accessing confidential data, extracting money, or causing business interruption. The Group is developing new technology platforms and digital capabilities.

The Group's Chief Information Officer continues to evolve its understanding and defences against cyber security breaches.

*Liquidity and fund pricing risk*

Liquidity risk is the risk that the Group does not have sufficient liquid assets to meet its obligations as they fall due. Pricing risk relates to the unavailability of external funding at acceptable pricing. The impact of unavailable funding would be a negative impact on the Group's liquidity and ability to grow the business effectively.

The Group's cash resources are managed centrally to ensure that Group companies have sufficient liquid assets to meet their obligations.

Liquidity is maintained at a prudent level through management of Group resources and the Group ensures there is an adequate liquidity buffer to cover contingencies. Significant cash reserves are held by the Group to support future ventures.

The Group maintains sufficient cash and open committed credit lines from its bankers and Group funding opportunities in order to meet its funding requirements. Group management monitors cash flow as part of its day to day control procedures. The Group has strong relationships with a range of banks, which reduces credit and liquidity risks.

**I.M. GROUP LIMITED  
STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**Monitoring and managing risk (continued)**

*A major health and safety incident*

The Group's activities include manual activities and the operation of machinery and vehicles, sometimes in confined spaces. These activities expose our colleagues to the risk of serious or fatal injury. The use of and disposal of chemicals and other substances risks harm to the environment.

The Group retains a policy that health and safety arrangements are always a priority as we have no tolerance of health and safety risk exposure. The Group has defined business procedures in place to ensure active management of all health and safety matters, and there is regular reporting of performance in this area to Directors of the Board.

**Streamlined Energy and Carbon Report**

IM Group is a large, family owned, international company based in the Midlands. The Group operates a diverse portfolio of brands in the automotive sector. Our specialist expertise and local market knowledge is used to support our business partners achieve the goals.

The IM Group was restructured on 31 December 2022, which removed the property and finance division as subsidiaries of IM Group. Therefore, the figures stated here for 2023 reflect IM Group Limited and its subsidiaries from 1 January 2023 onwards. For comparison purposes we have restated the 2022 comparatives to be shown on the same basis.

We recognise that the automotive sector has a key role to play in mitigating and adapting to climate change and as we continue this journey towards net zero, we are pleased to share our Streamlined Energy and Carbon Report.

**Reporting period**

The reporting period for this data is 1 January 2023 to 31 December 2023, in line with the financial reporting period. We have taken the decision to change the baseline year to 2022 from 2020 as the impact of COVID restrictions on 2020 significantly impacted the reported data and we do not believe this provides a fair reflection on normal business operations.

**Scope**

The scope includes IM Group UK operations only. Reported energy consumption and associated carbon emissions include gas and electricity consumption, fuel consumption from onsite construction plant / equipment and transport. Transport includes company cars and business travel in employee-owned vehicles.

**Measurement methodology**

The reporting methodology used is the GHG Reporting Protocol - A Corporate Accounting and Reporting Standard. This reporting is in compliance with the Streamlined Energy and Carbon Reporting ("SECR") legislation for large unquoted companies. Electricity and gas consumption data has been sourced directly from suppliers using Annual Quantity (AQ) data from the energy supplier and invoices provided by fuel suppliers.

Emission factors used are based on those issued from the UK Department of Business Energy and Industrial Strategy (BEIS) and The Department of Environment, Farming and Rural Affairs (DEFRA) in 2023.

**Scope 1** - includes emissions associated with natural gas consumption, gas oil and company cars.

**Scope 2** - includes emissions associated with electricity consumption and is calculated based on a location-based approach.

**Scope 3** - includes emissions associated with business travel in employee-owned cars.

**I.M. GROUP LIMITED  
STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**Measurement methodology (continued)**

The intensity ratio presented is calculated based on total tonnes CO<sub>2</sub>e emissions in the reporting period divided by the number of employees in the UK, employed throughout the reporting period 1 January 2023 to 31 December 2023.

**Year on Year Variances**

The company jet use was limited for the majority of 2023 due to maintenance requirements, which has significantly reduced the scope 3 emissions for the group.

We have also continued to improve our reporting processes, leading to improved data clarity. These changes help to explain year on year variance in energy consumption and associated scope 1 and 2 emissions reported, in particular for business travel by employees in their own vehicles where data has been captured for 2023 that was not available in 2022.

**Greenhouse gas emissions, energy use data and intensity ratio for the period 1 January 2023 to 31 December 2023**

Greenhouse gas emissions, energy use data and intensity ratio	2023	2022 (restated) <sup>1</sup>
<b>UK Energy consumption</b>		
Energy consumption used to calculate emissions (kWh)	7,359,682	5,164,802*
<b>On-Site Renewable Generation</b>		
Solar energy produced (kWh)	11,733	16,618
<b>Scope 1 emissions in metric tonnes CO<sub>2</sub>e</b>		
Purchased gas	405	351*
Gas Oil	111	191*
Propane	-	-*
Butane	-	-*
Owned transport	287	223*
<b>Scope 2 emissions in metric tonnes CO<sub>2</sub>e (Location based)</b>		
Purchased electricity	338	281*
<b>Scope 3 emissions in metric tonnes CO<sub>2</sub>e</b>		
Business travel in employee owned vehicles	236	40*
Travel in company's private jet by a third party	129	1,833*
<b>Total gross emissions in metric tonnes CO<sub>2</sub>e</b>	<b>1,506</b>	<b>2,919*</b>
<b>Intensity ratio Tonnes CO<sub>2</sub>e per employee</b>	<b>6</b>	<b>15*</b>

<sup>1</sup> Prior period figures with an asterisk (\*) have been restated to correctly remove the Properties division comparative, as a result of the company reorganisation in 2022.

**I.M. GROUP LIMITED  
STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**Energy and Carbon Strategy**

IM Group is committed to supporting the UK Government's commitment to be net zero by 2050. The company recognises the need to continue to improve data collection across its Scope 1, 2 and 3 emissions, providing a sound basis for measuring improvement as the long term strategy is developed and implemented.

**Energy and carbon performance commentary**

During the reporting year IM Group companies have continued to focus on energy and carbon issues and took action to manage and reduce our greenhouse gas emissions.

These included:

- The corporate jet usage was minimised during 2023, in part due to limited availability as a result of planned maintenance. However, this has been disposed in May 2024 and the decision has been made not to replace it.
- Launching an all new, zero emission automotive ORA brand to the UK. In addition to increasing our electric vehicle offer with the launch of Solterra, for Subaru UK.
- Providing our employees greater choice by Introducing Zero Emission Vehicles (electric vehicles) into our company car fleet for the first time.

**I.M. GROUP LIMITED  
STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**Statement by the directors in performance of their statutory duties in accordance with s172(1)  
Companies Act 2006**

The board of directors consider that the decisions they have made during the financial year and the way they have acted have promoted the success of the Group for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Act). The Board meets on a regular basis and the agenda typically includes reports on current trading and financial performance from the Brand Directors, legal and governance updates, a review of the strategic plan and more detailed discussions of areas of particular importance. The Board considers the Company's key stakeholders to include employees, dealers, customers, suppliers and the local community as well as its controlling shareholder and bankers.

**Long-term decisions**

The Board discusses proposals for new business opportunities, capital expenditure and efficiency initiatives. Whilst financial benefit and shareholder return is one of the key decision criteria, the long-term effect on the Group's going concern, the environment, job security for our employees, value and service for our customers and fair trading terms with our suppliers are also considered.

The Board recognises its responsibility to act responsibly between all its stakeholders. The key goals of the automotive division are to enhance employee satisfaction, dealer satisfaction, customer satisfaction, growth and profitability. The management team fully appreciate that motivated and empowered employees will in turn create motivated effective dealers improving customer satisfaction and therefore the long-term sustainability of the business.

**Stakeholder engagement**

The table below provides a summary of how the Board consider the Company's stakeholders and their concerns in decision making and demonstrates that in conducting the business of the Company over the course of the year ended 31 December 2023, the directors have complied with Section 172(1) of the Companies Act 2006.

	<i>Primary issue</i>	<i>Why engage</i>	<i>How we engage</i>	<i>Influence on decision making</i>
<b>Employees</b>	It is critical for the future success of the business that we develop, retain and attract talent.	To understand how we can provide stimulating and challenging career opportunities for our teams to develop their skills within a considerate and supportive environment.	We work hard to create an open culture, encouraging constructive and honest dialogue throughout the business. We strive to follow our core values of integrity, togetherness, respect and commitment in the way we work with each other across the Group.	The Group operates with a flat management structure and this direct interaction between directors and employees helps the Board to make decisions relating to people development, working environments and the attraction of talent. In 2022, an extensive staff survey was carried out to canvas views and opinions, which has led to a planned increase in the flexibility and choice around employee benefit packages for 2023.

**I.M. GROUP LIMITED  
STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

Statement by the directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006 (continued)

Stakeholder engagement (continued)

	<i>Primary issue</i>	<i>Why engage</i>	<i>How we engage</i>	<i>Influence on decision making</i>
<b>Customers / Dealers</b>	<p>There continues to be considerable change in how people buy vehicles.</p> <p>As a successful business we need to be providing our customers with what they want now and, in the future, not just what they have wanted in the past.</p>	<p>We need to understand the people and businesses that use our products in order to meet their increasing expectations.</p> <p>Across the Group we aim to build strong relationships with our customers.</p>	<p>We seek feedback on customer and dealer satisfaction through surveys and forum meetings.</p>	<p>The Board are influenced through direct contact with dealers and customers as well as the feedback and specific information communicated through our teams. For example, we carry out periodic dealer surveys which are used in making decisions.</p>
<b>Professional Advisors</b>	<p>Engagement with our professional advisers and debt providers is a fundamental part of securing a consistent working relationship. We engage with suppliers and joint venture partners to promote our ESG standards.</p>	<p>This engagement allows us to benefit from the expertise across existing and potential suppliers, joint venture partners and debt providers to support the long-term success of the Group. We believe that aligning interests creates greater mutual success.</p>	<p>We share our strategy and expectations with our key partners and assign key contacts to build close working relationships built around our Group core values.</p>	<p>The board includes directors directly responsible for relationships with our partners in their primary areas. This informs our decision making as a board. As an example, our relationships with our banking partners provide us with an understanding of the debt and foreign exchange markets which is applied in board meetings to inform decisions around acquisitions and foreign currency purchases.</p>

**I.M. GROUP LIMITED  
STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

Statement by the directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006 (continued)

Stakeholder engagement (continued)

	<i>Primary issue</i>	<i>Why engage</i>	<i>How we engage</i>	<i>Influence on decision making</i>
<b>Communities</b>	Environmental concerns and local issues are combined with social challenges around equality, health, skills, affordable housing and social cohesion.	Understanding our communities allows us to help create successful, inclusive and sustainable places in an environmentally responsible way.	Many of our employees are embedded in the communities that we serve.	Since it began trading the I.M. Group has donated in excess of £450m to Christian Vision, a charity founded by Lord Edmiston that seeks to address the social challenges that concern all of us. We have continued to support for community mentoring projects with staff taking responsibility for one or more individuals in the community and our teams support a number of local schools with time and resources provided by Grace Foundation, a registered charity funded by IM Group's donations
<b>Shareholder</b>	Delivering sustainable capital growth and income over the long term with an appropriate balance of risk and return in the context of wider market uncertainty.	We have a clear responsibility to engage with the owner of the business, whose views are an important driver of our strategy.	We hold quarterly shareholder meetings where the owner can engage directly with the senior management team. There are also regular informal discussions held on a one-to-one basis.	The owner provides direct feedback on strategic plans proposed by the directors, which is then factored into the final corporate strategy.

**I.M. GROUP LIMITED  
STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**Stakeholder values**

Our engagement with stakeholders continues to evolve and improve and the Board recognises that fostering these relationships along with maintaining the Group's reputation for high standards of business conduct is essential for the Group's long-term success. We have dedicated divisional Managing Directors and teams in each country the Group operates in. The I.M. Group Board of Directors has set key values underpinning the Group's strategy and has ensured that all its employees fully understand and work with the values at all times. These values are:

**Respect** - We are consistent in our approach to business and relationships. We treat each other with respect at all times. We promote openness, listen, demonstrate understanding and are respectful of one another's circumstances.

**Commitment** - Actions speak louder than words. We can be trusted to do what we say we will do and are accountable for our performance. We are committed to our brand and protect and uphold the reputation of our businesses which have been built through decades of dedication to delivery.

**Togetherness** - Together we are a team, built around trust and humility. We share in our success and the burden of the challenges we face. Together we engender a sense of security and belonging.

**Integrity** - Our business is built upon integrity. Those who connect with us-colleagues, partners, suppliers and customers can trust that we will strive to do what is right and do what we say we will do.

There has been continuing development to improve the Group's procurement procedures. The Group is clear on its policy of only trading with partners that share common values. The Group has ensured all employees are aware of antislavery legislation and their personal duty of care.

**Trading updates**

The Board considered trading performance from across the Group's operations, discussed operational issues such as implementation of new technology, vehicle stock availability, manufacturer relationships, sales volumes, market share and margins.

**Strategic Goals**

At quarterly board meetings, the Board discusses its strategic plan, including growth aspirations and new business opportunities.

In order to formulate the plan, the Board considers management's assessment of recent trading performance, market trends (and in particular product developments with regards to environmental sustainability), the competitive position of our automotive brands and new opportunities. Based on the above, the Board is able to direct its short-term goals against long term vision and values. The Group's plan encompasses identification of the desired growth opportunities, development of the strategy to create relationships and capacity for this growth including the necessary enhancement of the Group's IT infrastructure and organisational capability.

**I.M. GROUP LIMITED  
STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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Statement by the directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006 (continued)

**Financial updates**

The Board discussed performance against budget with particular focus on underperforming parts of the business, reviewed the monthly rolling forecast, discussed funding requirements, reviewed liquidity position and considered payment of shareholder dividends.

**Sustainability**

The Board is acutely aware of its responsibility to safeguard the environment and of the evolving European legislation on vehicle emission targets and its impact of the environment. Management continue to work with government agencies, automotive industry partners and manufacturers to ensure its products are as environmentally efficient as possible, whilst been competitively priced and fit for purpose. The Board continues to look for other business opportunities in the automotive sector, in particular the import and distribution of electric and hybrid vehicles.

The Board are also committed to creating a sustainable future together. We provide quality products and services to our customers and will strive to minimise the environmental impact of our activities.

Given the diversity of the Group's business portfolio, implementation of our 2050 net zero ambitions is worked out on an individual division basis and is overseen by the Board under three pillars – Place, Planet and People supported by our partnerships and practices.



**G E Hutton  
Director**

Date: 28 June 2024

**I.M. GROUP LIMITED  
DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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The directors present their report for the year ended 31 December 2023.

**Dividends**

An interim ordinary dividend of £Nil (2022 - £Nil) was paid during the year. The Directors do not recommend the payment of a final dividend.

**Financial instruments**

Information regarding financial instruments is set out within the Strategic Report and in note 23.

**Directors**

The directors during the year were as follows:

Lord Edmiston  
Mr A M Edmiston  
Mr G E Hutton

**Disabled employees**

The Group supports the employment of disabled people whenever possible giving full and fair consideration to applications for employment made by disabled persons and having regard for their particular aptitudes and abilities. Where existing employees become disabled during their employment, where practicable, the Group will provide continued employment and provide training, career development and promotion.

**Employee involvement**

During the year, the policy of providing employees with information about the Group has continued through the Group publication, in which employees have also been encouraged to present their suggestions and views on the Group's activities. Internal e-mail communication is used to provide employees systematically with information on matters of concern to them as employees.

Staff discussion meetings are held on a regular basis, whereby employees achieve a common awareness of the financial and economic factors affecting the performance of the Group.

**Future developments and going concern**

Information regarding future developments and going concern is set out within the Strategic Report.

**Charitable donations**

Donations to charitable organisations during the year totalled £4,225,000 (2022 - £53,031,000).

**Political donations**

The Group and Company made political donations of £86,000 (2022 - £Nil). This includes £80,000 (2022 - £Nil) paid to the Conservative party.

**Post balance sheet events**

There have been no significant events affecting the company since the year end.

**I.M. GROUP LIMITED  
DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**Qualifying third party indemnity provisions**

The Group has made qualifying third-party indemnity provisions for the benefit of its Directors during the year. These provisions remain in force at the reporting date.

**Statement of engagement with suppliers, customers and others in a business relationship with the company**

The directors have had regard to the need to foster the company's business relationships with suppliers, customers and others, and the effect of that regard, including on the principal decisions taken by the Group during the financial year. These considerations are included in the Statement by the directors in performance of their statutory duties in accordance with s172 within the Strategic Report.

**Directors' responsibilities**

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 Group and Company 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 Group and Company and of the profit or loss of the Group and Company 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 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.

**Auditor**

The Directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditor for the purpose of their audit and to establish that the auditor is aware of that information. The Directors are not aware of any relevant audit information of which the auditor is unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the next annual general meeting, in accordance with section 485 of the Companies Act 2006.



**G E Hutton  
Director**

Date: 28 June 2024

**I.M. GROUP LIMITED  
INDEPENDENT AUDITORS REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**Independent Auditor's Report to the Members of I.M. Group Limited**

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**Opinion on the financial statements**

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2023 and of the Group's profit for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of I.M. Group Limited ("the Parent Company") and its subsidiaries ("the Group") for the year ended 31 December 2023 which comprise the Consolidated Statement of Total Comprehensive Income, the Consolidated Balance Sheet, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows, the Company Balance Sheet, the Company Statement of Changes in Equity and 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).

**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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Independence*

We are independent of the Group and the Parent Company 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.

**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 Group or Parent 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.

**Other information**

The Directors are responsible for the other information. The other information comprises the information included in the Directors report and financial statements, other than the financial statements and our auditor's report 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.

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.

**I.M. GROUP LIMITED  
INDEPENDENT AUDITORS REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**Other Companies Act 2006 reporting**

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.

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 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 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 Directors' Responsibilities Statement, 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 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.

**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.

*Extent to which the audit was capable of detecting irregularities, including fraud:*

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:

**I.M. GROUP LIMITED  
INDEPENDENT AUDITORS REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**Auditor's responsibilities for the audit of the financial statements (continued)**

*Non-compliance with laws and regulations*

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations;

We considered the significant laws and regulations to be the applicable accounting framework and UK tax legislation.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigation. We identified such laws and regulations to be the health and safety and employment legislation.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

*Fraud*

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be a fraud risk in respect of revenue recognition, particularly in the period just before year end and in respect of the manipulation of rebate accruals, the risk of manipulation of principal accounting estimates including extended warranty provisions, the Nordic Free Service provision, the risk of payments to dummy or duplicate suppliers and the risk of management override of controls.

**I.M. GROUP LIMITED  
INDEPENDENT AUDITORS REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**Auditor's responsibilities for the audit of the financial statements (continued)**

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- A review of revenue nominal accounts to identify any unusual transactions;
- Assessing significant estimates made by management for bias by reference to substantive testing of the underlying calculations, performance of 'look back' testing to assess the accuracy of management's estimates and assessing any change in provisioning methodology that may be indicative of bias; and
- Reviewing the entity's supplier listing a sample checking a sample of suppliers to verify that they are legitimate suppliers.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

*Jon Gilpin*

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Jonathan Gilpin (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
London, UK

Date: 28 June 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**I.M. GROUP LIMITED**  
**CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	Continuing operations 2023 £'000	Discontinued operations 2023 £'000	Total 2023 £'000	Continuing operations 2022 £'000	Discontinued operations 2022 £'000	Total 2022 £'000
Turnover	3	523,836	-	523,836	344,422	338,837	683,259
Cost of sales		(421,152)	-	(421,152)	(260,205)	(240,623)	(500,828)
<b>Gross profit</b>		<b>102,684</b>	<b>-</b>	<b>102,684</b>	<b>84,217</b>	<b>98,214</b>	<b>182,431</b>
Distribution costs		(32,588)	-	(32,588)	(24,767)	-	(24,767)
Administrative expenses		(28,877)	-	(28,877)	(15,055)	(37,594)	(52,649)
Loss from changes in fair value of investment properties		-	-	-	-	(41,564)	(41,564)
Charitable donations	4	(4,225)	-	(4,225)	(3,230)	(49,801)	(53,031)
Other operating income	5	-	-	-	-	23,550	23,550
<b>Operating profit/ (loss)</b>	<b>6</b>	<b>36,994</b>	<b>-</b>	<b>36,994</b>	<b>41,165</b>	<b>(7,195)</b>	<b>33,970</b>
Share of results of associates	18	2,001	-	2,001	1,950	-	1,950
Interest receivable and similar income	11	1,751	-	1,751	6,727	18,568	25,295
Interest payable and similar charges	12	(8,614)	-	(8,614)	(7,472)	(20,878)	(28,350)
<b>Profit/ (loss) before taxation</b>		<b>32,132</b>	<b>-</b>	<b>32,132</b>	<b>42,370</b>	<b>(9,505)</b>	<b>32,865</b>
Taxation	13	(7,857)	-	(7,857)	(4,798)	239	(4,559)
<b>Profit/ (loss) for the financial year</b>		<b>24,275</b>	<b>-</b>	<b>24,275</b>	<b>37,572</b>	<b>(9,266)</b>	<b>28,306</b>
Actuarial gains on defined benefit plans	27	-	-	-	1,606	-	1,606
Currency translation differences		(1,598)	-	(1,598)	(1,367)	5,243	3,876
Taxation relating to other comprehensive income	13	-	-	-	(402)	-	(402)
<b>Other comprehensive (expense) / income for the year</b>		<b>(1,598)</b>	<b>-</b>	<b>(1,598)</b>	<b>(163)</b>	<b>5,243</b>	<b>5,080</b>
<b>Total comprehensive income for the year</b>		<b>22,677</b>	<b>-</b>	<b>22,677</b>	<b>37,409</b>	<b>(4,023)</b>	<b>33,386</b>

Prior year discontinued operations relate to Properties and Finance divisions, which were disposed to an undertaking within the wider group as part of a Group reorganisation in December 2022.

The notes on pages 30 to 67 form part of these financial statements

**I.M. GROUP LIMITED**  
**CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023 Total £'000	2022 Total £'000
<b>Profit for the financial year attributable to:</b>		
Owners of the parent	24,275	25,499
Non-controlling interests	-	2,807
<b>Profit for the financial year</b>	<u>24,275</u>	<u>28,306</u>
<b>Total comprehensive income for the year attributable to:</b>		
Owners of the parent	22,677	29,197
Non-controlling interest	-	4,189
<b>Total comprehensive income for the year</b>	<u>22,677</u>	<u>33,386</u>

The notes on pages 30 to 67 form part of these financial statements

**I.M. GROUP LIMITED  
CONSOLIDATED BALANCE SHEET  
AS AT 31 DECEMBER 2023**

Company Registration No. 03456018

2024071007923

	Notes	2023 £'000	2023 £'000	2022 £'000	2022 £'000
<b>Fixed assets</b>					
Intangible assets	14		4,139		4,895
Tangible fixed assets	15		52,306		52,452
Fixed asset investments	16		3,653		16,293
			<u>60,098</u>		<u>73,640</u>
<b>Current assets</b>					
Stocks	19	164,004		134,183	
Debtors	20	129,388		100,647	
Cash at bank and in hand		100,538		105,954	
		<u>393,930</u>		<u>340,784</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	21	(174,078)		(160,228)	
<b>Net current assets</b>			<u>219,852</u>		<u>180,556</u>
<b>Total assets less current liabilities</b>			<u>279,950</u>		<u>254,196</u>
Creditors: Amounts falling due after more than one year	22		(17,127)		(17,441)
Provisions for liabilities	25		(15,998)		(12,607)
<b>Net assets including pension liability</b>			<u>246,825</u>		<u>224,148</u>
<b>Capital and reserves</b>					
Called up share capital	28		69		69
Other reserves	29		19,110		19,110
Profit and loss reserves	29		227,646		204,969
<b>Total equity</b>			<u>246,825</u>		<u>224,148</u>

The financial statements on pages 22 to 67 were approved by the board of directors and authorised for issue on 28 June 2024 and are signed on its behalf by:



**G E Hutton  
Director**

The notes on pages 30 to 67 form part of these financial statement

**I.M. GROUP LIMITED  
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	Share capital £'000	Other reserves £'000	Profit and loss reserve £'000	Total £'000
Balance at 1 January 2023		69	19,110	204,969	224,148
Profit for the year		-	-	24,275	24,275
Other comprehensive income / (loss):					
Currency translation differences on overseas subsidiaries		-	-	(1,598)	(1,598)
<b>Total comprehensive income for the year</b>		-	-	<b>22,677</b>	<b>22,677</b>
<b>Balance at 31 December 2023</b>		<b>69</b>	<b>19,110</b>	<b>227,646</b>	<b>246,825</b>

The notes on pages 30 to 67 form part of these financial statements

**I.M. GROUP LIMITED  
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	Share capital £'000	Other reserves £'000	Profit and loss reserve £'000	Controlling interests £'000	Non- controlling interests £'000	Total £'000
<b>Balance at 1 January 2022</b>		69	19,978	737,467	757,514	13,761	771,275
Profit for the year		-	-	25,499	25,499	2,807	28,306
<i>Other comprehensive income / (loss):</i>							
Actuarial gains on defined benefit plans	27	-	-	1,606	1,606	-	1,606
Currency translation differences on overseas subsidiaries		-	-	2,494	2,494	1,382	3,876
Tax relating to other comprehensive income		-	-	(402)	(402)	-	(402)
<b>Total comprehensive income for the year</b>		-	-	29,197	29,197	4,189	33,386
<i>Transactions with owners in their capacity as owners:-</i>							
Capital introduced by non-controlling interest		-	-	-	-	996	996
Distribution to non-controlling interest		-	-	-	-	(6,987)	(6,987)
Demerger of subsidiary undertakings - distribution	8	-	(868)	(561,695)	(562,563)	(11,959)	(574,522)
<b>Total transactions with owners in their capacity as owners</b>		-	(868)	(561,695)	(562,563)	(17,950)	(580,513)
<b>Balance at 31 December 2022</b>		69	19,110	204,969	224,148	-	224,148

The notes on pages 30 to 67 form part of these financial statements

**I.M. GROUP LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	2023 £'000	2022 £'000
<b>Cash flows from operating activities</b>			
Cash used in operations	33	(9,454)	(31,146)
Corporation tax paid		(7,207)	(4,731)
<b>Net cash used in operating activities</b>		<b>(16,661)</b>	<b>(35,877)</b>
<b>Investing activities</b>			
Interest received		1,751	143
Purchase of intangible assets	14	(773)	(1,330)
Purchase of tangible fixed assets	15	(6,148)	(2,099)
Proceeds on disposal of tangible fixed assets		2,470	61,433
Dividends received from Associate Undertakings	16	14,172	-
Purchase of investment property		-	(158,301)
Disposal of subsidiary, net of cash disposed		-	(69,408)
Proceeds on disposal of intangible fixed assets		-	693
<b>New cash inflow / (outflow) from investing activities</b>		<b>11,472</b>	<b>(168,869)</b>
<b>Financing activities</b>			
Interest paid		(8,614)	(28,196)
Proceeds from borrowings		-	171,832
Repayment of borrowings		-	(44,041)
Settlement of derivative financial instruments		-	(8,268)
Capital introduced by Non Controlling Interest		-	996
Distribution to Non Controlling Interest		-	(6,987)
<b>Net cash generated from financing activities</b>		<b>(8,614)</b>	<b>85,336</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(13,803)</b>	<b>(119,410)</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>105,954</b>	<b>224,748</b>
Foreign exchange losses / (gains) on cash and cash equivalents		(301)	616
<b>Cash and cash equivalents at end of year</b>		<b>91,850</b>	<b>105,954</b>

The notes on pages 30 to 67 form part of these financial statements

I.M. GROUP LIMITED  
 COMPANY BALANCE SHEET  
 FOR THE YEAR ENDED 31 DECEMBER 2023

2024071007927

	Notes	2023 £'000	2023 £'000	2022 £'000	2022 £'000
<b>Fixed assets</b>					
Tangible fixed assets	15		11,704		11,924
Fixed asset investments	16		36,504		36,504
			<u>48,208</u>		<u>48,428</u>
<b>Current assets</b>					
Debtors	20	118,111		115,994	
Cash at bank and in hand		39,677		52,097	
		<u>157,788</u>		<u>168,091</u>	
<b>Current liabilities</b>					
Creditors: Amounts falling due within one year	21	(179,663)		(204,042)	
<b>Net current liabilities</b>			<u>(21,875)</u>	<u>(35,951)</u>	
<b>Net assets</b>			<u>26,333</u>	<u>12,477</u>	
<b>Capital and reserves</b>					
Called up share capital	28		69		69
Other reserves	29		250		250
Profit and loss reserves	29		26,014		12,158
<b>Total equity</b>			<u>26,333</u>	<u>12,477</u>	

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements. The Group profit for the year includes profit after tax of £13.9m (2022 – profit after tax of £8.49m) which is dealt with in the financial statements of the parent Company.

The financial statements on pages 22 to 67 were approved by the board of directors and authorised for issue on 28 June 2024 and are signed on its behalf by:



**G E Hutton**  
 Director

The notes on pages 30 to 67 form part of these financial statements

**I.M. GROUP LIMITED**  
**COMPANY STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	Share capital £'000	Other reserves £'000	Profit and loss reserves £'000	Total £'000
Balance at 1 January 2022	69	250	3,673	3,992
Profit for the year	-	-	8,485	8,485
<b>Total comprehensive profit for the year</b>	-	-	8,485	8,485
<b>Balance at 31 December 2022</b>	<b>69</b>	<b>250</b>	<b>12,158</b>	<b>12,477</b>
Balance at 1 January 2023	69	250	12,158	12,477
Profit for the year	-	-	13,856	13,856
<b>Total comprehensive profit for the year</b>	-	-	13,856	13,856
<b>Balance at 31 December 2023</b>	<b>69</b>	<b>250</b>	<b>26,014</b>	<b>26,333</b>

The notes on pages 30 to 67 form part of these financial statements

**I.M. GROUP LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**1 Accounting policies**

**Company information**

I.M. Group Limited ("the Company") is a limited Company domiciled and incorporated in England and Wales. The registered office is The Gate, International Drive, Solihull, Birmingham, B90 4WA.

The Group consists of I.M. Group Limited and all of its subsidiaries. The Group's operations and principal activities are set out in the Strategic Report on page 2.

**Basis of accounting**

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, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and under the historical cost convention modified to include investment properties and certain financial instruments at fair value.

The consolidated financial statements are presented in sterling which is the presentational currency of the Group. Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

**Reduced disclosures**

The Company has taken advantage of the exemptions from the following disclosure requirements, under FRS102's reduced disclosure framework:

- **Section 4 'Statement of Financial Position'** – Reconciliation of the opening and closing number of shares.
- **Section 7 'Statement of Cash Flows'** – Presentation of a statement of Cash Flow and related notes and disclosures.
- **Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues'** – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.
- **Section 33 'Related party disclosures'** – Compensation for key management personnel.

The financial statements of the Company are consolidated in the financial statements of I.M. Group Limited. The consolidated financial statements of I.M. Group Limited are these financial statements.

**Basis of consolidation**

The consolidated financial statements incorporate those of I.M. Group Limited and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control commences until the date that control ceases. All financial statements are made up to 31 December 2023.

**I.M. GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**1 Accounting policies (continued)**

**Basis of consolidation (continued)**

All intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by other members of the Group.

The cost of a business combination is the fair value at the acquisition date, of the assets given, equity instruments issued and liabilities incurred or assumed, plus directly attributable costs.

The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

**Going Concern**

The Group generated pre-tax profit during the year of £32.1m (2022 - £32.9m). This result was after Charitable Donations of £4.2m (2022 - £53.0m). At 31 December 2023 The Group had net assets of £246.8m (2022 - £224.1m). Included within net current assets is a positive 'Cash at Bank and in Hand' position of £100.5m (2022 - £106.0m). The Directors consider this year's performance to be very positive, given the economic backdrop, and provides strong evidence of the robust and well diversified nature of the Group.

The directors of I.M. Group Limited and its subsidiaries ('the Group') have prepared a detailed cash flow forecast ("the forecast") for the Group for the period to 31 December 2025 ("the period") which shows the Group trading cash flows and expected available bank facilities for the period.

The executive directors of I.M. Group Limited were fully involved in the preparation and detail of the Group forecast. The funding facilities available to the Group are generally term loans or overdrafts and are primarily in place for at least the period. The bank funding facilities are subject to covenants. I.M. Group funding facilities also include short term funding of £59.1m (2022 - £59.1m) provided by the ultimate controlling party and the pension scheme of the ultimate controlling party.

The forecast shows that the Group will be able to operate and meet its external liabilities as they fall due for payment during the period within available borrowings and other funding. The forecast also shows that the Group will continue to meet its covenant requirements during the period. The forecast includes the assumption that short term funding provided by the ultimate controlling party will remain fully available to the Group during the period.

In the preparation of the forecast and these financial statements the directors have considered the impact of current and anticipated trading conditions. Risks continue to exist in the economy and automotive sector. The automotive sector is going through a very significant change as we move to electrification of vehicles and with it comes many challenges including increased production costs as well as infrastructure limitations. Legislative changes also came in to affect in 2024 with the introduction of the ZEV mandate which aims to support the UK's environmental targets. In addition to this the forecast also considers supply side risks.

The directors consider that the forecasts prepared for the going concern assessment reflect a reasonably prudent trading position for the Group and that this still shows significant headroom available for all months during the period.

**I.M. GROUP LIMITED  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**1 Accounting policies (continued)**

**Going Concern (continued)**

After careful consideration the directors consider that the Group forecast is achievable, that sufficient facilities will continue in place throughout the period in order for the Group to operate and meet its liabilities as they fall due for payment. Therefore, the Directors consider that it is appropriate to prepare the financial statements on a going concern basis.

**Turnover**

**(i) Automotive division**

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods to external customers and Automotive dealers in the ordinary nature of the business. Turnover represents sales of vehicles, parts and accessories. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Turnover is recognised when the significant risks and rewards of ownership have passed to the customer and turnover can be reliably measured. Risks and rewards are considered to have passed to the customer when the vehicles are invoiced and physically dispatched or registered. Turnover is shown net of Value Added Tax.

Where vehicles are sold under arrangements including a commitment to buy-back from the customer and the period between initial sale and buy-back is deemed to be less than the useful economic life of the vehicle, these transactions are deemed to be a short term rental in substance. For such transactions, the vehicle remains recognised within fixed assets and a provision is recognised in respect of the buy-back commitment. Revenue is measured as the difference between the initial sales proceeds and the buy-back amount and is recognised on a straight-line basis over the life of the agreement.

**(ii) Property division**

Turnover is recognised at the fair value of the consideration received or receivable for the sale of goods and services to external customers in the ordinary course of business. Turnover is shown net of Value Added Tax.

Turnover comprises rents receivable on the Group's investment properties, which is measured on a straight-line basis, taking account of any lease incentives over the lease term.

Turnover also comprises gross sale proceeds on development properties which are recognised on the date of completion or on the date of exchange if an unconditional binding agreement is in place. Additional details on the recognition of turnover on construction contracts is provided in a separate policy note below.

**(iii) Finance division**

Interest income is recognised in Turnover in the Statement of Comprehensive Income for all consumer loan assets measured at amortised cost using the effective interest rate method (EIR). The EIR is the rate that exactly discounts estimated future cash flows of each consumer loan asset back to the present value of the advance plus introducer's commission. Agreement set-up fees and option fees are included in the calculation of the EIR. Interest income continues to accrue on all impaired consumer loan assets throughout the life of the consumer loan.

Fees charged to borrowers on the early settlement of consumer loans are credited to the Statement of Comprehensive Income as charged whereas fees charged to borrowers for being in default are credited to the Statement of Comprehensive Income when paid.

I.M. GROUP LIMITED  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023

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1 Accounting policies (continued)

**Interest**

All other interest receivable and payable is recognised in the Statement of Comprehensive Income on an accruals basis.

Interest expense on debt which funds consumer loan assets is charged to the Statement of Comprehensive Income using the EIR of the debt instrument.

**Intangible fixed assets - goodwill**

Goodwill arising on the acquisition of a subsidiary undertaking is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. It is capitalised and amortised through the administrative expenses over the directors' estimate of its useful economic life of 5 to 20 years.

**Tangible fixed assets**

Tangible fixed assets other than investment properties are measured at historic cost, net of depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, and long leasehold assets, at rates calculated to write off the cost or valuation of each asset to its estimated residual value on a straight-line basis over its expected useful life, as follows:

Freehold buildings	4% per annum
Leasehold buildings	Over the term of the lease
Plant and equipment	At appropriate rates between 5% and 40% per annum
Aircraft	Straight line over 15 years
Motor vehicles	Straight line over 4 years

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Land and buildings are accounted for separately even when acquired together.

Assets under construction are not depreciated.

Where the aircraft is subject to major inspection, an element of the original asset cost is allocated to an inspection or overhaul component. The cost allocated to the overhaul is depreciated to the expected date of the next overhaul, enabling the cost of the next overhaul to be capitalised. The aircraft is included within Plant and Equipment in Note 15.

**I.M. GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**1 Accounting policies (continued)**

**Investment properties in the course of construction**

Properties under construction are initially measured at cost and subsequently measured at fair value where a reliable measure of fair value is available without undue costs or effort. Changes in fair value are recognised in the Statement of Comprehensive Income.

**Fixed asset investments**

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in the Statement of Comprehensive Income. Loans made to associated undertakings are included in note 16.

A subsidiary is an entity controlled by the Company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Entities in which the Group has a long-term interest and shares control under a contractual arrangement are classified as jointly controlled entities. The consolidated profit and loss account includes the appropriate share of these companies' results. The Group's share of post-acquisition retained profits and reserves are added to the cost of the investment in the consolidated balance sheet.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the Group holds a long term interest and where the Group has significant influence. The Group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate. The consolidated profit and loss account includes the appropriate share of these companies' results.

The Group's share of post-acquisition retained profits and reserves are added to the cost of the investment in the consolidated balance sheet.

**Impairment of fixed assets and goodwill**

Assets that are subject to depreciation or amortisation are assessed at each reporting date to *determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.*

**I.M. GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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1 **Accounting policies (continued)**

**Impairment losses on consumer loan assets**

The directors assess on an on-going basis whether there is objective evidence that a consumer loan asset is impaired and requires a deduction in its carrying value for that impairment. A consumer loan asset is impaired only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the loan. Objective evidence may include evidence that a borrower is experiencing financial difficulty or has missed payments or where the consumer loan has been defaulted or where the underlying security has been destroyed.

Impairment is then calculated by estimating cash flows for such impaired loans and discounting such cash flows to a present value using the EIR and comparing this figure with the carrying value. All such impairments are charged to cost of sales in the Consolidated Statement of Comprehensive Income.

**Stocks**

Vehicle stocks are initially valued at the spot rate of exchange and lower of cost and estimated selling price less costs to complete and sell.

At each reporting date, the Group assesses whether stocks are impaired or if an impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell, is recognised as an impairment loss in the Statement of Comprehensive income.

Reversals of impairment losses are also recognised in the Statement of Comprehensive Income.

Appropriations of investment property to stock occurs at the point that the intention to hold the asset for an investment return ceases.

**Cash and cash equivalents**

Cash and cash equivalents 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.

**Financial instruments**

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

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument, and are offset only when the Group currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

*(i) Non-derivative financial assets*

The Group's non-derivative financial assets comprise the following:

Trade debtors and other debtors, accrued income, funds held in escrow and amounts due from Group undertakings - these are measured on initial recognition at transaction price and are subsequently measured at amortised cost using the effective interest method. Appropriate allowances for estimated irrecoverable amounts are recognised in the Statement of Comprehensive Income when there is objective evidence that the asset is impaired.

Cash at bank and in hand - comprises cash on hand and demand deposits that are subject to an insignificant risk of changes in value.

I.M. GROUP LIMITED  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023

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1 Accounting policies (continued)

Financial instruments (continued)

(ii) *Non-derivative financial liabilities*

The Group's non-derivative financial liabilities comprise bank and other borrowings, trade creditors, other creditors, accruals and amounts due to Group undertakings. Non-derivative financial liabilities are recognised on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest method.

(iii) *Derivative financial instruments*

The Group's derivative financial instruments comprise of interest rate swaps and foreign currency forward contracts.

Interest rate swaps are initially accounted for and measured at fair value on the date the swap is entered into and subsequently measured at fair value. The resulting gain or loss is recognised in the Statement of Comprehensive Income immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Comprehensive Income depends on the nature of the hedge relationship. A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

Foreign currency forward contracts are initially recognised at fair value at the date a derivative contract is entered into and are subsequently re-measured to fair value at each reporting end date. The resulting gain or loss is recognised in the Statement of Comprehensive Income immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Comprehensive Income depends on the nature of the hedge relationship.

**Finance costs**

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest rate 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.

**Equity instruments and dividends**

Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Group. Interim dividends are recognised when paid.

**I.M. GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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2024071007936

1 **Accounting policies (continued)**

**Taxation**

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on income or expenses from subsidiaries, associates, branches and interests in jointly controlled entities, that will be assessed to or allow for tax in a future period except where the Group is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

**Provisions**

Provisions are recognised when the Group has a legal or constructive present obligation as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in the Statement of Comprehensive Income in the period it arises.

*Vehicle warranty*

The warranty provisions are in respect of future payments for vehicle repairs under product warranty. The Group recognises a provision for warranty obligations where the extent of cover exceeds that offered by the manufacturer. The provision is measured at the expected cost of repair, based on historical warranty claim data. Any subsequent revisions to the warranty are recognised in the Statement of Comprehensive Income.

I.M. GROUP LIMITED  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023

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1 Accounting policies (continued)

Provisions (continued)

*Service plan provision*

The Service plan provision relates to future vehicle service commitments. The Group has an obligation to satisfy dealer claims for customer vehicle servicing fulfilled under pre-purchased service plans. The Group recognises a provision to honour these service plans measured based upon the estimated cost of fulfilment utilising projected parts pricing and dealer labour rates.

**Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**Retirement benefits**

For defined contribution schemes the amount charged to the Statement of Comprehensive Income are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method and is based on actuarial advice. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

The other finance interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The other finance interest is recognised in the Statement of Comprehensive Income as other finance revenue or cost.

Re-measurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to profit and loss in subsequent periods.

The defined net benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

**I.M. GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**1 Accounting policies (continued)**

**Foreign exchange**

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined. All translation differences are taken to the Statement of Comprehensive Income, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

Assets and liabilities of overseas subsidiaries (including goodwill and fair value adjustments in relation to overseas subsidiaries) are translated into the Group's presentation currency at the rate ruling at the reporting date. Income and expenses of overseas subsidiaries are translated at the average rate for the year as the directors consider this to be a reasonable approximation to the rate at the date of the transaction. Translation differences are recognised in other comprehensive income and accumulated in equity.

**Discontinued operations**

As part of a group reorganisation the Property and Finance divisions were demerged from the Group on 31 December 2022 and their results subsequently classified as discontinued operations.

The results of the discontinued operations are set out on the face of the consolidated income statement and are included up to the effective date of disposal using the merger accounting method of accounting. Other information relating to the discontinued operations is set out in note 8 of these financial statements.

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**I.M. GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**2 Critical accounting estimates and judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

*Critical accounting estimates and assumptions*

***Tangible fixed assets***

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

***Product warranty provisions***

The warranty provisions are in respect of future payments for vehicle repairs under product warranty. The Group recognises a provision for warranty obligations where the extent of cover exceeds that offered by the manufacturer. The provision is measured at the expected cost of repair, based on historical warranty claims data. Any subsequent revisions to the warranty are recognised in the Statement of Comprehensive Income.

***Service plan provisions***

The Service plan provision relates to future vehicle service commitments. The Group has an obligation to satisfy dealer claims for customer vehicle servicing fulfilled under pre-purchased service plans. The Group recognises a provision to honour these service plans measured based upon the estimated cost of fulfilment utilising projected parts pricing and dealer labour rates.

***Net realisable value of stocks***

Stock is stated at the lower of cost or net realisable value, and the Group use judgment and estimate to determine the net realisable value of stock at the end of each reporting period.

Due to vehicle aging, the Group estimates the open market value of stock lines at the end of its reporting period and then writes down the cost of stocks to net realisable value. The net realisable value of the stock is mainly determined based on assumptions of future and historic demand within a specific time horizon and current market value.

The market for used electric vehicles is still largely unestablished, in particular for new and emerging brands. With a volatile market, impacted by leasing arrangements, competition and un-proven residuals, particularly post the introduction of the zero emission vehicles (ZEV) mandate. The directors have used relevant and available market data to estimate the residual value of used Electric Vehicles. In making this assessment, the directors have considered all available evidence, in the absence of quantified sales history.

I.M. GROUP LIMITED  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023

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2 Critical accounting estimates and judgements (continued)

*Critical accounting estimates and assumptions (continued)*

***Fair value of forward contracts***

At each reporting date, the fair values of forward contracts are assessed against the carrying value of the financial asset or financial liability. The directors' estimate the fair value of forward contracts by reference to market value to settle the contract which is provided by the Company's bank. The fair value movement is recognised immediately in the Statement of Comprehensive Income.

***Pension scheme valuation***

The valuation of the net defined benefit pension scheme liability is determined on an actuarial basis using the projected unit method discounted at a rate using the current rate of return on high quality corporate bonds of equivalent term and currency to the liability. Assumptions are made about the mortality of the beneficiaries of the pension scheme, and future rates of inflation. The assumptions underlying this calculation are discussed in more detail in note 27. Significant changes to the assumptions underlying these calculations over the next financial year could result in significant changes to the carrying value of the pension scheme liability.

Where a surplus on a defined benefit scheme arises, the rights of the Trustees to prevent the Group obtaining a refund of that surplus in the future are considered in determining whether it is necessary to restrict the amount of the surplus that is recognised. The UK defined benefit scheme is in surplus at 31 December 2023. As there is no unconditional right to the surplus it does not meet the requirements of recoverability under FRS102 therefore a surplus of £15.3m has not been recognised.

*Critical areas of judgement*

***Business combination***

When a business combination occurs, the directors consider the fair value of assets and liabilities acquired, including an assessment of intangible assets, with goodwill recognised as the excess of the cost of the business combination over the fair value of the company's share of net assets acquired. In making this assessment, the directors determine fair values based upon available evidence at the acquisition date.

***Discontinued operations***

When a separate major line of a business has been disposed of, the results are to be shown as discontinued operations on the Statement of Comprehensive Income. The directors determine this based upon the distinct divisions that operate in the Group.

**I.M. GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**3 Turnover**

An analysis of the Group's turnover is as follows:

	2023 £'000	2022 £'000
<b>Class of business</b>		
<i>Continuing operations</i>		
Automotive	523,836	344,422
<i>Discontinued operations</i>		
Property	-	300,632
Finance	-	38,205
	-	338,837
	2023 £'000	2022 £'000
<b>Geographical regions</b>		
<i>Continuing operations</i>		
United Kingdom	318,503	218,232
Europe	203,236	124,205
Rest of the world	2,097	1,985
	523,836	344,422
<i>Discontinued operations</i>		
United Kingdom	-	302,187
Rest of the world	-	36,650
	-	338,837

**4 Charitable donations**

	2023 £'000	2022 £'000
Christian Vision	-	49,801
Other	4,225	3,230
	4,225	53,031

A donation of £Nil (2022 – £49,801,000) was made during the year to Christian Vision. Christian Vision is a registered charity (UK registration number 02842414) formed by Lord Edmiston, his family and close associates, of which they are trustees.

**I.M. GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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5	Other operating income	2023 £'000	2022 £'000
	Profit on sale of investment properties	-	19,293
	Management charges and other income	-	4,257
		<u>-</u>	<u>23,550</u>
		<u>-</u>	<u>23,550</u>
6	Operating profit	2023 £'000	2022 £'000
	Operating profit is stated after charging / (crediting):		
	Fair value losses on Foreign Exchange contracts	3,066	41,564
	Foreign exchange losses / (gains)	488	(279)
	Depreciation of tangible fixed assets	4,234	3,595
	Profit on disposal of tangible fixed assets	(767)	(434)
	Amortisation of intangible assets	1,529	1,826
	Operating lease charges	-	144
	I.M. Properties Management charges	1,980	-
		<u>1,980</u>	<u>-</u>
		<u>1,980</u>	<u>-</u>
7	Auditor's remuneration	2023 £'000	2022 £'000
	Fees payable to the Company's auditor		
	<b>For audit services:</b>		
	Audit of the Subsidiary's financial statements	217	694
	Audit of the Group's and Company's financial statements	20	57
	<b>For other services:</b>		
	Taxation and other services	58	99
		<u>295</u>	<u>850</u>
		<u>295</u>	<u>850</u>

**I.M. GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

2024071007943

**8 Discontinued operations**

As part of a Group reorganisation carried out on 31 December 2022, the parent entity I.M. Group Limited, disposed its interest in I.M. Properties Plc, a wholly owned subsidiary. In 2022 I.M. Properties Plc contributed loss after tax of £15.9m. The disposal in the company was completed at the nominal book value of £0.06m to IMG (UK) Holdings Limited. The net assets on the date of disposal were £546.9m.

On 31 December 2022, the parent entity I.M. Group Limited disposed its interest in Specialist Motor Finance Group Limited, a wholly owned subsidiary. In 2022, Specialist Motor Finance Group contributed post tax profit of £6.5m (2021 - £4.0m). The disposal in the company was completed at the nominal book value of £7.9m to IMG (UK) Holdings Limited. The net assets on the date of disposal were £24.7m.

The Funding Corporation Group Limited, a wholly owned subsidiary of the parent entity I.M. Group Limited, disposed its interest in The Funding Corporation Limited on 31 December 2022. In 2022, The Funding Corporation Limited contributed post tax profit of £0.05m. The disposal in the company was completed at the nominal book value of £4.9m to IMG (UK) Holdings Limited. The net assets on the date of disposal were £11.0m.

The consolidated results show a reduction in reserves. As this is a transaction with the shareholder at an undervalue this has been shown as a distribution.

**9 Employees**

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

	<b>Group 2023 No</b>	<b>Group 2022 No</b>	<b>Company 2023 No</b>	<b>Company 2022 No</b>
Administrative	113	342	27	27
Selling and distribution	199	183	-	-
	<u>312</u>	<u>525</u>	<u>27</u>	<u>27</u>

Their aggregate remuneration comprised:

	<b>Group 2023 £'000</b>	<b>Group 2022 £'000</b>	<b>Company 2023 £'000</b>	<b>Company 2022 £'000</b>
Wages and salaries	14,528	28,415	2,085	1,293
Social security costs	2,630	4,095	268	159
Pension costs	1,156	2,276	94	92
	<u>18,314</u>	<u>34,786</u>	<u>2,447</u>	<u>1,544</u>

**I.M. GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

10	Directors' remuneration	2023 £'000	2022 £'000
	Emoluments (including benefits in kind)	1,144	211
<p>There were no directors for whom retirement benefits are accruing under defined benefit schemes (2022 - Nil).</p> <p>Remuneration disclosed above includes £1,079,000 (2022 – £167,000) paid to the highest paid director. Company pension contributions paid by the Group to the highest paid director were £58,000 (2022 - £Nil).</p> <p>The Group's key management personnel are considered to be the Directors of the Company. The Directors have authority and responsibility for planning, directing and controlling the activities of the Group. The total amount paid in respect of key management personnel was £1,150,000 (2022 - £236,000).</p>			
11	Interest receivable and similar income	2023 £'000	2022 £'000
	Deposit and short-term interest	371	253
	Other Interest and similar income	1,380	-
	Fair value movements on financial instruments	-	25,042
		<u>1,751</u>	<u>25,295</u>
12	Interest payable and similar charges	2023 £'000	2022 £'000
	Interest on loans and overdrafts	2,445	17,046
	Other interest and similar charges	6,169	11,304
		<u>8,614</u>	<u>28,350</u>
13	Taxation	2023 £'000	2022 £'000
	<b>Current tax</b>		
	UK corporation tax on profits for the current period	6,677	5,931
	Adjustments in respect of prior periods	16	(4,110)
	Foreign current tax on profits for the current period	801	1,904
	Total current tax charge	<u>7,494</u>	<u>3,725</u>
	<b>Deferred tax</b>		
	Origination and reversal of timing differences	447	277
	Adjustments in respect of prior years	(84)	557
	Total deferred tax	<u>363</u>	<u>834</u>
	<b>Taxation on profit</b>	<u>7,857</u>	<u>4,559</u>

**I.M. GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

2024071007945

**13 Taxation (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2022 – lower than) the standard rate of corporation tax in the UK of 23.52% (2022 – 19%). The differences are explained below:

	2023 £'000	2022 £'000
Profit before taxation	32,132	32,865
Less share of profit of associates	(2,001)	(1,950)
	<u>30,131</u>	<u>30,915</u>
Expected tax charge based on a corporation tax rate of 23.52% (2022 – 19%)	7,087	5,874
<b>Effects of:</b>		
Fixed asset differences	(2)	(12,146)
Expenditure not deductible for tax purposes	618	(565)
Income not eligible for tax purposes	(156)	(356)
Provision for film partnership trade losses	-	3,975
Share of profit of associates	470	371
Overseas taxation	32	18
Adjustments in respect of prior years	16	(4,110)
Adjustments in respect of prior years – deferred tax	(84)	557
Differences in tax rates	(202)	242
Deferred tax asset not recognised	-	10,769
Rate adjustments to opening and closing deferred tax	37	(4)
Other differences	41	(66)
Total tax charge for the year	<u>7,857</u>	<u>4,559</u>

Charges to deferred tax relating to prior periods relate to fixed asset timing differences.

*Factors that may affect future tax charges*

In the 2021 Spring Budget, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. This was substantively enacted in 2021 and has therefore been used to measure UK deferred taxes in both 2021 and 2022, to the extent the related timing differences are expected to reverse in 2023 or later.

In addition to the amount charged to the Statement of Comprehensive Income, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2023 £'000	2022 £'000
<i>Deferred tax arising on:</i>		
Actuarial differences recognised as other comprehensive income	-	402
	<u>          </u>	<u>          </u>

**I.M. GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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14 Intangible assets				
Group		Goodwill on consolidation £'000	Computer software £'000	Total £'000
<b>Cost</b>				
At 1 January 2023		18,777	4,391	23,168
Additions		-	773	773
<b>At 31 December 2023</b>		<u>18,777</u>	<u>5,164</u>	<u>23,941</u>
<b>Amortisation</b>				
1 January 2023		16,873	1,400	18,273
Amortisation charged in the year		507	1,022	1,529
<b>31 December 2023</b>		<u>17,380</u>	<u>2,422</u>	<u>19,802</u>
<b>Net book value</b>				
<b>31 December 2023</b>		<u>1,397</u>	<u>2,742</u>	<u>4,139</u>
31 December 2022		<u>1,904</u>	<u>2,991</u>	<u>4,895</u>

The carrying amount of goodwill as at 31 December 2023 is allocated entirely to I.M. MAPS (UK) Limited (2022 – I.M. MAPS (UK) Limited).

I.M. GROUP LIMITED  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023

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15 Tangible fixed assets

Group

	Freehold land and buildings £'000	Leasehold land and buildings £'000	Plant and equipment £'000	Total £'000
<b>Cost</b>				
1 January 2023	37,817	6,007	29,184	73,008
Exchange adjustment	(103)	(457)	(83)	(643)
Additions	-	-	6,148	6,148
Disposals	-	-	(4,318)	(4,318)
Transfer to Stock	-	-	(180)	(180)
<b>At 31 December 2023</b>	<b>37,714</b>	<b>5,550</b>	<b>30,751</b>	<b>74,015</b>
<b>Depreciation</b>				
1 January 2023	7,498	543	12,515	20,556
Exchange adjustment	(28)	(294)	(134)	(456)
Charge for the year	1,063	379	2,792	4,234
Disposals	-	-	(2,615)	(2,615)
Transfer to Stock	-	-	(10)	(10)
<b>At 31 December 2023</b>	<b>8,533</b>	<b>628</b>	<b>12,548</b>	<b>21,709</b>
<b>Net book value</b>				
<b>At 31 December 2023</b>	<b>29,181</b>	<b>4,922</b>	<b>18,203</b>	<b>52,306</b>
At 31 December 2022	30,319	5,464	16,669	52,452

Included within freehold land and buildings is freehold land amounting to £9,837,000 (2022 - £9,837,000) which is not depreciated.

**I.M. GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**15 Tangible fixed assets (continued)**

**Company**

	<b>Freehold land and buildings £'000</b>	<b>Motor vehicles £'000</b>	<b>Total £'000</b>
<b>Cost</b>			
At 1 January 2023	15,666	158	15,824
Additions	-	138	138
Disposals	-	(158)	(158)
<b>At 31 December 2023</b>	<b>15,666</b>	<b>138</b>	<b>15,804</b>
<b>Depreciation</b>			
1 January 2023	3,817	83	3,900
Charge for the year	274	28	302
Disposals	-	(102)	(102)
<b>At 31 December 2023</b>	<b>4,091</b>	<b>9</b>	<b>4,100</b>
<b>Net book value</b>			
<b>At 31 December 2023</b>	<b>11,575</b>	<b>129</b>	<b>11,704</b>
At 31 December 2022	11,849	75	11,924

Included within freehold land and buildings is freehold land amounting to £9,837,000 (2022 - £9,837,000) which is not depreciated.

**I.M. GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**16 Fixed asset investments**

**Group**

	<b>Other investments £'000</b>	<b>Associated undertakings £'000</b>	<b>Total £'000</b>
<b>Cost</b>			
At 1 January 2023	582	16,223	16,805
Share of profit after tax	-	1,532	1,532
Dividends received	-	(14,172)	(14,172)
<b>At 31 December 2023</b>	<b>582</b>	<b>3,583</b>	<b>4,165</b>
<b>Impairment</b>			
At 1 January 2023	512	-	512
<b>At 31 December 2023</b>	<b>512</b>	<b>-</b>	<b>512</b>
<b>Carrying amount</b>			
<b>At 31 December 2023</b>	<b>70</b>	<b>3,583</b>	<b>3,653</b>
<b>At 31 December 2022</b>	<b>70</b>	<b>16,223</b>	<b>16,293</b>

**I.M. GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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16	Fixed asset investments (continued)		
	Company		
		2023	2022
		£'000	£'000
	Investments in subsidiaries	36,504	36,504
		<u>          </u>	<u>          </u>
	<b>Movements in fixed asset investments</b>		
		Other Investments £'000	Investment in subsidiaries £'000
			Total £'000
	<b>Cost</b>		
	At 1 January 2023	582	46,683
		<u>          </u>	<u>          </u>
	At 31 December 2023	582	46,683
		<u>          </u>	<u>          </u>
	<b>Impairment</b>		
	At 1 January 2023	512	10,249
		<u>          </u>	<u>          </u>
	At 31 December 2023	512	10,249
		<u>          </u>	<u>          </u>
	<b>Carrying amount</b>		
	At 31 December 2023	70	36,434
		<u>          </u>	<u>          </u>
	At 31 December 2022	70	36,434
		<u>          </u>	<u>          </u>

In the opinion of the Directors, the aggregate value of the Company's realisable investment in subsidiary undertakings is not less than the amount included in the balance sheet.

**I.M. GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**17 Subsidiary undertakings**

Details of the subsidiaries at 31 December 2023 are as follows:

Name of undertaking	Country of incorporation	Class of shareholding	Proportion of nominal value held		Nature of business
			Directly	Indirectly	
I.M. Facilities Limited <sup>(1)</sup>	England and Wales	Ordinary	100%	-	Facilities management services
I.M. Aviation Limited <sup>(1)</sup>	England and Wales	Ordinary	-	100%	Aircraft and charter travel services
International Motors Limited <sup>(1)</sup>	England and Wales	Ordinary	-	100%	Holding Company
I.M. MAPS (UK) Limited <sup>(1)</sup>	England and Wales	Ordinary	-	100%	Vehicle part sales
Subaru (UK) Limited <sup>(1)</sup>	England and Wales	Ordinary	-	100%	Vehicle and parts distribution
Isuzu (UK) Limited <sup>(1)</sup>	England and Wales	Ordinary	-	100%	Vehicle and parts distribution
I.M. Parts and Service Limited <sup>(1)</sup>	England and Wales	Ordinary	-	100%	Vehicle parts and accessories distributors
I.M. NEV Motor Distributors (UK) Limited <sup>(1)</sup>	England and Wales	Ordinary	-	100%	Vehicle and parts distributors
Daihatsu Vehicle Distributors Limited <sup>(1)</sup>	England and Wales	Ordinary	-	100%	Vehicle part sales
Great Wall Motor Distributors (UK) Limited <sup>(1)</sup>	England and Wales	Ordinary	-	100%	Vehicle part sales
I.M. Trade Assist Limited <sup>(1)</sup>	England and Wales	Ordinary	-	100%	Technical support and consultancy
I.M. UK Trade Company Limited <sup>(1)</sup>	England and Wales	Ordinary	-	100%	Vehicle cleaning and parts distribution
I.M. NSC (UK) Limited <sup>1</sup>	England and Wales	Ordinary	-	100%	Vehicle fulfilment services
International Motors (Ireland) Limited <sup>(3)</sup>	Ireland	Ordinary	-	100%	Holding and management
I.M. European Motors Limited <sup>(3)</sup>	Ireland	Ordinary	-	100%	Vehicle distributors
I.M. Automotive Limited (Ireland) <sup>(3)</sup>	Ireland	Ordinary	-	100%	Vehicles, parts and accessories distributors
I.M. New Energy Vehicles Ireland Limited <sup>(3)</sup>	Ireland	Ordinary	-	100%	Vehicle distribution
International Motors Nordic AB (Sweden) <sup>(4)</sup>	Sweden	Ordinary	-	100%	Vehicles and parts distributors
I.M. Properties Nordic AB (Sweden) <sup>(4)</sup>	Sweden	Ordinary	-	100%	Property investment
Subaru Nordic AB (Sweden) <sup>(4)</sup>	Sweden	Ordinary	-	100%	Vehicles and parts distributors
Isuzu Sverige AB (Sweden) <sup>(4)</sup>	Sweden	Ordinary	-	100%	Vehicle distributors
Great Wall Motors Nordic AB (Sweden) <sup>(4)</sup>	Sweden	Ordinary	-	100%	Vehicle distributors
I.M. Automotive AB <sup>(4)</sup>	Sweden	Ordinary	-	100%	Vehicle distributors
I.M. Insurance Company Limited (Guernsey) <sup>(2)</sup>	Guernsey	Ordinary	-	100%	Insurance Company
Beijing I.M. Trade Consultancy Company Limited <sup>(6)</sup>	China	Ordinary	-	100%	Trade consultancy
Beijing I.M. Trading Company Limited <sup>(7)</sup>	China	Ordinary	-	100%	Vehicle parts and accessories
Beijing VCA Technology Service Company Limited <sup>(7)</sup>	China	Ordinary	-	100%	Trade consultancy
I.M. Group (Enseigh) Limited <sup>(1)</sup>	England and Wales	Ordinary	75%	25%	Property investment
Enseigh Property Management Company Ltd <sup>(1)</sup>	England and Wales	Ordinary	100%	-	Property management
The Funding Corporation Group Limited <sup>(1)</sup>	England and Wales	Ordinary	100%	-	Holding Company

**I.M. GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**17 Subsidiary undertakings (continued)**

Name of undertaking	Country of incorporation	Class of shareholding	Proportion of nominal value held		Nature of business
			Directly	Indirectly	
Daihatsu (Svergie) AB (Sweden) <sup>(4)</sup>	Sweden	Ordinary	-	100%	Dormant
I.M. Finance Limited <sup>(1)</sup>	England and Wales	Ordinary	-	100%	Dormant
KVD Limited <sup>(1)</sup>	England and Wales	Ordinary	-	100%	Dormant
I.M. NELCV (UK) Limited <sup>(1)</sup>	England and Wales	Ordinary	-	100%	Dormant
Great Wall Motor Company Limited <sup>(1)</sup>	England and Wales	Ordinary	-	100%	Dormant
Mahindra Cars Distributors (UK) Limited <sup>(1)</sup>	England and Wales	Ordinary	-	100%	Dormant
I.M. Financial Services Limited <sup>(1)</sup>	England and Wales	Ordinary	-	100%	Dormant
Great Wall Motors Limited <sup>(3)</sup>	Ireland	Ordinary	-	100%	Dormant

I.M. Group (Ensligh) Limited (Company Number: 08374605), Ensligh Property Management Company Ltd (Company Number: 08389674), The Funding Corporation Group Limited (Company Number: 04164594), I.M. Facilities Limited (Company Number: 02626921) and I.M. Aviation Limited (Company Number: 03360855) are exempt from the requirements of an audit under section 479A of the Companies Act 2006 as I.M. Group Limited, the immediate parent company, has provided these companies with a parental guarantee.

I.M. NSC (UK) Limited (Company Number: 08230859), Great Wall Motor Distributors (UK) Limited (Company Number: 06351388), Daihatsu Vehicle Distributors Limited (Company Number: 03916179), I.M. Trade Assist Limited (Company Number: 03304404), I.M. UK Trade Company Limited (Company Number: 09474014), and KVD Limited (Company Number: 02810360) are exempt from the requirements of an audit under section 479A of the Companies Act 2006 as International Motors Limited, the immediate parent company, has provided these companies with a parental guarantee.

Registered office address:

1. The Gate, International Drive, Solihull, Birmingham, B90 4WA
2. 11 New Street, St Peter Port, Guernsey, GY1 2PF
3. I.M. House, NVD Complex, Brownsbarn, Baldonell, Co. Dublin
4. Box 21041, 200 21 Malmo, Starrvägen 15 232 61 61 Arlov
5. Room 102, Tower 4, No.10 Yard, Ronghua South Road, YiZhuang Economic Development Area, Beijing, 100176, P.R. China
6. Room 103-1, No.4 Building, Tower 4, RongHua South Road, YiZhuang, Beijing Economic- Technological Development Area, Beijing, 100176, P.R. China.
7. Room 103-2, No.4 Building, Tower 4, RongHua South Road, YiZhuang, Beijing Economic- Technological Development Area, Beijing, 100176, P.R. China.
8. City Point, 65 Haymarket Terrace, Edinburgh, United Kingdom

**I.M. GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**18 Associates**

Details of the Group's associates at 31 December 2023 are as follows:

<b>Name of undertaking</b>	<b>Class of shareholding</b>	<b>Proportion of nominal value held directly</b>	<b>Nature of business</b>
International Motors Finance Limited	Ordinary 'B' shares of £1 each	100%	Finance facilities for retail customers and motor dealers

The Company does not hold any Ordinary 'A' shares in issue, and therefore by virtue of International Motor Finance Limited's articles of association, only holds 49% of the participation rights in the investee entity. The loans to associated undertakings relate to a subordinated loan to International Motors Finance Limited (IMFL) which is only repayable subsequent to the discharge of all creditors of IMFL. During the year, International Motors Finance Limited opted to make loan repayments of £Nil (2022 - £Nil).

The registered office of International Motors Finance Limited is St William House, Tresillian Terrace, Cardiff, CF10 5BH.

The net assets and results of International Motors Finance Limited are as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Current assets	151,546	151,075
Creditors: Amounts falling due within one year	(146,421)	(120,162)
Net assets	<u>5,125</u>	<u>30,913</u>
Net assets attributable to the Group	<u>2,511</u>	<u>15,147</u>
Turnover	9,684	6,058
Net expenses	(5,600)	(2,078)
Profit for the year before taxation	<u>4,084</u>	<u>3,980</u>
Profit for the year attributable to the Group (before taxation)	<u>2,001</u>	<u>1,950</u>

I.M. GROUP LIMITED  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023

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19	Stocks	Group	
		2023 £'000	2022 £'000
	Vehicles and parts for resale	164,004	134,183
		<u>164,004</u>	<u>134,183</u>

The consolidated cost of inventories expensed in the period and included within cost of sales was £383,676,000 (2022 - £429,524,000). Impairment losses relating to aged inventories and included within cost of sales amounted to £4,304,000 (2022 - £1,568,000).

20	Debtors	Group		Company	
		2023 £'000	2022 £'000	2023 £'000	2022 £'000
	<b>Amounts falling due within one year:</b>				
	Trade debtors	42,405	29,003	10	1,735
	Corporation tax recoverable	2,554	7,382	-	-
	Corporation tax – group relief	1,938	-	3,843	6,056
	Amounts due from Group undertakings	64,613	52,175	111,566	105,983
	Derivative financial assets	285	2,423	-	-
	Other debtors	10,561	5,261	2,191	1,793
	Prepayments and accrued income	6,643	4,138	382	360
	Deferred tax asset (note 26)	389	265	119	67
		<u>129,388</u>	<u>100,647</u>	<u>118,111</u>	<u>115,994</u>

The impairment loss recognised in the Consolidated Statement of Comprehensive Income for the year in respect of bad and doubtful trade debtors was £111,000 (2022 – gain of £2,280,000).

The impairment charge recognised in the Company Statement of Comprehensive Income for the year in respect of bad and doubtful trade debtors was £Nil (2022 –£Nil).

**I.M. GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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21	Creditors: Amounts falling due within one year	Group		Company	
		2023 £'000	2022 £'000	2023 £'000	2022 £'000
	Bank loans and overdrafts	8,688	-	-	-
	Loan notes	59,100	59,100	59,100	59,100
	Corporation tax payable	571	5,112	-	3,975
	Other taxation and social security	17,711	15,574	-	609
	Derivative financial instruments	928	-	-	-
	Trade creditors	39,780	17,585	67	87
	Amounts due to fellow Group undertakings	6,687	17,010	116,667	134,648
	Other creditors	6,265	2,851	3	50
	Accruals and deferred income	34,348	42,996	3,826	5,573
		<u>174,078</u>	<u>160,228</u>	<u>179,663</u>	<u>204,042</u>

The loan notes are to be redeemed on the first to occur of: i) a change in control of The Funding Corporation Group Limited; ii) death of the vendor; iii) I.M. Group Limited going into administration; iv) an encumbrance taking possession or a receiver being appointed; v) an order being made or an effective resolution being passed for the winding up of all members of The Funding Corporation Group Limited; and vi) The Funding Corporation Group Limited going into administration. Until the loan stock is repaid in full, interest is payable at 8.25% per annum.

22	Creditors: Amounts falling due after more than one year	Group		Company	
		2023 £'000	2022 £'000	2023 £'000	2022 £'000
	Bank loans and overdrafts	17,127	17,441	-	-
		<u>17,127</u>	<u>17,441</u>	<u>-</u>	<u>-</u>

The bank loans and overdrafts are unsecured.

I.M. GROUP LIMITED  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
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23 Financial instruments

	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
<b>Financial assets</b>				
Financial assets measured at amortised cost	218,117	192,393	153,389	161,608
Derivative financial instruments	285	2,423	-	-
	<u>218,402</u>	<u>194,816</u>	<u>153,389</u>	<u>161,608</u>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	166,444	152,377	179,663	199,458
Derivative financial instruments	928	-	-	-
	<u>167,372</u>	<u>152,377</u>	<u>179,663</u>	<u>199,458</u>

Financial assets measured at amortised cost comprise of bank and cash balances, trade debtors, consumer loan assets, other debtors, accrued income and amounts owed by Group undertakings.

Financial liabilities measured at amortised cost comprise of bank loans, other loans, loan notes, trade creditors, amounts owed to Group undertakings, other amounts due to related parties, other creditors and accruals.

The Group's interest rate risk arises from interest received on cash deposits and interest paid on borrowings. Cash deposited and borrowings issued at variable rates expose the Group to cash flow interest rate risk. Cash deposited and borrowings issued at fixed rates expose the Group to fair value interest rate risk.

The Group uses derivative financial instruments (interest rate swaps and caps) to hedge interest rate risk exposures. Interest rate swaps are used to alter the interest rate basis of the Group's and subsidiaries' debt, allowing changes from fixed to floating rate or vice versa. These either cap or fix the interest rate chargeable on a portion of the Group's bank loans.

The Group's net derivative financial liabilities are measured at fair value of £0.6m (2022 – financial asset of £2.4m) and comprise of foreign exchange trades (2022 - foreign exchange trades).

I.M. GROUP LIMITED  
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24	Borrowings	Group	
		2023 £'000	2022 £'000
	Bank loans	17,127	17,441
	Other loans	59,100	59,100
		<u>76,227</u>	<u>76,541</u>
	Payable within one year	59,100	59,100
	Payable within one to two years	17,127	17,441
		<u>76,227</u>	<u>76,541</u>
25	Provisions for liabilities	Group	
		2023 £'000	2022 £'000
	Product warranty and service	8,936	7,148
	Service plan	723	2,519
	Deferred tax liabilities	3,423	2,940
	Vehicle Buy-back provision	2,916	-
		<u>15,998</u>	<u>12,607</u>

Movements on provisions apart from retirement benefits.

	Vehicle buy- back provision £'000	Product warranty £'000	Service plan £'000	Deferred taxation £'000	Total £'000
<b>Group</b>					
1 January 2023	-	7,148	2,519	2,940	12,607
Exchange adjustment	-	(24)	18	(2)	(8)
Utilised in the year	-	(1,550)	(1,814)	-	(3,364)
Charged to the Statement of Comprehensive Income	2,916	3,362	-	485	6,763
<b>31 December 2023</b>	<u>2,916</u>	<u>8,936</u>	<u>723</u>	<u>3,423</u>	<u>15,998</u>

**I.M. GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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26	Deferred taxation		<b>Deferred Taxation £'000</b>
	<b>Company</b>		
	1 January 2023		(67)
	Credited to the statement of comprehensive income		(52)
	<b>31 December 2023 (note 20)</b>		<u><u>(119)</u></u>

	<b>2023</b>	<b>Group</b>	<b>2022</b>	<b>Company</b>	<b>2022</b>
	<b>£'000</b>		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Deferred tax liabilities	3,423		2,940		-
Deferred tax assets	(389)		(265)	(119)	(67)
Net position at 31 December 2023	<u><u>3,034</u></u>		<u><u>2,675</u></u>	<u><u>(119)</u></u>	<u><u>(67)</u></u>

The major deferred tax liabilities and assets recognised are:

	<b>2023</b>	<b>Group</b>	<b>2022</b>	<b>2023</b>	<b>Company</b>	<b>2022</b>
	<b>£'000</b>		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Deferred tax liabilities:						
Accelerated capital allowances	3,423		2,940	-		-
	<u><u>3,423</u></u>		<u><u>2,940</u></u>	<u><u>-</u></u>		<u><u>-</u></u>

The major deferred tax liabilities and assets recognised are:

	<b>2023</b>	<b>Group</b>	<b>2022</b>	<b>2023</b>	<b>Company</b>	<b>2022</b>
	<b>£'000</b>		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Deferred tax assets:						
Other timing differences	389		265	119		67
	<u><u>389</u></u>		<u><u>265</u></u>	<u><u>119</u></u>		<u><u>67</u></u>

**I.M. GROUP LIMITED  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
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**27 Retirement benefits scheme**

The Group operates a defined contribution scheme as its principal pension arrangement.

The Group's previous pension arrangement is the International Motors Limited Retirement Benefits Scheme ("The Scheme"), a defined benefit scheme. With effect from 1 January 2003 The Scheme was closed to new members and from 1 January 2013 it was closed to future service accrual for existing members. The Scheme provides members with benefits related to salary and service at rates defined under the rules. The benefits are financed by payments to administered funds held separately from the Group. From 6 April 1997 members were contracted out of SERPS on a money purchase basis, whilst maintaining a minimum guaranteed pension.

The Scheme is run on a basis that does not enable individual companies within the Group to identify their share of the underlying assets and liabilities. As a consequence the whole Group liability in respect of The Scheme has been included in International Motors Limited.

From 1 January 2003 a stakeholder Pension Plan, which is of a defined contribution nature, has been available to new employees and other entrants.

The Group participates in other pension arrangements for senior executives. All such schemes are of a defined contribution nature.

The cost to the Group for all schemes during the year was £1,156,000 (2022 - £2,276,000). The amount outstanding at the year-end included within accruals was £Nil (2022 - £Nil).

The most recent comprehensive actuarial valuation took place as at 31 December 2021. Independent consulting actuaries, Hughes Price Walker Ltd, have updated the results of this valuation and adjusted the assumptions for market conditions at this balance sheet date.

**I.M. GROUP LIMITED**  
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**27 Retirement benefits scheme (continued)**

Reconciliation of present value of plan liabilities:

	2023 £'000	2022 £'000
At the beginning of the year	(30,293)	(47,116)
Interest cost	(1,455)	(930)
Actuarial gains / (losses)	(201)	16,563
Benefits paid	1,222	1,190
<b>Plan liabilities at 31 December 2023</b>	<b>(30,727)</b>	<b>(30,293)</b>

Reconciliation of present value of plan assets:

	2023 £'000	2022 £'000
At the beginning of the year	30,293	45,541
Interest income	2,105	899
Actuarial (gains) / losses	1,529	(1,679)
Benefits paid	(1,222)	(1,190)
Pension surplus restricted	(1,978)	(13,278)
<b>Plan assets at 31 December 2023</b>	<b>30,727</b>	<b>30,293</b>

The UK defined benefit scheme is in surplus at 31 December 2023. As there is no unconditional right to the surplus it does not meet the requirements of recoverability under FRS102 therefore a surplus of £2.0m has not been recognised in 2023.

Composition of plan assets:

	2023 %	2022 %	2023 £'000	2022 £'000
Equities	75.6%	70.4%	23,230	21,326
Property	16.4%	34.3%	5,035	10,390
Bonds	26.2%	20.2%	8,053	6,127
Other	29.7%	16.9%	9,126	5,127
Annuities	1.8%	2.0%	539	601
Pension surplus restricted	(49.7%)	(43.8%)	(15,256)	(13,278)
<b>Total plan assets</b>			<b>30,727</b>	<b>30,293</b>

**I.M. GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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**27 Retirement benefits scheme (continued)**

The value of the plan assets and liabilities were:

	2023 £'000	2022 £'000
Fair value of plan assets	45,983	43,571
Present Value of plan liabilities	(30,727)	(30,293)
Pension surplus restriction	(15,256)	(13,278)
<b>Net pension scheme position/(liability)</b>	<u>-</u>	<u>-</u>

The amounts recognised in the Statement of Comprehensive Income are as follows:

	2023 £'000	2022 £'000
Net interest on defined benefit liability	650	(31)
Impact of surplus restriction	(650)	-
	<u>-</u>	<u>(31)</u>

The amounts recognised in other comprehensive income are as follows:

	2023 £'000	2022 £'000
Return on plan assets less income on assets	1,529	(1,679)
Actuarial (losses) / gains on liabilities	(201)	16,563
Pension surplus restriction	(1,328)	(13,278)
<b>Total re-measurements recognised in other comprehensive income</b>	<u>-</u>	<u>1,606</u>

Reconciliation of defined benefit obligation were as follows:

	2023 £'000	2022 £'000
Opening defined benefit obligation	-	(1,575)
Actuarial gains	-	1,606
Expense recorded in Statement of Comprehensive Income	-	(31)
<b>Closing defined benefit obligation</b>	<u>-</u>	<u>-</u>

The cumulative amount of actuarial gain recognised in the Statement of Total Comprehensive Income was £1,405,000 (2022 – gain of £1,606,000).

The Group expects to contribute £Nil to its defined benefit pension scheme in 2023. The policy of the Group is to cash fund the pension scheme from its own cash reserves to provide sufficient liquid resource to service scheme liabilities.

**I.M. GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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**27 Retirement benefits scheme (continued)**

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

<b>Main financial assumptions</b>	<b>2023</b>	<b>2022</b>
Discount rate	4.7%	4.9%
Rate of price inflation:		
- RPI	3.1%	3.9%
- CPI	2.5%	3.2%
Rate of increase for pensions in deferment:		
- Leavers before to 01/08/08	2.5%	3.2%
- Leavers from 01/08/08, service to 31/12/10		3.9%
- Leavers from 01/08/08, service from 01/01/11		2.5%
Rate of increase for pensions in payment:		
- RPI inflation, max 5%	3.0%	3.7%
- RPI inflation, max 2.5%	2.1%	2.3%

Retirements	<b>Normal retirement age</b>	<b>Normal retirement age</b>
Commutation	<b>50% of maximum</b>	<b>50% of maximum</b>

**The mortality assumptions and life expectancies:**

	<b>2023</b>	<b>2022</b>
Base table	100% S3NxA	100% S3NxA
Future improvements	CMI 2021 Core	CMI 2021 Core
Long term rate	1.25%	1.25%
Expected future lifetime from age 65:		
- Male currently aged 65	21.8 years	22.3 years
- Male currently aged 45	24.3 years	24.7 years
- Female currently aged 65	23.0 years	23.6 years
- Female currently aged 45	25.7 years	26.1 years

**I.M. GROUP LIMITED  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
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**28 Share capital**

69,012 Ordinary  
shares of £1 each  
£'000

Allotted, issued and fully paid:  
At 1 January 2023 and 31 December 2023

69

*Ordinary share rights*

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

**29 Reserves**

*Other reserve*

Other reserve relates to a historical, non-distributable reserve arising on a previous Group reorganisation.

*Profit and loss reserves*

The profit and loss reserve represents cumulative profits and losses net of distributions to owners.

*Non-controlling interest*

The equity in subsidiaries not attributable, directly or indirectly, to the owners of the Company.

**30 Financial commitments, guarantees and contingent liabilities**

The Company has entered into unlimited cross-guarantees with other Group undertakings, guaranteeing for each undertakings bank overdraft and other facilities available which have Group limits of £Nil (2022 - £0.4m).

The Group had gross capital commitments of £Nil (2022 - £Nil) as at 31 December 2023.

**I.M. GROUP LIMITED  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
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**31 Related party transactions**

The company is controlled by IMG (UK) Holdings Ltd which owns 100% of the issued share capital. The company's ultimate controlling party is Lord Edmiston who has control of the issued share capital of IMG (UK) Holdings Ltd.

The company has taken advantage of the exemption conferred by Financial Reporting Standard 102 section 33.1A not to disclose transactions with wholly owned subsidiaries of IMG (UK) Holdings Ltd.

*Lord Edmiston*

Included within creditors payable within one year are loan notes payable to Lord Edmiston. Details of the terms of these loan notes are disclosed in note 21. Interest of £4.9m (2022 - £4.9m) has been charged to the Statement of Comprehensive Income during the year.

The Group made a charitable donation of £Nil (2022 - £49.8m in the form of five investment properties with a market value of £73.6m for which proceeds of £23.8m were received) to Christian Vision. Christian Vision is a registered charity (UK registration number 02842414) formed by Lord Edmiston, his family and close associates, of which they are trustees.

On 31 December 2022 the Group disposed of its interest in its Property and Finance divisions (see note 8). At the balance sheet date, transactions with the discontinued operations ceased to be recognised in the Group consolidation.

*Automotive division*

At 31 December 2023, the Automotive division had a loan due to A M Edmiston, a director of the Company, of £71,000 (2022 - due to A M Edmiston £36,000). The Group operates an ongoing current account facility with A M Edmiston that periodically goes overdrawn. Loan balances are repaid on a regular basis. Interest charged during the year in respect of this balance was £Nil (2022 - £Nil).

At 31 December 2023, the Automotive Division had a loan due from G E Hutton, a director of the Company, of £296,000 (2022 - due to G E Hutton £9,000). The Group operates an ongoing current account facility with G E Hutton that periodically goes overdrawn. Loan balances are repaid on a regular basis. Interest charged during the year in respect of this balance was £Nil (2022 - £Nil).

During the year sales of £23,000 (2022 - £66,000) were made to individuals related to A M Edmiston, a director of the Company. £Nil (2022 - £Nil) amounts were outstanding at the year end.

The Automotive division has an agreement with International Motors Finance Limited, an associated undertaking, in respect of finance facilities available for retail customers and motor dealers.

During the year sales (before the deduction of dealer sales incentives and rebates) of £230.8m (2022 - £171.3m) were made by the Group to this undertaking and interest of £2.2m (2022 - £0.7m) was charged to the Group in respect of vehicle stock finance.

Included within Note 16 'Associated undertakings' of the consolidated financial statements is an amount loaned to International Motors Finance Limited. The balance due from International Motors Finance Limited at 31 December 2023 was £1.0m (2022 - £1.0m).

*Other related party transactions*

The Company owns 75% of the allotted share capital of I.M. Group (Ensleigh) Limited. In 2018 Ensleigh Property Management Company Limited, a wholly owned subsidiary of the entity acquired 25% of share capital of I.M. Group (Ensleigh) Limited. I.M. Group Limited indirectly owns 100% share capital of I.M. (Group) Ensleigh Limited. During the year ended 31 December 2013 the Company entered into a rolling facility agreement with I.M. Group (Ensleigh) Limited with a maximum value of £12.0m.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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**31 Related party transactions (continued)**

At 31 December 2023 total amounts owed by the Group to I.M. Group (Ensleigh) Limited was £6.1m (2022 – £7.4m). In 2023, interest charged on the amounts owed was £0.6m (2022 - £0.3m).

The company made a charitable contribution of £1.3m (2022 - £1.1m) to Grace Foundation. Grace Foundation is a registered charity (UK registration number 1103021) of which Lord Edmiston and A Edmiston are Trustees.

Key management of the Company are considered to be the directors. The total remuneration of the directors is covered in note 10.

**32 Post balance sheet events**

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

**33 Cash generated from operations**

	2023 £'000	2022 £'000
Profit for the financial year	24,275	28,306
<b>Adjustments for:</b>		
Corporation tax expense recognised in Statement of Comprehensive Income	7,856	4,559
Gain on disposal of tangible fixed assets	(767)	(433)
Amortisation, write-off and impairment of intangible assets	1,529	1,826
Depreciation of tangible fixed assets	4,234	3,595
Share of profit from associates	(1,532)	(1,580)
Exchange adjustments	(250)	(9,832)
Interest received	(1,751)	(4,894)
Interest payable	8,614	28,351
Rent smoothing adjustment for lease incentives	-	(886)
Gain on sale of investment properties and properties under construction	-	(19,293)
Fair value gains / (losses) on investment properties and properties under construction	-	41,564
Charitable donation of investment property	-	49,801
Fair value gains on foreign exchange contracts	-	(22,360)
<b>Operating cash flows before movements in working capital</b>	<b>42,208</b>	<b>98,724</b>
Increase in stock	(30,867)	(109,759)
Increase in trade and other debtors	(31,893)	(96,589)
Increase in trade and other creditors	8,184	79,497
Increase / (Decrease) in provisions	2,914	(3,019)
	<b>(51,662)</b>	<b>(129,870)</b>
<b>Cash used in operations</b>	<b>(9,454)</b>	<b>(31,146)</b>

I.M. GROUP LIMITED  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
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33 Cash generated from operations (continued)

Net debt reconciliation

	At 1 January 2023	Cash flow	Other non- cash changes	At 31 December 2023
	£'000	£'000	£'000	£'000
Cash at bank and in hand	105,954	(5,115)	(301)	100,538
Bank Overdraft	-	(8,688)	-	(8,688)
Bank loans	(17,441)	-	314	(17,127)
Other loans	(59,100)	-	-	(59,100)
Interest rate derivative financial instruments	-	-	(928)	(928)
<b>Total</b>	<b>29,413</b>	<b>(13,803)</b>	<b>(915)</b>	<b>14,695</b>

Non-cash movements relate to:

Foreign exchange gains/(losses) on cash at bank, bank loans and other loans denominated in foreign currencies.

Interest rate derivative financial instruments represents the movement in the fair value of the derivative.

There are no restrictions over the use of the cash and cash equivalents balances which comprise cash at bank and in hand.

34 Ultimate parent company and ultimate controlling party

The immediate parent undertaking and controlling entity is IMG (UK) Holdings Limited, a Company incorporated in Jersey. The largest and only Group of publicly available financial statements in which the results of the Company are consolidated is that prepared by I.M. Group Limited.

Consolidated financial statements for I.M. Group Limited are available to the public from Companies Registration Office, Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

The ultimate controlling party is Lord Edmiston, who owns 100% of the issued share capital of IMG (UK) Holdings Limited.