

CANEI INTERNATIONAL LIMITED

REVISED ANNUAL REPORT

FOR THE YEAR ENDED 31 OCTOBER 2024

AMENDED

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CANEI INTERNATIONAL LIMITED

COMPANY INFORMATION

Directors

R L Bhardwaj
B K Bhardwaj
K K Bhardwaj
H Bhardwaj
N S Bhardwaj
D S K Bhardwaj
L K Bhardwaj
S D Bhardwaj

Company secretary

B K Bhardwaj

Registered number

02576310

Registered office

4brothers House
Wilsthorpe Road
Long Eaton
Nottingham
NG10 3LE

Independent auditor

Cooper Parry Group Limited
Statutory Auditor
Sky View
Argosy Road
East Midlands Airport
Castle Donington
Derby
DE74 2SA

CANEI INTERNATIONAL LIMITED

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Revised financial statements

These revised financial statements have been issued to replace the originally approved financial statements for the year ended 31 October 2024. These revised financial statements are now the company's statutory financial statements for the year ended 31 October 2024. They have been prepared as at the date of the original financial statements and not as at the date of the revision and accordingly do not deal with events between those dates. The original financial statements failed to comply with the Companies Act 2006 in that they did not contain all the dividends paid to directors' in the year. These statements and disclosures are inclusive of the necessary adjustments to correct the dividend charge in the year, resulting in a reduced net asset position as a result of these revisions.

CANEI INTERNATIONAL LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 OCTOBER 2024

Introduction

The principal activities of the company are that of car sales and servicing, and storage rental.

Business review

The results for the year and financial position of the company are shown in the annexed revised financial statements.

Following on from the previous year, we have again demonstrated business resilience and an ability to manage ongoing external pressures during 2024. The result is, that in spite of the external headwinds of challenging conditions, we have been able to trade profitably, with both cash and borrowing facilities continuing to be available for investment opportunities. Whilst the market for second hand cars has become more challenging during the year, the spread of revenue over divisions has seen the company maintain a strong gross profit margin.

At the same time, we have maintained a high standard of customer service excellence, which acts as a strong driver for customer base growth and plays an important part in reinforcing our reputation and maintaining our competitive advantage.

The board are satisfied with the trading performance during the year, achieving strong turnover and profits.

Also, the board are confident that the company remains well placed delivering a consistently reliable performance which will enable it to build on its investment for long term growth. The strategy put in place some years ago to enhance internal training procedures and the dedication of employees is delivering results.

Principal risks and uncertainties

Vehicle pricing risk could impact the company's business through fluctuations in prices in the nearly-new and used vehicle market. This risk is reduced by the company monitoring their selling prices on a regular basis against other key competitors in the market.

Interest rate risks are reduced by the company continuing to finance its operations through a mixture of retained profits and a stock financing facility.

Financial risks are considered low because of strong profitability, a cash generative base, and because the company are able to insure against material financial risks.

Liquidity risk is mitigated due to the company's strong cash flow, and a good earnings visibility ensures that its margins are sufficient to exceed operating costs. Current borrowing levels and financial covenants can be supported comfortably.

In the view of the directors the company has no material uncertainties as it is a well-established local business.

Analysis of development and performance

Sales activity continues to be buoyant and this should continue, with new customers continually attracted to the brand. The market for second hand cars remains challenging post year end however we continue to see positive growth in other divisions. This is expected to continue for the foreseeable future.

The company continues to offer a quality, customer-driven service across the whole business, helping to retain existing customers and to attract new ones.

CANEI INTERNATIONAL LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2024**

Analysis using financial key performance indicators

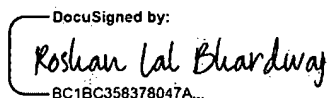
The financial key performance indicators are turnover from products and services, operating profit and profit before tax.

Turnover from products and services decreased slightly by 12% to 21.3m (2023: £24.2m). Operating profits have remained strong at £1.9m (2023: £1.6m). Profit before tax increased by 34% to £2m (2023: £1.5m).

Future developments

The company is aiming to increase sales whilst maintaining higher margins, with internet sales and diversification into specialist areas being a major factor in the growth process.

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

DocuSigned by:

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R L Bhardwaj
Director

Date: 29 July 2025

CANEI INTERNATIONAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2024

The directors present their report and the revised financial statements for the year ended 31 October 2024.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, the revised directors' report and the revised 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 revised financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the revised financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these revised financial statements, the directors are required to:

- select suitable accounting policies for the company's revised financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the revised financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the revised 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.

Results and dividends

The profit for the year, after taxation, amounted to £1,531,876 (2023: £1,175,738).

A dividend of £717,800 has been paid during the year (2023: £400,000).

Directors

The directors who served during the year were:

R L Bhardwaj
B K Bhardwaj
K K Bhardwaj
H Bhardwaj
N S Bhardwaj
D S K Bhardwaj
L K Bhardwaj
S D Bhardwaj

Strategic report

The company has chosen in accordance with section 414C(11) of the Companies Act 2006 (strategic report and director's report) Regulations 2013 set out in the company's strategic report for information required by the Large and Medium-sized companies and Groups (Accounts and Reports) Regulations 2008 Schedule 7 to be contained in the revised directors' report.

CANEI INTERNATIONAL LIMITED

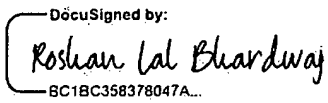
**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2024**

Disclosure of information to auditor

Each of the persons who are directors at the time when this revised directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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

DocuSigned by:

BC18C358378047A...

R L Bhardwaj
Director

Date: 29 July 2025

CANEI INTERNATIONAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CANEI INTERNATIONAL LIMITED

Opinion

We have audited the revised financial statements of Canei International Limited (the 'company') for the year ended 31 October 2024, which comprise the profit and loss account, the balance sheet, the statement of changes in equity, the statement of cash flows and the related notes, including a summary of significant accounting policies. These revised financial statements replace the original financial statements approved by the directors on 29 July 2025. 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).

The revised financial statements have been prepared under the Companies (Revision of Defective Accounts and Reports) Regulations 2008 and accordingly do not take account of events which have taken place after the date the original financial statements were approved.

In our opinion the revised financial statements:

- give a true and fair view, seen as at the date of the original financial statements were approved, of the state of the company's affairs as at 31 October 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, seen as at the date the original financial statements were approved; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as they have effect under the Companies (Revision of Defective Accounts and Reports) Regulations 2008.

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 revised financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the revised financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to note 1.1 to these revised financial statements which describes the need for revision of the directors' report, balance sheet, statement of changes in equity, statement of cash flows and the related party transactions note, because of a correction of a misstatement of dividends declared in the original financial statements. The original financial statements were approved on 29 July 2025 and our previous audit report was signed on that date. We have not performed a subsequent events review for the period from the date of our previous auditor's report to the date of this report. Our opinion is not modified in this respect.

Conclusions relating to going concern

In auditing the revised financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the revised financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the original 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.

CANEI INTERNATIONAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CANEI INTERNATIONAL LIMITED (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the revised financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the revised 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 revised 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 revised financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the revised directors' report for the financial year for which the revised financial statements are prepared is consistent with the revised financial statements; and
- the strategic report and the revised directors' report have been prepared in accordance with applicable legal requirements.
- In our opinion, the original financial statements for the year ended 31 October 2024 failed to comply with the requirements of the Companies Act 2006 in the respects identified by the directors in note 1.1 to the revised financial statements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the revised directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the revised financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the revised 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 revised financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the revised financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

CANEI INTERNATIONAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CANEI INTERNATIONAL LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the revised financial statements

Our objectives are to obtain reasonable assurance about whether the revised 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 revised financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our assessment focused on key laws and regulations the company has to comply with and areas of the revised financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice and relevant tax legislation.

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but were not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework, through discussions with management, and a review of the legal and professional nominal codes and board minutes in the year and post year end;
- obtaining an understanding of the entity's policies and procedures and how the entity has complied with these, through discussions with management and walkthrough test of controls for key processes,
- designing our audit procedures to respond to our risk assessment; and
- performing audit testing over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias, specifically in relation to the valuation of investment properties and provisioning on stock balances.

In response to the risk of irregularities in relation to non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing revised financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims and reviewing legal and professional expenses.

Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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

A further description of our responsibilities for the audit of revised financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

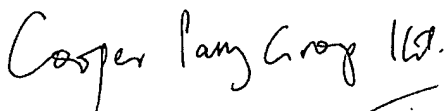
CANEI INTERNATIONAL LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CANEI INTERNATIONAL LIMITED
(CONTINUED)**

We are also required to report whether in our opinion the original financial statements failed to comply with the requirements of the Companies Act 2006 in the respects identified by the directors. The audit of revised financial statements includes the performance of procedures to assess whether the revisions made by the directors are appropriate and have been properly made.

Use of our report

This report is made solely to the company's members, as a body, in accordance with the Companies (Revision of Defective Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Steven Ellis (Senior Statutory Auditor)

for and on behalf of

Cooper Parry Group Limited

Statutory Auditor

Sky View
Argosy Road
East Midlands Airport
Castle Donington
Derby
DE74 2SA

Date: 29 July 2025

CANEI INTERNATIONAL LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 2024**

	Note	2024 £	2023 £
Turnover	3	21,319,603	24,179,932
Cost of sales		(15,181,253)	(18,438,630)
Gross profit		<u>6,138,350</u>	<u>5,741,302</u>
Administrative expenses		(4,215,815)	(4,137,028)
Operating profit	4	1,922,535	1,604,274
Interest receivable and similar income	7	170,809	-
Interest payable and similar charges	8	(47,791)	(73,918)
Profit before tax		<u>2,045,553</u>	<u>1,530,356</u>
Tax on profit	9	(513,677)	(354,618)
Profit for the financial year		<u><u>1,531,876</u></u>	<u><u>1,175,738</u></u>

There were no recognised gains and losses for 2024 or 2023 other than those included in the profit and loss account.

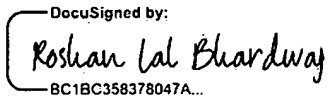
The notes on pages 14 to 28 form part of these revised financial statements.

CANEI INTERNATIONAL LIMITED
REGISTERED NUMBER: 02576310

BALANCE SHEET
AS AT 31 OCTOBER 2024

	Note	2024 £	2023 £
Fixed assets			
Intangible assets	11	-	-
Tangible assets	12	2,273,744	2,252,704
Investment property	13	1,330,000	1,330,000
		<u>3,603,744</u>	<u>3,582,704</u>
Current assets			
Stocks	14	4,543,413	4,922,864
Debtors: amounts falling due within one year	15	10,885,912	11,516,184
Bank and cash balances		5,406,048	3,535,449
		<u>20,835,373</u>	<u>19,974,497</u>
Creditors: amounts falling due within one year	16	<u>(8,691,534)</u>	<u>(8,600,767)</u>
Net current assets		12,143,839	11,373,730
Total assets less current liabilities		15,747,583	14,956,434
Provisions for liabilities			
Deferred tax	18	(222,142)	(245,069)
Net assets		<u>15,525,441</u>	<u>14,711,365</u>
Capital and reserves			
Called up share capital	19	1,011	1,011
Revaluation reserve	20	929,384	929,384
Other reserves	20	354,347	354,347
Profit and loss account	20	14,240,699	13,426,623
Shareholders' fund		<u>15,525,441</u>	<u>14,711,365</u>

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

DocuSigned by:

 BC1BC358378047A...

R L Bhardwaj
Director

Date: 29 July 2025

The notes on pages 14 to 28 form part of these revised financial statements.

CANEI INTERNATIONAL LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2024**

	Share capital £	Revaluation reserve £	Other reserves £	Profit and loss account £	Total equity £
At 1 November 2023	1,011	929,384	354,347	13,426,623	14,711,365
Profit for the year	-	-	-	1,531,876	1,531,876
Dividends paid	-	-	-	(717,800)	(717,800)
At 31 October 2024	1,011	929,384	354,347	14,240,699	15,525,441

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2023**

	Share capital £	Revaluation reserve £	Other reserves £	Profit and loss account £	Total equity £
At 1 November 2022	1,000	929,384	354,347	12,650,885	13,935,616
Profit for the year	-	-	-	1,175,738	1,175,738
Dividends paid	-	-	-	(400,000)	(400,000)
Shares issued during the year	11	-	-	-	11
At 31 October 2023	1,011	929,384	354,347	13,426,623	14,711,365

The notes on pages 14 to 28 form part of these revised financial statements.

CANEI INTERNATIONAL LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 OCTOBER 2024

	2024 £	2023 £
Cash flows from operating activities		
Profit for the financial year	1,531,876	1,175,738
Adjustments for:		
Depreciation of tangible fixed assets	141,838	132,890
Interest paid	47,791	73,918
Interest received	(170,809)	-
Taxation charge	513,677	365,845
Decrease in stocks	379,451	706,632
Decrease/(increase) in debtors	630,272	(4,066,655)
Increase in creditors	474,597	306,933
Corporation tax (paid)	(342,750)	(559,422)
Net cash generated from operating activities	<u>3,205,943</u>	<u>(1,864,121)</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(162,878)	(145,208)
Interest received	170,809	-
Net cash from investing activities	<u>7,931</u>	<u>(145,208)</u>
Cash flows from financing activities		
Issue of ordinary shares	-	11
Movement on directors' loan	(160,225)	218,518
Repayment of secured loans	-	(824,078)
Other loans repaid	(56,826)	-
Dividends paid	(717,800)	(400,000)
Interest paid	(47,791)	(73,918)
Net cash used in financing activities	<u>(982,642)</u>	<u>(1,079,467)</u>
Net increase/(decrease) in cash and cash equivalents	<u>2,231,232</u>	<u>(3,088,796)</u>
Cash and cash equivalents at beginning of year	2,863,704	5,952,500
Cash and cash equivalents at the end of year	<u><u>5,094,936</u></u>	<u><u>2,863,704</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	5,406,048	3,535,449
Bank overdrafts	(311,112)	(671,745)
	<u><u>5,094,936</u></u>	<u><u>2,863,704</u></u>

The notes on pages 14 to 28 form part of these revised financial statements.

CANEI INTERNATIONAL LIMITED

ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 OCTOBER 2024

	At 1 November 2023 £	Cash flows £	At 31 October 2024 £
Cash at bank and in hand	3,535,449	1,870,599	5,406,048
Bank overdrafts	(671,745)	360,633	(311,112)
Debt due within 1 year	(3,170,464)	217,051	(2,953,413)
	<u>(306,760)</u>	<u>2,448,283</u>	<u>2,141,523</u>

The notes on pages 14 to 28 form part of these revised financial statements.

CANEI INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2024

1. Accounting policies

Canei International Limited is a limited liability company incorporated and domiciled in the United Kingdom. The address of its registered office is shown on the company information page.

The revised financial statements are prepared in Sterling (£) which is the functional currency of the company. The revised financial statements are for the year ended 31 October 2024 (2023: year ended 31 October 2023).

1.1 Revised financial statements

These revised financial statements have been issued to replace the originally approved financial statements for the year ended 31 October 2024. These revised financial statements are now the company's statutory financial statements for the year ended 31 October 2024. They have been prepared as at the date of the original financial statements and not as at the date of the revision and accordingly do not deal with events between those dates.

The original financial statements failed to comply with the Companies Act 2006 in that they did not correctly state the value of dividends declared to directors and close family members of the directors. These statements and disclosures are inclusive of the necessary adjustment to the dividends declared in the year. The impact of this has been to increase to dividends declared by £217,800 resulting in a reduced net asset position by the same amount.

1.2 Basis of preparation of revised financial statements

The revised financial statements have been prepared on a going concern basis under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard (FRS) 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of revised financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires directors to exercise judgement in applying the company's accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the revised financial statements are disclosed in note 2.

The following principal accounting policies have been applied consistently throughout the year:

1.3 Going concern

At the balance sheet date the company had a cash balance (net of overdraft) of £5,094,936, net current assets of £12,143,839, and net assets of £15,525,441. At the original time of signing these accounts, the directors have considered the going concern position, and consider that this does indicate that the company will continue to trade for a period of at least 12 months from the original date of signing these accounts.

On that basis, the directors have prepared these revised financial statements on a going concern basis.

CANEI INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2024

1. Accounting policies (continued)

1.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Sale of motor vehicles and accessories

Turnover from the sale of motor vehicles and accessories is recognised when the vehicle has been collected by the customer and the risks and rewards of ownership have passed.

Sale of motor related services

Turnover from motor related services include car servicing, MOT tests and warranties. Sales of related services are recognised when the product is supplied to the customer. Costs in relation to warranties are expensed to the profit and loss account as incurred.

Commission receivable

Where the company receives commission income, primarily arising when the customer uses third-party finance to purchase the vehicle, the company recognises such income on an accruals basis.

Other income

Other income relates to rental income received from investment properties and storage units. Other income is recognised on an accruals basis for the duration of the contract.

1.5 Interest income

Interest income is recognised in the profit and loss account using the effective interest method.

1.6 Intangible fixed assets

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the profit and loss account over its useful economic life of five years.

CANEI INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2024

1. Accounting policies (continued)

1.7 Tangible fixed assets

Tangible fixed assets are stated at historical cost, as modified by the revaluation of freehold properties, less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Repairs and maintenance are charged to the profit and loss account during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold property	- 2% on cost
Short-term leasehold property	- 20% to 33.3% on cost
Plant and machinery	- 15% reducing balance
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 10% reducing balance
Computer equipment	- 25% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the profit and loss account.

At each balance sheet date, the company reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of the asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognised as an expense immediately in the profit and loss account.

1.8 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in the profit and loss account.

CANEI INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2024

1. Accounting policies (continued)

1.9 Investment property

Investment property is carried at fair value determined annually by the directors based on advice from professional surveyors and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the profit and loss account.

1.10 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the profit and loss account.

1.11 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors, loans from other third parties and loans with related parties.

All financial assets and liabilities are initially measured at transaction price and subsequently measured at amortised cost.

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

1.12 Leasing

Operating lease payments are recognised as an expense in the profit and loss account on a straight-line basis over the lease term.

1.13 Dividends

Equity dividends are recognised when they become legally payable.

1.14 Pensions

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

CANEI INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2024**

1. Accounting policies (continued)

1.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the profit and loss account in the year that the company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

1.16 Taxation

The tax charge for the year comprises of current and deferred tax.

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

CANEI INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2024**2. Judgements in applying accounting policies and key sources of estimation uncertainty**

The company makes estimates and assumptions concerning the future. The directors are also required to exercise judgement in the process of applying the company's accounting policies. 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 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 addressed below.

In preparing these revised financial statements, the directors have made the following judgements:

Investment properties

Critical estimates, assumptions and judgements relate to the determination of the carrying value of investment properties at fair value through the profit and loss account. In determining this, the company applies the overriding concept that fair value is the amount for which an asset can be exchanged between knowledgeable willing parties in an arm's length transaction. The nature, facts and circumstances of the investment drives the valuation methodology.

Carrying value of stocks

The directors review the market value of and demand for its stocks on a periodic basis to ensure stock is recorded in the revised financial statements at the lower of cost and net realisable value. Any provision for impairment is recorded against the carrying value of stocks. The directors use their knowledge of market conditions, historical experiences and estimates of future events to assess future demand for the company's products and achievable selling prices.

3. Turnover

An analysis of turnover by class of business is as follows:

	2024	2023
	£	£
Sales of motor vehicles and accessories	14,089,717	17,188,616
Sales of motor related services	6,553,723	6,227,636
Commissions receivable	133,307	220,568
Other income	542,856	543,112
	<u>21,319,603</u>	<u>24,179,932</u>

All turnover arose within the United Kingdom.

4. Operating profit

The operating profit is stated after charging:

	2024	2023
	£	£
Depreciation of tangible fixed assets	141,838	132,890
Auditor's remuneration	13,075	12,500
Other operating lease rentals	247,423	219,412

CANEI INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2024**

5. Employees

Staff costs, including directors' remuneration, were as follows:

	2024 £	2023 £
Wages and salaries	2,400,407	2,398,050
Social security costs	236,254	232,418
Cost of defined contribution scheme	44,677	43,943
	<u>2,681,338</u>	<u>2,674,411</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2024 No.	2023 No.
Operational	75	77
Directors	3	2
	<u>78</u>	<u>79</u>

6. Directors' remuneration

	2024 £	2023 £
Directors' emoluments	67,292	60,000
Company contributions to defined contribution pension schemes	1,426	1,426
	<u>68,718</u>	<u>61,426</u>

During the year retirement benefits were accruing to 2 directors (2023: 2) in respect of defined contribution pension schemes.

7. Interest receivable

	2024 £	2023 £
Bank interest receivable	170,809	-
	<u>170,809</u>	<u>-</u>

CANEI INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2024**

8. Interest payable and similar expenses

	2024	2023
	£	£
Bank interest payable	45,969	71,402
On other loans	1,822	2,516
	<u>47,791</u>	<u>73,918</u>

9. Taxation

	2024	2023
	£	£
Corporation tax		
Current tax on profits for the year	536,635	343,391
Adjustments in respect of previous periods	1,129	-
Total current tax	<u>537,764</u>	<u>343,391</u>
Deferred tax		
Origination and reversal of timing differences	(24,087)	11,227
Total deferred tax	<u>(24,087)</u>	<u>11,227</u>
Taxation on profit	<u>513,677</u>	<u>354,618</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2023: higher than) the standard rate of corporation tax in the UK of 22.52% (2023: 22.52%). The differences are explained below:

	2024	2023
	£	£
Profit before tax	<u>2,045,553</u>	<u>1,530,356</u>
Profit multiplied by standard rate of corporation tax in the UK of 25% (2023:22.52%)	511,388	379,952
Effects of:		
Fixed asset differences	-	8,815
Expenses not deductible for tax purposes	-	90
Adjustments to tax charge in respect of prior periods	1,129	-
Other timing differences	1,160	(35,355)
Remeasurement of deferred tax for changes in rates	-	1,116
Total tax charge for the year	<u>513,677</u>	<u>354,618</u>

CANEI INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2024**

9. Taxation (continued)

Factors that may affect future tax charges

There are no factors affecting future tax charges.

10. Dividends

	2024	2023
	£	£
Dividends paid	717,800	400,000

11. Intangible fixed assets

	Goodwill
	£
Cost	
At 1 November 2023	84,050
At 31 October 2024	84,050
Amortisation	
At 1 November 2023	84,050
At 31 October 2024	84,050
Net book value	
At 31 October 2024	-
At 31 October 2023	-

CANEI INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2024

12. Tangible fixed assets

	Freehold property £	Short- term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost							
At 1 November 2023	1,820,000	312,868	555,472	188,648	512,543	101,519	3,491,050
Additions	-	-	148,542	9,848	-	4,488	162,878
At 31 October 2024	1,820,000	312,868	704,014	198,496	512,543	106,007	3,653,928
Depreciation							
At 1 November 2023	109,989	142,059	336,076	147,729	408,994	93,499	1,238,346
Charge for the year	36,400	25,962	55,190	11,140	10,455	2,691	141,838
At 31 October 2024	146,389	168,021	391,266	158,869	419,449	96,190	1,380,184
Net book value							
At 31 October 2024	1,673,611	144,847	312,748	39,627	93,094	9,817	2,273,744
At 31 October 2023	1,710,011	170,809	219,396	40,919	103,549	8,020	2,252,704

The company's freehold property was re-valued in September 2021 by Geo Hallam & Sons, which is regulated by RICS.

The valuations were performed on a market value basis. In arriving at the opinion of the market value of the properties the valuers have taken into consideration the trading information to arrive at the level of Fair Maintainable Operating Profit (FMOP) the Reasonably Efficient Operator would derive from the Fair Maintainable Turnover. The FMOP has then been capitalised at an appropriate multiplier reflecting the risk and reward of the properties and the trading potential of the properties.

The carrying amount of freehold property, had the assets been carried under the cost model was £965,320 (2023: £1,002,430).

CANEI INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2024**

13. Investment property

	Freehold investment property £
Valuation	
At 1 November 2023	1,330,000
At 31 October 2024	<u>1,330,000</u>

The 2024 valuations were made by the directors, on a book value method for existing use basis.

14. Stocks

	2024 £	2023 £
Goods for resale	<u>4,543,413</u>	<u>4,922,864</u>

15. Debtors

	2024 £	2023 £
Trade debtors	102,605	166,004
Other debtors	10,768,261	11,340,336
Prepayments and accrued income	15,046	9,844
	<u>10,885,912</u>	<u>11,516,184</u>

CANEI INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2024**

16. Creditors: Amounts falling due within one year

	2024	2023
	£	£
Bank overdrafts	311,112	671,745
Other loans	2,953,413	3,170,464
Trade creditors	244,466	263,758
Corporation tax	335,475	141,621
Other taxation and social security	419,945	253,336
Other creditors	4,390,184	4,061,861
Accruals and deferred income	36,939	37,982
	<u>8,691,534</u>	<u>8,600,767</u>

Other loans include a stocking loan of £2,880,660 (2023: £2,937,486) which is secured against a debenture over the assets of the company and first unlimited priority over the stockholding of the company. This is supported by joint and several personal guarantees from B K Bhardwaj, R L Bhardwaj and K K Bhardwaj.

The overdrafts are secured and supported by a legal charge over the freehold and investment property.

17. Loans

Analysis of the maturity of loans is given below:

	2024	2023
	£	£
Amounts falling due within one year		
Other loans	<u>2,953,413</u>	<u>3,170,464</u>

CANEI INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2024**

18. Deferred taxation

	2024 £	2023 £
At beginning of year	245,069	233,842
Charged to the profit and loss account	(22,927)	11,227
At end of year	222,142	245,069

The provision for deferred taxation is made up as follows:

	2024 £	2023 £
Fixed asset timing differences	21,754	45,759
Short term timing differences	(952)	(2,031)
Capital gains	201,340	201,341
	222,142	245,069

19. Share capital

	2024 £	2023 £
Allotted, called up and fully paid		
800 (2023: 800) Ordinary A shares of £1 each	800	800
200 (2023: 200) Ordinary B shares of £1 each	200	200
1 (2023: 1) Dividend A share of £1	1	1
1 (2023: 1) Dividend B share of £1	1	1
1 (2023: 1) Dividend C share of £1	1	1
1 (2023: 1) Dividend D share of £1	1	1
1 (2023: 1) Dividend E share of £1	1	1
1 (2023: 1) Dividend F share of £1	1	1
1 (2023: 1) Dividend G share of £1	1	1
1 (2023: 1) Dividend H share of £1	1	1
1 (2023: 1) Dividend I share of £1	1	1
1 (2023: 1) Dividend J share of £1	1	1
1 (2023: 1) Dividend K share of £1	1	1
	1,011	1,011

All ordinary shares rank pari-passu and have the same voting rights attached.

The A Dividend Only, B Dividend Only, C Dividend Only, D Dividend Only, E Dividend Only, F Dividend Only, G Dividend Only, H Dividend Only, I Dividend Only, J Dividend Only and K Dividend Only shares do not hold a right to vote, but do confer full rights to dividend and capital distributions, which are limited to an amount equal to their issue price. The shares are not redeemable.

CANEI INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2024

20. Reserves

Revaluation reserve

The revaluation reserve represents amounts revalued in relation to freehold and investment properties.

Other reserves

Other reserves relates to unrealised gains on the revaluation of investment properties.

Profit and loss account

The profit and loss account represents accumulated profits and losses for prior periods less dividends paid.

21. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £44,677 (2023: £43,943). Contributions totaling £8,888 (2023: £8,125) were payable to the fund at the balance sheet date.

22. Commitments under operating leases

At 31 October 2024 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2024 £	2023 £
Not later than 1 year	57,134	57,134
Later than 1 year and not later than 5 years	168,534	213,229
Later than 5 years	-	12,596
	<u>225,668</u>	<u>282,959</u>

CANEI INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2024

23. Related party transactions

	2024 £	2023 £
Dividends paid to directors	354,800	200,000
Dividends paid to close family members	363,000	200,000
Amounts due to directors	72,753	232,978
Amounts due to companies in which a director has a significant interest	4,366,298	3,974,601
Amounts due to companies in which a director has a close family member who is a director and has significant influence	-	64,137
Amounts due from companies in which a director has a significant interest	10,768,261	11,340,333
Rent paid to companies in which a director has a significant interest	186,875	185,665
Rent received from companies in which a director has a significant interest	80,496	68,812
Purchases made to companies in which a director has a significant interest	154,765	-
	<u>16,347,248</u>	<u>16,266,526</u>

The amounts due to directors is interest free, unsecured and has no fixed repayment date.

The directors consider there to be no key management personnel, other than the directors, who have authority and responsibility for planning, directing and controlling the activities of the company.

24. Controlling party

The company is controlled by R L Bhardwaj, B K Bhardwaj, K K Bhardwaj and S D Bhardwaj by virtue of their majority shareholding.