COMPANY REGISTRATION NUMBER: 00653461

Gravell's Limited

Financial Statements

31 December 2021

Gravell's Limited

Financial Statements

Year ended 31 December 2021

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Officers and Professional Advisers

Director	Mr J Gravell
Company secretary	Mr K Evans
Registered office	Service Centre Pembrey Road Kidwelly Carmarthenshire SA17 4TF
Auditor	James & Uzzell Ltd Chartered Certified Accountants & statutory auditor Axis 15, Axis Court Mallard Way Riverside Business Park Swansea SA7 0AJ

Gravell's Limited

Strategic Report

Year ended 31 December 2021

The director presents his strategic report for the year ended 31 December 2021. REVIEW OF BUSINESS The director undertakes a detailed analysis of the company's position during the year and at the year end using turnover and profitability as the key performance indicators as detailed below.

PRINCIPAL RISKS AND UNCERTAINTIES

The company operates in a competitive market and has reliance on a very good reputation and providing a quality service. The company's trading activities are all within the United Kingdom and therefore it does not expose itself to fluctuating exchange rates. The principal risk facing the company is the strength of the UK economy and following from that the demand for its products. The company has maintained positive growth during the last twelve months considering the COVID and Brexit impact through its ability to offer innovative and value added products and services to its new and existing customer base while maintaining a high standard of service. The company continues to invest in it's underlying systems and constantly seeks to identify opportunities for growth. The company's performance is heavily influenced by the fortunes of the franchises it represents. Given the longstanding and successful relationship the company enjoys with each of its core franchises it is considered that such risks have to a large extent been mitigated.

DEVELOPMENT AND PERFORMANCE

The results for the year and the financial position at the year end was considered satisfactory by the director. The director continues to identify growth strategies and improve the efficiency of the business operations.

FINANCIAL KEY PERFORMANCE INDICATORS

The key performance indicators are set out below:

	2021	2020	Variance
	£	£	
Turnover	96,288,098	76,531,092	19,757,006
Gross Profit	7,606,593	4,600,161	3,112,723
Gross Profit %	7.9%	6.0%	1.4%
Profit before tax	4,909,708	2,371,992	2,537,716
Profit before tax %	5.1%	3.1%	2%
Number of cars sold	6,643	5,596	1,047
Used vehicle turnover	43,321,053	30,738,665	12,582,388
New vehicle turnover	42,485,852	36,707,377	5,778,475

NON FINANCIAL KEY PERFORMANCE INDICATORS

SUSTAINABILITY The company continues to offer high levels of customer satisfaction as we believe this to be the key for the ongoing success of the company. The company continues to win franchise partner customer service awards. The company prides ourselves on the high level of returning customers and continue to offer them great choice with our expanding franchise ambitions and top-level customer care. The company is a responsible business and constantly looking to reduce waste and follow guidance on emission targets. This is highlighted by the company's large range of low emission vehicles held in stock, utilisation of solar panels at all dealerships, increased provision of electric vehicle charge points across the group as well as the company's responsible disposal of waste from the company's workshops. HEALTH & SAFETY The health & safety of its workforce and staff with responsibility to third parties is a principal priority of the company. This is embraced with a focus on a behavioural based approach which is planned to underpin all activities and drive improvement strategy for health & safety issues forward. TRAINING The company is proactive throughout the business with regards to the training of staff from the administration office through to the workshop floor. The continuing high level of employee training is key to the company's ongoing success. ENVIRONMENT The company recognises its responsibilities in continually minimising the impact of activities on the environment. This is evident in many ways, from company cars being encouraged with low emission engines to electric and hybrid vehicles being on sale. The company also provides battery electric and plug-in hybrid courtesy vehicles for it's service courtesy customers. QUALITY The company prides itself on a top-class customer service team focusing on building excellent relationships with the customers. The aim is not only to meet customer expectations but to exceed them.

SECTION 172(1) STATEMENT

The revised UK Corporate Governance Code ('2018 Code') was published in July 2018 and applies to accounting periods beginning on or after January 1, 2019. The Companies (Miscellaneous Reporting) Regulations 2018 ('2018 MRR') require Directors to explain how they considered the interests of key stakeholders and the broader matters set out in section 172(1) (A) to (F) of the Companies Act 2006 ('S172') when performing their duty to promote the success of the Company under S172. This includes considering the interest of other stakeholders which will have an impact on the long-term success of the company. The Board welcomes the direction of the UK Financial Reporting Council (the 'FRC'). This S172 statement, which is reported for the first time, explains how Gravell's Director: 1) has engaged with employees, suppliers, customers and others; and 2) has had regard to employee interests, the need to foster the company's business relationships with suppliers, customers and other, and the effect of that regards, including on the principal decisions taken by the company during the financial year. The S172 statement focuses on matters of strategic importance to Gravell's, and the level of information disclosed is consistent with the size and the complexity of the business. GENERAL CONFIRMATION OF DIRECTOR'S DUTIES Gravell's Board has a clear framework for determining the matters within its remit. When making decisions, the Director ensures that he acts in the way he considers, in good faith, would most likely promote the Company's success for the benefit of its members as a whole, and in doing so have regard (among other matters) to: S172(1) (A) "The likely consequences of any decision in the long term" The Director understands the business and the evolving environment in which we operate. The strategy set by the Board is intended to strengthen our position within the motor trade by following it's strategic ambitions. S172(1) (B) "The interests of the company's employees" The Director recognises that Gravell's employees are fundamental and core to our business and delivery of our strategic ambitions. The success of our business depends on attracting, retaining and motivating employees. From ensuring that we remain a responsible employer, from pay and benefits to our health, safety and workplace environment, the Director factors the implications of decisions on employees and the wider workforce, where relevant and feasible. S172(1) (C) "The need to foster the company's business relationships with suppliers, customers and others" Delivering our strategy requires strong mutually beneficial relationships with suppliers, customers, and others. Gravell's seeks the promotion and application of certain general principles in such relationships. Our key supplier relationships are our manufacturer partners Groupe Renault, Kia Motors and SEAT. We also have strong working relationships with our commercial lenders and finance houses for new vehicle stocking. We also focus on supporting local business across our dealerships to provide required products and services. We focus on a limited number of key relationship partners to support the business. S172(1) (D) "The impact of the company's operations on the community and the environment" The company recognises it's environmental responsibilities as referred to earlier in the Strategic report. S172(1) (E) "The desirability of the company maintaining a reputation for high standards of business conduct" In line with the company's strategic plan, it always promotes high standards in all areas. S172(1) (F) "The need to act fairly as between members of the company" After weighing up all relevant factors, the Director considers which course of action best enables delivery of our strategy through the long-term, taking into consideration the impact on stakeholders. In doing so, our Director acts fairly as between the Company's members.

This report was approved by the board of directors on 28 September 2022 and signed on behalf of the board by:

Jonathan Gravell

Mr J Gravell

Director

Gravell's Limited

Director's Report

Year ended 31 December 2021

The director presents his report and the financial statements of the company for the year ended 31 December 2021 .

DIRECTOR

The director who served the company during the year was as follows:

Mr J Gravell

DIVIDENDS

Particulars of recommended dividends are detailed in note 14 to the financial statements.

FUTURE DEVELOPMENTS

The director aims to maintain the management policies which have resulted in the company's steady trading in recent years and continue to focus on sustained profitability and growth within its existing core franchise operations.

GREENHOUSE GAS EMISSIONS AND ENERGY CONSUMPTION

	Unit	2021
Total emissions generated through combustion of gas	tCO2e	135
Total emissions generated through use of purchased electricity	tCO2e	150
Total emissions generated through business travel and other fuels	tCO2e	69
Total emissions	tCO2e	354
Intensity ration (total gross emissions)		3.70

PRINCIPAL MEASURES TAKEN TO INCREASE ENERGY EFFICIENCY

The company recognises that its trading activities have an impact on the environment and environmental awareness is one of the business' core values.

The company minimises the effect on motor retailing on the environment, and reviews and controls the key areas of its business that may have an impact on the environment including asbestos, contamination, noise, recycled waste, tyre disposal and waste oil.

The company monitors its energy consumption through regular energy saving reviews and has installed solar panels at all of its sites which contributes to its net zero ambition. The company has installed LED lighting across all of its dealerships and has installed heat pump solutions at 4 dealerships with plans to rollout further. The company also operates battery electric courtesy cars with a minimum of 6 charging points at each dealership with plans for further charging installations. The company also plans to implement battery storage solutions to reduce further its energy usage across the dealershi

EMPLOYEE INVOLVEMENT

The company involves its employees in its objectives, plans and performance and on other relevant matters of interest to employees through various communication methods and regular company meetings and encourage employees to express their views in helping the company achieve long term success. The company is committed to its policy of training and developing its workforce to ensure its client needs and expectations are met to the highest standard.

FINANCIAL INSTRUMENTS

The company operates a number of risk management policies designed to minimise it's exposure to financial risk.

Liquidity and cash flow risk

The company produces detailed monthly management accounts and forecasts, which enables the director to monitor the cash position and to ensure there is sufficient liquidity and cash flow to minimise the risk of the company being unable to pay its debts as they fall due.

Interest rate risk

The bank overdraft borrowings at variable rates expose the company to cash flow interest rate risk, however, the director actively manages this risk by transferring funds between group company bank accounts in order to minimise the use of overdraft facilities.

Credit risk

The company operates a number of policies and controls to minimise credit risk. All customers are subject to a detailed credit review prior to any terms being agreed. The director must authorise any larger value contracts and the company will only conduct business with customers deemed to be credit worthy.

Within the short term hire division customers may also be subject to credit review, especially where such customers are commercial entities who may hire a number of vehicles at any time.

Price risk

The company operates in a highly competitive market. Significant product innovations, technological advances or the intensification of price competition could adversely affect the results of the company. Gravell's Limited invest in significant training of its staff to ensure that the company is well placed to provide a choice for customers, to ensure that they are aware of their options and are satisfied with the level of service we provide. The company also continually works to streamline its cost base to ensure it remains competitive.

RESEARCH AND DEVELOPMENT

The company has implemented a policy of investment in research and development in order to create a competitive position in the market

BUSINESS RELATIONSHIPS

As referred to in the Section 172(1) Statement of the Strategic report, the company's main business relationships are with it's manufacturer partners.

QUALIFYING INDEMNITY PROVISION

The Articles of Association of the Company contain an indemnity in favour of all the Directors of the Company that, subject to law, indemnifies the Directors, out of the assets of the Company, from any liability incurred by them in defending any proceedings in which judgement is given in their favour (or otherwise disposed of without any finding or admission of any material breach of duty on their part).

ENVIRONMENTAL MATTERS

The group recognises the importance of its environmental responsibilities and accepts that concern for the environment and all employees is an integral and fundamental part of its corporate business strategy. The group monitors its impact on the environment and endeavours to design and implement policies and processes to reduce any damage that might be caused by the group's activities. Initiatives include the safe disposal of commercial waste, the minimisation of waste going to landfill, reducing energy consumption and the use of renewable natural resources where possible.

DISCLOSURE OF INFORMATION IN THE STRATEGIC REPORT

The company has chosen in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

DIRECTOR'S RESPONSIBILITIES STATEMENT

The director is responsible for preparing the strategic report, director's report and the financial statements in accordance with applicable law and regulations. Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period. In preparing these financial statements, the director is required to: - select suitable accounting policies and then apply them consistently; - make judgments 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; - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. The director is 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. The director is 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. He is 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. DISCLOSURE OF INFORMATION TO THE AUDITORS

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and - they have taken all steps that they ought to have taken as a director to make themselves 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 of directors on 28 September 2022 and signed on behalf of the board by:

Jonathan Gravell

Mr J Gravell

Director

Independent Auditor's Report to the Member of Gravell's Limited

Year ended 31 December 2021

OPINION

We have audited the financial statements of Gravell's Limited (the 'company') for the year ended 31 December 2021 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice). In our opinion the financial statements: - give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended; - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; - have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The director is responsible for the other information. 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. In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

OPINIONS 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the director's report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: - adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or - the financial statements are not in agreement with the accounting records and returns; or - certain disclosures of director's remuneration specified by law are not made; or - we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF THE DIRECTOR

As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below: - We obtained an understanding of the legal regulatory frameworks that are applicable to the company and determined that the most significant of those relate to the reporting framework (United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Stand as applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)) and the relevant tax compliance regulations, principally relating to those issued by HMRC. In addition, we concluded that there are certain significant laws and regulations which may have an effect on the determination of the amounts and disclosures in the financial statements being the General Data Protection Regulation, and those laws and regulations relating to health and safety and employee matters. - We understood how the company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of Board minutes and by understanding the entity level controls implemented by those charged with governance. - We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where it considered there was susceptibility to fraud. We also considered where the significant estimates and judgements are in the financial statements. We assessed the programmes and controls that the Company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls. Where risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures including testing manual journals and were designed to provide reasonable assurance that the financial statements were free from fraud or error. - Based on this understanding we designed our audit procedures to identify non compliance with such laws and regulations. Our procedures involved, journal entry testing, with a focus on manual journals or unusual transactions based on our understanding of the business. Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also: - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director. - Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern. - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. USE OF OUR REPORT

This report is made solely to the company's member, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member 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 member as a body, for our audit work, for this report, or for the opinions we have formed.

ALISON JAYNE UZZELL FCCA

(Senior Statutory Auditor)

For and on behalf of

James & Uzzell Ltd

Chartered Certified Accountants & statutory auditor

Axis 15, Axis Court

Mallard Way

Riverside Business Park

Swansea

SA7 0AJ

28 September 2022

Gravell's Limited

Statement of Comprehensive Income

Year ended 31 December 2021

	Note	2021	2020
		£	£
TURNOVER	4	96,288,098	76,531,092
Cost of sales		88,681,505	71,930,931
GROSS PROFIT		7,606,593	4,600,161
Administrative expenses		3,463,688	3,244,440
Other operating income	5	298,023	1,103,730
OPERATING PROFIT	6	4,440,928	2,459,451
Income from other fixed asset investments	10	543,648	–
Other interest receivable and similar income	11	919	602
Interest payable and similar expenses	12	75,787	88,061
PROFIT BEFORE TAXATION		4,909,708	2,371,992
Tax on profit	13	833,111	246,376
PROFIT FOR THE FINANCIAL YEAR AND TOTAL COMPREHENSIVE INCOME		4,076,597	2,125,616

All the activities of the company are from continuing operations.

Gravell's Limited

Statement of Financial Position

31 December 2021

	Note	2021	2020
		£	£
FIXED ASSETS			
Tangible assets	**15**	6,388,542	4,111,015
Investments	**16**	4,123,392	2,219,001
		10,511,934	6,330,016
CURRENT ASSETS			
Stocks	**17**	10,812,702	11,086,467
Debtors	**18**	2,149,391	3,819,574
Cash at bank and in hand		181,822	2,691,507
		13,143,915	17,597,548
CREDITORS: amounts falling due within one year	**19**	11,186,220	14,010,019
NET CURRENT ASSETS		1,957,695	3,587,529
TOTAL ASSETS LESS CURRENT LIABILITIES		12,469,629	9,917,545
CREDITORS: amounts falling due after more than one year	**20**	–	225,000
PROVISIONS			
Taxation including deferred tax	**21**	792,268	546,781
NET ASSETS		11,677,361	9,145,764
CAPITAL AND RESERVES			
Called up share capital	**25**	225,000	225,000
Revaluation reserve	**26**	534,648	–
Profit and loss account	**26**	10,917,713	8,920,764
SHAREHOLDER FUNDS		11,677,361	9,145,764

These financial statements were approved by the board of directors and authorised for issue on 28 September 2022 , and are signed on behalf of the board by:

Mr J Gravell

Director

Company registration number: 00653461

Gravell's Limited

Statement of Changes in Equity

Year ended 31 December 2021

	Note	Called up share capital	Revaluation reserve	Profit and loss account	**Total**
		£	£	£	**£**
AT 1 JANUARY 2020		225,000	–	6,990,148	7,215,148
Profit for the year				2,125,616	2,125,616
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		–	–	2,125,616	2,125,616
Dividends paid and payable	**14**	–	–	(195,000)	(195,000)
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS		–	–	(195,000)	(195,000)
AT 31 DECEMBER 2020		225,000	–	8,920,764	9,145,764
Profit for the year				4,076,597	4,076,597
Other comprehensive income for the year	**24**	–	534,648	(534,648)	–
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		–	534,648	3,541,949	4,076,597
Dividends paid and payable	**14**	–	–	(1,545,000)	(1,545,000)
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS		–	–	(1,545,000)	(1,545,000)
AT 31 DECEMBER 2021		225,000	534,648	10,917,713	11,677,361

Gravell's Limited

Notes to the Financial Statements

Year ended 31 December 2021

1. GENERAL INFORMATION

Gravell's Limited is a private company limited by shares, incorporated in England and Wales, United Kingdom. The address of the registered office is given in the company information on page 1 of these financial statements. The nature of the company's operations and principal activities are those of a wholesale and retail motor dealer.

2. STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparation

The reporting period of these financial statements and its comparative period is twelve months. These financial statements only include the results of the individual entity made up to 31 December 2021. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the company and rounded to the nearest £1. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Going concern

The company meets its day-to-day working capital requirements through its bank facilities. After making enquiries, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. This expectation also takes in to account the risks posed by Covid 19. The company's forecasts and projections, taking account reasonably the aforementioned possible changes in trading performance as a result of Covid 19 and Brexit, show that the company should be able to operate within the level of its current facilities. Therefore the company continues to adopt the going concern basis in preparing its financial statements.

Debtors and creditors receivable

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of JTG Holdings Limited which can be obtained from the registered office. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102: (a) No cash flow statement has been presented for the company. (b) Key management personnel compensation has not been presented for the company.

Employee benefits

When employees have rendered service to the company, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The company operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Research & development

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

Government grants

The company receives government grants in respect of COVID-19. These grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attaching to them and the grants will be received using the accrual model.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable net of VAT and trade discounts. The policies adopted for the recognition of turnover are as follows:

Turnover from the sale of vehicles, parts and services is recognised when the significant risks and rewards of ownership have been transferred to the buyer.

Short term hire and fleet turnover from continuing operations is calculated as being the total amount receivable in the normal course of business.

Income received in respect of interest, charges, finance and bonuses from the provision of finance agreements is recognised over the period in which receivables are due using the actuarial basis.

Interest income is recognised using the effective interest rate method.

Judgements and key sources of estimation uncertainty

The company makes estimates and assumptions concerning the future. The resulting accounting estimates 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 asset and liabilities within the next financial year are addressed below. Useful economic lives of tangible assets The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets. Stock provisioning The company sells vehicles and is subject to consumer demands. As a result it is necessary to consider the recoverability of the cost of stock and the associated provisioning required. When calculating the stock provision, management considers the nature and condition of the stock, as well as applying assumptions around anticipated saleability. Impairment of debtors The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

Tax

Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only 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 measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

Leases

Rentals payable and receivable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant & Machinery	-	3 to 50 years
Motor Vehicles	-	1 to 4 years

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value through profit or loss if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the assetâ€™s cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Provisions

Provisions are recognised when the company has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

4. TURNOVER

Turnover arises from:

	2021	2020
	£	£
Vehicle sales	85,806,905	67,446,042
Parts and service sales	6,596,139	5,849,658
Other sales	3,885,054	3,235,392
	96,288,098	76,531,092

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. OTHER OPERATING INCOME

	2021	2020
	£	£
Other operating income	298,023	1,103,730

6. OPERATING PROFIT

Operating profit or loss is stated after charging/crediting:

	2021	2020
	£	£
Depreciation of tangible assets	842,485	712,093
Gains on disposal of tangible assets	(382,698)	(102,444)
Impairment of trade debtors	(14,008)	473
Operating lease rentals	577,698	565,000

7. AUDITOR'S REMUNERATION

	2021	2020
	£	£
Fees payable for the audit of the financial statements	26,350	25,200

In accordance with SI 2008/489 the company has not disclosed the fees payable to the company's auditor for 'other services' as this information is included in the consolidated financial statements of JTG Holdings Limited

8. STAFF COSTS

The average number of persons employed by the company during the year, including the director, amounted to:

	2021	2020
	No.	No.
Production staff	85	85
Administrative staff	18	18
sales staff	34	35
	137	138

The aggregate payroll costs incurred during the year, relating to the above, were:

	2021	2020
	£	£
Wages and salaries	3,088,218	2,619,580
Social security costs	288,003	243,866
Other pension costs	203,570	234,792
	3,579,791	3,098,238

9. DIRECTOR'S REMUNERATION

The director's aggregate remuneration in respect of qualifying services was:

	2021	2020
	£	£
Remuneration	9,640	13,389
Company contributions to defined contribution pension plans	26,667	36,000
	36,307	49,389

The number of directors who accrued benefits under company pension plans was as follows:

	2021	2020
	No.	No.
Defined contribution plans	1	1

10. INCOME FROM OTHER FIXED ASSET INVESTMENTS

	2021	2020
	£	£
Gain/(loss) on fair value adjustment to other fixed asset investments	543,648	–

11. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	2021	2020
	£	£
Interest on cash and cash equivalents	919	602

12. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£	£
Interest on banks loans and overdrafts	5,559	3,125
Other interest payable and similar charges	70,228	84,936
	75,787	88,061

13. TAX ON PROFIT

Major components of tax expense

	2021	2020
	£	£
Current tax:		
UK current tax expense	587,624	191,590
Deferred tax:		
Origination and reversal of timing differences	245,487	54,786
Tax on profit	833,111	246,376

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2020: lower than) the standard rate of corporation tax in the UK of 19 % (2020: 19 %).

	2021	2020
	£	£
Profit on ordinary activities before taxation	4,909,708	2,371,992
Profit on ordinary activities by rate of tax	932,845	450,678
Adjustment to tax charge in respect of prior periods	(64,941)	–
Effect of expenses not deductible for tax purposes	(103,121)	(203,834)
Effect of capital allowances and depreciation	(177,159)	(55,254)
Deferred tax	245,487	54,786
Tax on profit	833,111	246,376

Factors that may affect future tax expense

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

14. DIVIDENDS

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2021	2020
	£	£
Dividends paid	1,545,000	195,000

15. TANGIBLE ASSETS

	Plant and machinery	Motor vehicles	**Total**
	£	£	**£**
Cost			
At 1 January 2021	2,137,347	3,694,980	5,832,327
Additions	392,097	8,585,525	8,977,622
Disposals	(9,958)	(6,447,617)	(6,457,575)
At 31 December 2021	2,519,486	5,832,888	8,352,374
Depreciation			
At 1 January 2021	1,049,446	671,866	1,721,312
Charge for the year	186,759	655,726	842,485
Disposals	(233)	(599,732)	(599,965)
At 31 December 2021	1,235,972	727,860	1,963,832
Carrying amount			
At 31 December 2021	1,283,514	5,105,028	6,388,542
At 31 December 2020	1,087,901	3,023,114	4,111,015

16. INVESTMENTS

	Other investments other than loans
	£
Cost	
At 1 January 2021	2,219,001
Additions	1,360,744
Revaluations	543,647
At 31 December 2021	4,123,392
Impairment	
At 1 January 2021 and 31 December 2021	–

Carrying amount	
At 31 December 2021	4,123,392
At 31 December 2020	2,219,001

The fair value of listed investments is determined by reference to the quoted price for identical assets in an active market at the balance sheet date.

Collective Investments

Other investment are collective unit trust investments. These have an easily obtainable valuation and are therefore measured at fair value.

17. STOCKS

	2021	2020
	£	£
Raw materials and consumables	369,213	245,363
Finished goods and goods for resale	10,443,489	10,841,104
	10,812,702	11,086,467

18. DEBTORS

	2021	2020
	£	£
Trade debtors	1,253,400	310,599
Amounts owed by group undertakings	52,089	1,104,855
Other debtors	843,902	2,404,120
	2,149,391	3,819,574

Amounts due from group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

19. CREDITORS: amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts	162,102	25,450
Trade creditors	6,284,626	9,796,729
Accruals and deferred income	2,156,606	1,781,457
Corporation tax	652,565	191,590
Social security and other taxes	719,672	103,621
Other creditors	1,210,649	2,111,172
	11,186,220	14,010,019

The bank overdraft is secured by a fixed and floating charge over the assets of the company, together with a group cross guarantee with JTG Holdings Limited (group parent) and JTG Enterprises Limited (fellow subsidiary). The aggregate of secured liabilities falling due within one year is £162,102 (2020: £25,450).

20. CREDITORS: amounts falling due after more than one year

	2021	2020
	£	£
Bank loans and overdrafts	–	225,000

The aggregate of secured liabilities falling due outside one year is £Nil (2020: £225,000).

21. PROVISIONS

	Deferred tax (note 22)
	£
At 1 January 2021	546,781
Additions	245,487
At 31 December 2021	792,268

22. DEFERRED TAX

The deferred tax included in the statement of financial position is as follows:

	2021	2020
	£	£
Included in provisions (note 21)	792,268	546,781

The deferred tax account consists of the tax effect of timing differences in respect of:

	2021	2020
	£	£
Accelerated capital allowances	792,268	546,781

The expected net reversal of deferred tax assets and liabilities in 2022 is £150,531. This primarily relates to the reversal of timing differences on capital allowances.

23. EMPLOYEE BENEFITS

Defined contribution pension plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £ 176,903 (2020: £ 198,792).

24. ANALYSIS OF OTHER COMPREHENSIVE INCOME

	Revaluation reserve	Profit and loss account	**Total**
	£	**£**	**£**
Year ended 31 December 2021			
User defined other comprehensive income movement 1	534,648	(534,648)	–

25. CALLED UP SHARE CAPITAL

Issued, called up and fully paid

	2021		2020	
	No.	**£**	No.	£
Ordinary shares of £ 1 each	225,000	225,000	225,000	225,000

26. RESERVES

Profit and loss account - This reserve records retained earnings and accumulated losses.

27. OPERATING LEASES

Lessee

The total future minimum lease payments under non-cancellable operating leases are as follows.

	2021	2020
	£	£
Not later than 1 year	603,000	553,000
Later than 1 year and not later than 5 years	205,750	168,250

Lessor

The company owns a fleet of motor vehicles for rental purposes. Motor vehicles are leased or made available for lease and the term varies depending on the lessee and their needs. None of the leases are non-cancellable agreements and the lessee does not have an option to purchase the motor vehicle at the expiry of the lease

28. CONTINGENCIES

Both Gravell's Limited and JTG Enterprises Limited, a fellow group company, and JTG Holdings Limited, the holding company are party to a group cross guarantee in respect of the groups bank borrowings. At the year end the bank borrowings of JTG Enterprises Limited covered by the cross guarantee amounted to £133,156 (2020: £168,563). Gravell's Limited and JTG Holdings Limited are part of the same VAT group.

29. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES

At the year end, the director owed £3,723 (2020: £2,093) to the company. No interest was charged on the outstanding amount.

30. RELATED PARTY TRANSACTIONS

During the year the company entered into transactions with related parties as follows: Other related parties

	2021	2020
	£	£
Balance owing from related parties	651,936	1,465,395
Rent paid	170,000	170,000

No interest was charged on any of the outstanding amounts. Exemption under Section 33.1A has been claimed to not disclose transactions for 100% group companies. The director has provided a personal guarantee of £400,000 to Hyundai Capital to cover all facilities provided.

31. CONTROLLING PARTY

Mr J Gravell is the ultimate controlling party, by virtue of both his direct shareholding in JTG Holdings Limited and his indirect shareholding in Gravells Services Limited.

32. PARENT UNDERTAKINGS

The ultimate parent company is JTG Holdings Limited, a company incorporated in England and Wales. It's registered office is the same as that displayed on page 1 of these financial statements.