

GROUP STRATEGIC REPORT, DIRECTORS' REPORT AND
AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2022

FOR
PENTRAETH HOLDINGS LIMITED

THURSDAY



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PENTRAETH HOLDINGS LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2022

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PENTRAETH HOLDINGS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2022

DIRECTORS:	K W Jones J G Jones W M Jones
SECRETARY:	P A Kirkham
REGISTERED OFFICE:	Henffordd Garage Pentraeth Road Menai Bridge Anglesey LL59 5RW
REGISTERED NUMBER:	01968351 (England and Wales)
SENIOR STATUTORY AUDITOR:	Catherine Elaine Davies
AUDITORS:	J V Banks Chartered Accountants and Statutory Auditors Banks House Paradise Street Rhyl Denbighshire LL18 3LW

PENTRAETH HOLDINGS LIMITED
GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their strategic report of the company and the group for the year ended 31 December 2022.

REVIEW OF BUSINESS

Year end 31/12/22 Review

It has been another good year, despite the knock on effects of the Covid pandemic and the global financial uncertainty, fuelled by the cost of living crisis .

Vehicle Sales

The manufactures are still experiencing well documented supply problems and new car availability was sporadic throughout the year. Although there was a slight drop in vehicle numbers sold the total margins actually increased.

Similarly, used cars proved difficult to obtain, however being a franchised dealer meant we had a large number of quality part exchanges. Again a slight drop in numbers of used cars sold but an increase in total margin.

Aftersales and bodyshop.

Both areas of the business had problems with parts availability during the year, but both have proved a good source of revenue throughout the year.

Other

We have spent a significant amount upgrading our buildings with two having new cladding and installation of solar panels on one building.

MG Dealership

From March 2022 we ceased being an MG dealer. This was on an amicable basis and has enabled us to concentrate on our other brands.

Post year end review

Trading for 2023 has been similar to 2022.

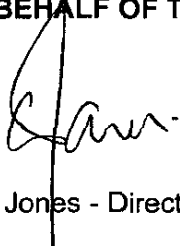
PENTRAETH HOLDINGS LIMITED

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

KEY FINANCIAL HIGHLIGHTS ARE AS FOLLOWS

	Y.E.31.12.22	Y.E.31.12.21	Y.E. 31.12.20
Turnover	19M	17.2M	16.9M
Gross profit margin	6.5%	5.2%	2%
Net profit after tax	215,504	173,965	14,455

ON BEHALF OF THE BOARD:



K W Jones - Director

27 September 2023

PENTRAETH HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2022.

PRINCIPAL ACTIVITY

The principal activity of the group continued to be the operation of retail motor dealerships, selling new and used vehicles.

DIVIDENDS

An interim dividend of 6.25p per share was paid on the Ordinary £1 shares on 31 March 2022. No dividends were paid on the Ordinary B £1 shares.

The total distribution of dividends for the year ended 31 December 2022 will be £1,500.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

K W Jones

J G Jones

W M Jones

FINANCIAL INSTRUMENTS

The group's principal financial instruments comprise bank balances, bank overdrafts, trade creditors, trade debtors, loans to the group and finance lease agreements. The main purpose of these instruments is to raise funds for and to finance operations.

Due to the nature of the financial instruments used by the companies there is no exposure to price risk. The companies approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances the liquidity is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest.

In respect of loans these comprise bank loans and stocking loans from financial institutions. The interest rate on the loans from banks and other financial institutions is variable. Monthly capital repayments are fixed on bank loans. The companies manage the liquidity risk by ensuring there are sufficient funds to meet the payments.

The group is a lessee in respect of finance leased assets. The liquidity risk in respect of these is managed in the same way as loans above.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

PENTRAETH HOLDINGS LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

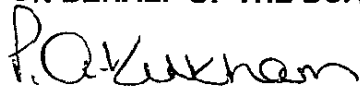
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, J V Banks, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



P A Kirkham - Secretary

27 September 2023

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
PENTRAETH HOLDINGS LIMITED

Opinion

We have audited the financial statements of Pentraeth Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the Consolidated income statement, Consolidated other comprehensive income, Consolidated balance sheet, Company balance sheet, Consolidated statement of changes in equity, Company statement of changes in equity, Consolidated cash flow statement and Notes to the consolidated cash flow statement, Notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 December 2022 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
PENTRAETH HOLDINGS LIMITED

Other information

The directors are responsible for the other information. The other information comprises the information in the Group strategic report and the Directors' report, but does not include the financial statements and our Report of the auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

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

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

Responsibilities of directors

As explained more fully in the Statement of directors' responsibilities set out on page five, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
PENTRAETH HOLDINGS LIMITED**

Auditors' 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 a Report of the auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental (including Waste Electrical and Electronic Equipment recycling (WEEE) Regulations 2013) and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
PENTRAETH HOLDINGS LIMITED

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the auditors 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.



Catherine Elaine Davies (Senior Statutory Auditor)
for and on behalf of J V Banks
Chartered Accountants and Statutory Auditors
Banks House
Paradise Street
Rhyl
Denbighshire
LL18 3LW

27 September 2023

PENTRAETH HOLDINGS LIMITED

CONSOLIDATED
INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	31.12.22 £	31.12.21 £
TURNOVER	3	19,001,164	17,169,647
Cost of sales		<u>(17,763,085)</u>	<u>(16,267,897)</u>
GROSS PROFIT		1,238,079	901,750
Administrative expenses		<u>(998,901)</u>	<u>(806,143)</u>
		239,178	95,607
Other operating income		<u>37,019</u>	<u>153,322</u>
OPERATING PROFIT	5	276,197	248,929
Interest payable and similar expenses	6	<u>(970)</u>	<u>(2,917)</u>
PROFIT BEFORE TAXATION		275,227	246,012
Tax on profit	7	<u>(59,723)</u>	<u>(72,047)</u>
PROFIT FOR THE FINANCIAL YEAR		<u>215,504</u>	<u>173,965</u>
Profit attributable to: Owners of the parent		<u>215,504</u>	<u>173,965</u>

The notes form part of these financial statements

PENTRAETH HOLDINGS LIMITED
CONSOLIDATED
OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

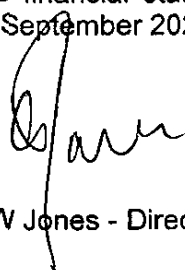
Notes	31.12.22 £	31.12.21 £
PROFIT FOR THE YEAR	215,504	173,965
OTHER COMPREHENSIVE INCOME		
Land and property revaluation	(121,597)	-
Income tax relating to other comprehensive income	<u>-</u>	<u>-</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	<u>(121,597)</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>93,907</u>	<u>173,965</u>
Total comprehensive income attributable to: Owners of the parent	<u>93,907</u>	<u>173,965</u>

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET
31 DECEMBER 2022

	Notes	31.12.22 £	31.12.21 £
FIXED ASSETS			
Intangible assets	10	20,000	20,000
Tangible assets	11	2,745,653	2,893,284
Investments	12	-	-
		<u>2,765,653</u>	<u>2,913,284</u>
CURRENT ASSETS			
Stocks	13	3,086,327	2,589,752
Debtors	14	<u>299,267</u>	<u>176,383</u>
		3,385,594	2,766,135
CREDITORS			
Amounts falling due within one year	1 5	<u>(3,384,163)</u>	<u>(2,992,112)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>1,431</u>	<u>(225,977)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,767,084	2,687,307
CREDITORS			
Amounts falling due after more than one year	1 6	(47,200)	(70,800)
PROVISIONS FOR LIABILITIES	20	<u>(56,705)</u>	<u>(45,735)</u>
NET ASSETS		<u>2,663,179</u>	<u>2,570,772</u>
CAPITAL AND RESERVES			
Called up share capital	21	30,000	30,000
Revaluation reserve	22	280,067	401,664
Retained earnings	22	<u>2,353,112</u>	<u>2,139,108</u>
SHAREHOLDERS' FUNDS		<u>2,663,179</u>	<u>2,570,772</u>

The financial statements were approved by the Board of Directors and authorised for issue on 27 September 2023 and were signed on its behalf by:



K W Jones - Director

The notes form part of these financial statements

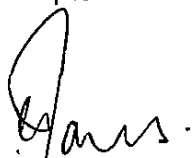
PENTRAETH HOLDINGS LIMITED (REGISTERED NUMBER: 01968351)

COMPANY BALANCE SHEET
31 DECEMBER 2022

	Notes	31.12.22 £	31.12.21 £
FIXED ASSETS			
Intangible assets	10	-	-
Tangible assets	11	2,527,486	2,654,474
Investments	12	<u>300</u>	<u>300</u>
		<u>2,527,786</u>	<u>2,654,774</u>
CURRENT ASSETS			
Debtors	14	-	1,545
CREDITORS			
Amounts falling due within one year	1 5	<u>(572,289)</u>	<u>(631,925)</u>
NET CURRENT LIABILITIES		<u>(572,289)</u>	<u>(630,380)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,955,497	2,024,394
PROVISIONS FOR LIABILITIES	20	<u>(2,163)</u>	<u>(1,934)</u>
NET ASSETS		<u>1,953,334</u>	<u>2,022,460</u>
CAPITAL AND RESERVES			
Called up share capital	21	30,000	30,000
Revaluation reserve		280,067	401,664
Retained earnings		<u>1,643,267</u>	<u>1,590,796</u>
SHAREHOLDERS' FUNDS		<u>1,953,334</u>	<u>2,022,460</u>
Company's profit/(loss) for the financial year		<u>53,971</u>	<u>(3,720)</u>

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

The financial statements were approved by the Board of Directors and authorised for issue on 27 September 2023 and were signed on its behalf by:


K W Jones - Director

The notes form part of these financial statements

PENTRAETH HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 January 2021	30,000	1,967,143	401,664	2,398,807
Changes in equity				
Dividends	-	(2,000)	-	(2,000)
Total comprehensive income	-	173,965	-	173,965
Balance at 31 December 2021	<u>30,000</u>	<u>2,139,108</u>	<u>401,664</u>	<u>2,570,772</u>
Changes in equity				
Dividends	-	(1,500)	-	(1,500)
Total comprehensive income	-	215,504	(121,597)	93,907
Balance at 31 December 2022	<u>30,000</u>	<u>2,353,112</u>	<u>280,067</u>	<u>2,663,179</u>

The notes form part of these financial statements

PENTRAETH HOLDINGS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 January 2021	30,000	1,596,516	401,664	2,028,180
Changes in equity				
Dividends	-	(2,000)	-	(2,000)
Total comprehensive income	-	(3,720)	-	(3,720)
Balance at 31 December 2021	<u>30,000</u>	<u>1,590,796</u>	<u>401,664</u>	<u>2,022,460</u>
Changes in equity				
Dividends	-	(1,500)	-	(1,500)
Total comprehensive income	-	53,971	(121,597)	(67,626)
Balance at 31 December 2022	<u>30,000</u>	<u>1,643,267</u>	<u>280,067</u>	<u>1,953,334</u>

The notes form part of these financial statements

PENTRAETH HOLDINGS LIMITED

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	31.12.22 £	31.12.21 £
Cash flows from operating activities			
Cash generated from operations	1	177,940	(76,870)
Interest paid		(970)	(2,917)
Tax paid		<u>(50,453)</u>	<u>(14,311)</u>
Net cash from operating activities		<u>126,517</u>	<u>(94,098)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(41,962)	(162,491)
Sale of tangible fixed assets		<u>20,000</u>	<u>-</u>
Net cash from investing activities		<u>(21,962)</u>	<u>(162,491)</u>
Cash flows from financing activities			
Bank loan repayments in year		(48,000)	(64,000)
Amount introduced by directors		11,450	-
Amount withdrawn by directors		-	(241,315)
Consignment stocking loans movement		(100,939)	(310,697)
Other stocking loans movement		81,632	264,560
Equity dividends paid		<u>(1,500)</u>	<u>(2,000)</u>
Net cash from financing activities		<u>(57,357)</u>	<u>(353,452)</u>
Increase/(decrease) in cash and cash equivalents		<u>47,198</u>	<u>(610,041)</u>
Cash and cash equivalents at beginning of year	2	<u>(355,470)</u>	<u>254,571</u>
Cash and cash equivalents at end of year	2	<u><u>(308,272)</u></u>	<u><u>(355,470)</u></u>

The notes form part of these financial statements

PENTRAETH HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

1. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	31.12.22	31.12.21
	£	£
Profit before taxation	275,227	246,012
Depreciation charges	56,817	95,416
Profit on disposal of fixed assets	(8,821)	-
Finance costs	<u>970</u>	<u>2,917</u>
	324,193	344,345
(Increase)/decrease in stocks	(496,575)	560,738
Increase in trade and other debtors	(122,884)	(6,238)
Increase/(decrease) in trade and other creditors	<u>473,206</u>	<u>(975,715)</u>
Cash generated from operations	<u><u>177,940</u></u>	<u><u>(76,870)</u></u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash flow statement in respect of cash and cash equivalents are in respect of these Balance sheet amounts:

Year ended 31 December 2022

	31.12.22	1.1.22
	£	£
Bank overdrafts	<u>(308,272)</u>	<u>(355,470)</u>

Year ended 31 December 2021

	31.12.21	1.1.21
	£	£
Cash and cash equivalents	-	254,571
Bank overdrafts	<u>(355,470)</u>	<u>-</u>
	<u><u>(355,470)</u></u>	<u><u>254,571</u></u>

The notes form part of these financial statements

PENTRAETH HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

3. **ANALYSIS OF CHANGES IN NET DEBT**

	At 1.1.22 £	Cash flow £	At 31.12.22 £
Net cash			
Bank overdrafts	<u>(355,470)</u>	<u>47,198</u>	<u>(308,272)</u>
	<u>(355,470)</u>	<u>47,198</u>	<u>(308,272)</u>
Debt			
Debts falling due within 1 year	<u>(680,951)</u>	<u>67,307</u>	<u>(613,644)</u>
	<u>(680,951)</u>	<u>67,307</u>	<u>(613,644)</u>
Total	<u>(1,036,421)</u>	<u>114,505</u>	<u>(921,916)</u>

The notes form part of these financial statements

PENTRAETH HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. **STATUTORY INFORMATION**

Pentraeth Holdings Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Pentraeth Holdings Limited meets the definition of a qualifying entity under FRS102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements, which are presented alongside the consolidated financial statements. Exemptions have been taken in relation to presentation of a cash flow statement, financial instruments and remuneration of key management personnel.

Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 December 2022. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

PENTRAETH HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

2. ACCOUNTING POLICIES - continued

Significant judgements and estimates

In the application of the group's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows

Used vehicle stock valuations

Used vehicle stock is purchased from trade sources and private individuals. Used vehicle stock is a depreciating stock item and devalues monthly, making the estimated stock value uncertain. However, senior management review values of stock on an annual basis against trade valuation publications (Clean Cap Valuation) and any possible overvaluations are corrected by reducing the stock value through the profit and loss accounts in the accounting period the over-valuation is identified.

The carrying value of used vehicle stock at the year end was £1,988,243 (31.12.21 - £1,588,307)

Valuation of property

Freehold property is held at fair value which requires the director to use estimates in obtaining an appropriate valuation. Freehold properties are held in the accounts at £2,487,156 (31.12.21 - £2,611,597) and as no readily ascertainable source for a fair value exists then he uses the services of independent professional valuers to assist in establishing an appropriate fair value for the accounts.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Sales of motor vehicles, parts and accessories are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Servicing revenue is recognised on the completion of the agreed work.

Commissions receivable for arranging vehicle finance and related insurance products are included within revenue. Commission is recognised when the vehicle is sold.

PENTRAETH HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

2. ACCOUNTING POLICIES - continued

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% straight line on property
Short leasehold	- over the primary lease term
Plant and machinery	- 20% on cost and 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

The group holds consignment stock vehicles which are registered as being effectively under the control of the company and are included within stock on the balance sheet as the group has the significant risks and rewards of ownership even though the legal title has not yet passed. Legal title does not pass to the group until the earlier of the group holding the vehicle for a specific period, adopting the vehicle by using it as a demonstrator vehicle, or selling the vehicle to a third party. The corresponding liability is included in short term creditors.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

PENTRAETH HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

Revenue recognition

Income represents revenue earned under a wide variety of contracts to provide services and supply goods. Revenue is recognised as earned when, and to the extent that, the firm obtains the right to consideration in exchange for its performance under these contracts.

Revenue is generally recognised as contract activity progress so that for incomplete contracts it reflects the partial performance of the contractual obligations. For such contracts the amount of revenue reflects the accrual of the right to consideration by reference to the value of work performed. Revenue not billed to clients is included in debtors and payments on account in excess of the relevant amount of revenue are included in creditors.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below:

	31.12.22 £	31.12.21 £
Vehicles	16,102,902	14,602,592
Parts	1,235,043	967,957
Servicing	641,327	670,310
Bodyshop	943,205	856,655
Commissions	52,504	58,990
Rent	<u>26,183</u>	<u>13,143</u>
	<u>19,001,164</u>	<u>17,169,647</u>

An analysis of turnover by geographical market is given below:

	31.12.22 £	31.12.21 £
United Kingdom	<u>19,001,164</u>	<u>17,169,647</u>
	<u>19,001,164</u>	<u>17,169,647</u>

4. EMPLOYEES AND DIRECTORS

PENTRAETH HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

	31.12.22	31.12.21
	£	£
Wages and salaries	1,133,981	1,088,742
Social security costs	<u>114,558</u>	<u>95,407</u>
	<u><u>1,248,539</u></u>	<u><u>1,184,149</u></u>

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

	31.12.22	31.12.21
Administration and management	5	5
Servicing, parts and bodyshop	21	21
Sales	<u>16</u>	<u>16</u>
	<u><u>42</u></u>	<u><u>42</u></u>

	31.12.22	31.12.21
	£	£
Directors remuneration	<u>102,911</u>	<u>95,234</u>

Only the director K. W. Jones is considered to be key management personnel.

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	31.12.22	31.12.21
	£	£
Depreciation - owned assets	56,817	95,416
Profit on disposal of fixed assets	(8,821)	-
Audit fees	<u>6,800</u>	<u>6,800</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.12.22	31.12.21
	£	£
Bank interest	970	2,417
Finance charges	<u>-</u>	<u>500</u>
	<u><u>970</u></u>	<u><u>2,917</u></u>

PENTRAETH HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

7. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	31.12.22 £	31.12.21 £
Current tax:		
UK corporation tax	49,000	50,700
Adjustment for prior years	<u>(247)</u>	<u>11</u>
Total current tax	48,753	50,711
Deferred tax	<u>10,970</u>	<u>21,336</u>
Tax on profit	<u><u>59,723</u></u>	<u><u>72,047</u></u>

UK corporation tax was charged at 19% in 2021.

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.12.22 £	31.12.21 £
Profit before tax	<u><u>275,227</u></u>	<u><u>246,012</u></u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	52,293	46,742
Effects of:		
Income not taxable for tax purposes	(4,484)	(4,484)
Depreciation in excess of capital allowances	1,366	8,196
Adjustments to tax charge in respect of previous periods	(247)	11
Other adjustments	(175)	246
Deferred tax	<u>10,970</u>	<u>21,336</u>
Total tax charge	<u><u>59,723</u></u>	<u><u>72,047</u></u>

Tax effects relating to effects of other comprehensive income

	Gross £	31.12.22 Tax £	Net £
Land and property revaluation	<u>(121,597)</u>	<u>-</u>	<u>(121,597)</u>

8. INDIVIDUAL INCOME STATEMENT

The company's (loss) profit for the year was £54,491 (31.12.21 - £3,720 loss)

PENTRAETH HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

9. DIVIDENDS

	31.12.22 £	31.12.21 £
Ordinary shares of £1 each		
Interim	<u>1,500</u>	<u>2,000</u>

10. INTANGIBLE FIXED ASSETS

Group

	Number plates £
COST	
At 1 January 2022	
and 31 December 2022	<u>20,000</u>
NET BOOK VALUE	
At 31 December 2022	<u>20,000</u>
At 31 December 2021	<u>20,000</u>

11. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
COST OR VALUATION					
At 1 January 2022	2,824,827	51,000	852,736	319,366	4,047,929
Additions	-	-	27,616	14,346	41,962
Disposals	-	-	(21,416)	-	(21,416)
Revaluations	<u>(334,827)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(334,827)</u>
At 31 December 2022	<u>2,490,000</u>	<u>51,000</u>	<u>858,936</u>	<u>333,712</u>	<u>3,733,648</u>
DEPRECIATION					
At 1 January 2022	213,230	18,300	641,094	282,021	1,154,645
Charge for year	2,844	1,020	45,199	7,754	56,817
Eliminated on disposal	-	-	(10,237)	-	(10,237)
Revaluation adjustments	<u>(213,230)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(213,230)</u>
At 31 December 2022	<u>2,844</u>	<u>19,320</u>	<u>676,056</u>	<u>289,775</u>	<u>987,995</u>
NET BOOK VALUE					
At 31 December 2022	<u>2,487,156</u>	<u>31,680</u>	<u>182,880</u>	<u>43,937</u>	<u>2,745,653</u>
At 31 December 2021	<u>2,611,597</u>	<u>32,700</u>	<u>211,642</u>	<u>37,345</u>	<u>2,893,284</u>

PENTRAETH HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

11. TANGIBLE FIXED ASSETS - continued

Group

Included in freehold land and buildings is land costing £705,895 which is not depreciated.

In December 2022 freehold land and buildings were revalued to a fair value of £2,490,000 by Gareth D. Thomas, Bsc (Hons), MRICS, for Bob Parry (Survey & Valuation) Ltd. Without this revaluation the carrying value would be £2,072,385. The directors are not aware of any material change in value since the revaluation was made.

Cost or valuation at 31 December 2022 is represented by:

	Freehold property £	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
Valuation in 2007	599,281	-	-	-	599,281
Valuation in 2014	(664,523)	-	-	-	(664,523)
Valuation in 2017	(365,000)	-	-	-	(365,000)
Valuation in 2022	(334,827)	-	-	-	(334,827)
Cost	<u>3,255,069</u>	<u>51,000</u>	<u>858,936</u>	<u>333,712</u>	<u>4,498,717</u>
	<u>2,490,000</u>	<u>51,000</u>	<u>858,936</u>	<u>333,712</u>	<u>3,733,648</u>

Company

	Freehold property £	Short leasehold £	Fixtures and fittings £	Totals £
COST OR VALUATION				
At 1 January 2022	2,824,827	51,000	247,390	3,123,217
Revaluations	<u>(334,827)</u>	<u>-</u>	<u>-</u>	<u>(334,827)</u>
At 31 December 2022	<u>2,490,000</u>	<u>51,000</u>	<u>247,390</u>	<u>2,788,390</u>
DEPRECIATION				
At 1 January 2022	213,230	18,300	237,213	468,743
Charge for year	2,844	1,020	1,527	5,391
Revaluation adjustments	<u>(213,230)</u>	<u>-</u>	<u>-</u>	<u>(213,230)</u>
At 31 December 2022	<u>2,844</u>	<u>19,320</u>	<u>238,740</u>	<u>260,904</u>
NET BOOK VALUE				
At 31 December 2022	<u>2,487,156</u>	<u>31,680</u>	<u>8,650</u>	<u>2,527,486</u>
At 31 December 2021	<u>2,611,597</u>	<u>32,700</u>	<u>10,177</u>	<u>2,654,474</u>

PENTRAETH HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

11. **TANGIBLE FIXED ASSETS - continued**

Company

Included in freehold land and buildings is land costing £705,895 which is not depreciated.

In December 2022 freehold land and buildings were revalued to a fair value of £2,490,000 by Gareth D. Thomas, Bsc (Hons), MRICS, for Bob Parry (Survey & Valuation) Ltd. Without this revaluation the carrying value would be £2,072,385. The directors are not aware of any material change in value since the revaluation was made.

Cost or valuation at 31 December 2022 is represented by:

	Freehold property £	Short leasehold £	Fixtures and fittings £	Totals £
Valuation in 2007	599,281	-	-	599,281
Valuation in 2014	(664,523)	-	-	(664,523)
Valuation in 2017	(365,000)	-	-	(365,000)
Valuation in 2022	(334,827)	-	-	(334,827)
Cost	<u>3,255,069</u>	<u>51,000</u>	<u>247,390</u>	<u>3,553,459</u>
	<u>2,490,000</u>	<u>51,000</u>	<u>247,390</u>	<u>2,788,390</u>

12. **FIXED ASSET INVESTMENTS**

Company

	Shares in group undertakings £
COST	
At 1 January 2022 and 31 December 2022	<u>300</u>
NET BOOK VALUE	
At 31 December 2022	<u>300</u>
At 31 December 2021	<u>300</u>

PENTRAETH HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

12. FIXED ASSET INVESTMENTS - continued

The group or the company's investments at the Balance sheet date in the share capital of companies include the following:

Subsidiaries

Pentraeth Automotive Limited

Registered office: Henffordd Garage, Pentraeth Road, Menai Bridge, Anglesey, Wales, LL59 5RW

Nature of business: Garage proprietors

	%		
Class of shares:	holding		
Ordinary	100.00		
		31.12.22	31.12.21
		£	£
Aggregate capital and reserves		709,945	548,412
Profit for the year		<u>161,533</u>	<u>177,685</u>

Pentraeth Limited

Registered office: Henffordd Garage, Pentraeth Road, Menai Bridge, Anglesey, Wales, LL59 5RW

Nature of business: Dormant

	%		
Class of shares:	holding		
Ordinary	100.00		
		31.12.22	31.12.21
		£	£
Aggregate capital and reserves		<u>100</u>	<u>100</u>

North Wales Kia Limited

Registered office: Henffordd Garage, Pentraeth Road, Menai Bridge, Anglesey, Wales, LL59 5RW

Nature of business: Dormant

	%		
Class of shares:	holding		
Ordinary	100.00		
		31.12.22	31.12.21
		£	£
Aggregate capital and reserves		<u>100</u>	<u>100</u>

PENTRAETH HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

13. STOCKS

	Group	
	31.12.22	31.12.21
	£	£
Stocks	2,982,455	2,384,941
Interest bearing consignment vehicles	<u>103,872</u>	<u>204,811</u>
	<u>3,086,327</u>	<u>2,589,752</u>

Interest bearing consignment vehicles are included in stocks. The related liabilities are included in short term creditors.

Stock recognised in cost of sales during the year as expenses was £17,175,005 (31.12.21 - £15,654,249)

At the balance sheet date £509,772 (31.12.21 - £428,140) of used vehicle stock was pledged as security for liabilities owed of the same amount.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.12.22	31.12.21	31.12.22	31.12.21
	£	£	£	£
Trade debtors	285,799	146,817	-	-
Other debtors	5,411	17,124	-	-
Debit balances in purchase ledger	8,057	12,442	-	-
VAT	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,545</u>
	<u>299,267</u>	<u>176,383</u>	<u>-</u>	<u>1,545</u>

PENTRAETH HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.12.22	31.12.21	31.12.22	31.12.21
	£	£	£	£
Bank loans and overdrafts (see note 17)	308,272	403,470	10	48,943
Other loans (see note 17)	613,644	632,951	-	-
Trade creditors	2,053,594	1,573,557	2,453	19,272
Amounts owed to group undertakings	-	-	505,554	527,839
Corporation tax	49,000	50,700	14,000	9,700
Social security and other taxes	25,890	25,150	-	100
VAT	162,467	145,597	2,001	-
Other creditors and accruals	87,398	97,014	13,150	2,400
Credit balances in sales ledger	25,177	16,402	-	-
Directors' current accounts	35,121	23,671	35,121	23,671
Deferred government grants	<u>23,600</u>	<u>23,600</u>	<u>-</u>	<u>-</u>
	<u>3,384,163</u>	<u>2,992,112</u>	<u>572,289</u>	<u>631,925</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	31.12.22	31.12.21
	£	£
Deferred government grants	<u>47,200</u>	<u>70,800</u>

17. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	31.12.22	31.12.21	31.12.22	31.12.21
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	308,272	355,470	10	943
Bank loans	-	48,000	-	48,000
Consignment stocking loans	103,872	204,811	-	-
Other stocking loans	<u>509,772</u>	<u>428,140</u>	<u>-</u>	<u>-</u>
	<u>921,916</u>	<u>1,036,421</u>	<u>10</u>	<u>48,943</u>

Company and group

The bank loan was paid off during the year.

PENTRAETH HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

18. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Non-cancellable operating leases	
	31.12.22	31.12.21
	£	£
In more than five years	<u>59,400</u>	<u>59,400</u>

19. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	31.12.22	31.12.21	31.12.22	31.12.21
	£	£	£	£
Bank overdraft	308,272	355,470	10	943
Bank loans	-	48,000	-	48,000
Consignment stocking loans	103,872	204,811	-	-
Other stocking loans	<u>509,772</u>	<u>428,140</u>	<u>-</u>	<u>-</u>
	<u>921,916</u>	<u>1,036,421</u>	<u>10</u>	<u>48,943</u>

The stocking loans are secured on motor vehicles.

20. PROVISIONS FOR LIABILITIES

	Group		Company	
	31.12.22	31.12.21	31.12.22	31.12.21
	£	£	£	£
Deferred tax				
Accelerated capital allowances	<u>56,705</u>	<u>45,735</u>	<u>2,163</u>	<u>1,934</u>

Group

	Deferred tax £
Balance at 1 January 2022	45,735
Charge to Income statement during year	<u>10,970</u>
Balance at 31 December 2022	<u>56,705</u>

PENTRAETH HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

20. PROVISIONS FOR LIABILITIES - continued

Company

	Deferred tax £
Balance at 1 January 2022	1,934
Charge to Income statement during year	<u>229</u>
Balance at 31 December 2022	<u><u>2,163</u></u>

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.22 £	31.12.21 £
24,000	Ordinary	£1	24,000	24,000
6,000	Ordinary B	£1	<u>6,000</u>	<u>6,000</u>
			<u><u>30,000</u></u>	<u><u>30,000</u></u>

22. RESERVES

Group

	Retained earnings £	Revaluation reserve £	Totals £
At 1 January 2022	2,139,108	401,664	2,540,772
Profit for the year	215,504		215,504
Dividends	(1,500)		(1,500)
Property revaluation	<u>-</u>	<u>(121,597)</u>	<u>(121,597)</u>
At 31 December 2022	<u><u>2,353,112</u></u>	<u><u>280,067</u></u>	<u><u>2,633,179</u></u>

Company

	Revaluation reserve £
At 1 January 2022	401,664
Property revaluation	<u>(121,597)</u>
At 31 December 2022	<u><u>280,067</u></u>

PENTRAETH HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

23. CONTINGENT LIABILITIES

Group

The group has provided cross guarantees for other group companies in relation to their dealings in the normal course of business with motor manufacturers for the supply of new motor vehicles and in relation to security provided for their bankers and to finance companies for used car stocking facilities.

Company

The company has provided cross guarantees for other group companies in relation to their dealings in the normal course of business with motor manufacturers for the supply of new motor vehicles and in relation to security provided for their bankers and to finance companies for used car stocking facilities.

24. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

During the year, total dividends of £1,500 were paid to the directors.

The directors' loans £35,121 (31.12.21 - £23,671) are included in creditors falling due within one year.

The group paid rent of £59,400 (31.12.21 - £59,400) to the director K.W. Jones for the use of land.

During the year the following transactions took place with JGJ Motors, a business owned in partnership by the director K. W. Jones and his wife:

	31.12.22 £	31.12.21 £
Sales	1,199,396	877,315
Purchases	385,654	257,502
Debtor	NIL	NIL
Creditor	2,550	NIL

25. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is K. W. Jones, a director and the sole shareholder.

PENTRAETH HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

26. EXEMPTION FROM AUDIT FOR INDIVIDUAL SUBSIDIARY COMPANIES

The following subsidiary companies have claimed exemption from audit under Section 479A of the Companies Act 2006:

Pentraeth Automotive Limited
Pentraeth Limited
North Wales Kia Limited