

STRATEGIC REPORT, DIRECTORS' REPORT AND  
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022  
FOR  
PENTRAETH AUTOMOTIVE LIMITED



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FOR THE YEAR ENDED 31 DECEMBER 2022

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

**DIRECTORS:**

K W Jones  
J G Jones  
W M Jones

**SECRETARIES:**

P A Kirkham  
A Cowburn

**REGISTERED OFFICE:**

Henffordd Garage  
Pentraeth Road  
Menai Bridge  
Anglesey  
LL59 5RW

**REGISTERED NUMBER:**

02896353 (England and Wales)

**ACCOUNTANTS:**

Fraser Wood Limited  
Chartered Certified Accountants  
2 Llys Onnen  
Ffordd Y Llyn  
Parc Menai  
Bangor  
Gwynedd  
LL57 4DF

PENTRAETH AUTOMOTIVE LIMITED  
STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their strategic report 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.

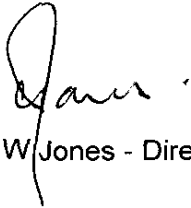
PENTRAETH AUTOMOTIVE LIMITED

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	16.8M
Gross profit margin	6.38%	5%	2%
Net profit after tax	161,533	177,685	10,668

**ON BEHALF OF THE BOARD:**



K W Jones - Director

27 September 2023

PENTRAETH AUTOMOTIVE LIMITED

DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2022

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

**PRINCIPAL ACTIVITY**

The principal activity of the company continued to be that of operating retail motor dealerships.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2022.

**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 company'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 company there is no exposure to price risk. The company's 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 are stocking loans from financial institutions. The interest rate on the loans is variable. The companies manage the liquidity risk by ensuring there are sufficient funds to meet the payments.

The company 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 AUTOMOTIVE LIMITED

DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2022

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

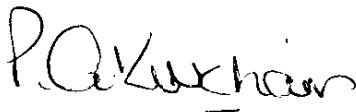
The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

**ON BEHALF OF THE BOARD:**



P A Kirkham - Secretary

27 September 2023

PENTRAETH AUTOMOTIVE LIMITED

INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	31.12.22 £	31.12.21 £
<b>TURNOVER</b>		18,974,981	17,156,504
Cost of sales		(17,763,085)	(16,267,897)
<b>GROSS PROFIT</b>		1,211,896	888,607
Administrative expenses		(1,041,846)	(801,556)
		170,050	87,051
Other operating income		37,019	153,322
<b>OPERATING PROFIT and PROFIT BEFORE TAXATION</b>		207,069	240,373
Tax on profit	5	(45,536)	(62,688)
<b>PROFIT FOR THE FINANCIAL YEAR</b>		161,533	177,685

The notes form part of these financial statements



PENTRAETH AUTOMOTIVE LIMITED

OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	31.12.22 £	31.12.21 £
PROFIT FOR THE YEAR		161,533	177,685
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>161,533</u>	<u>177,685</u>

The notes form part of these financial statements

**PENTRAETH AUTOMOTIVE LIMITED (REGISTERED NUMBER: 02896353)**

**BALANCE SHEET**  
**31 DECEMBER 2022**

	Notes	31.12.22 £	31.12.21 £
<b>FIXED ASSETS</b>			
Intangible assets	6	20,000	20,000
Tangible assets	7	218,167	238,810
		<u>238,167</u>	<u>258,810</u>
<b>CURRENT ASSETS</b>			
Stocks	8	3,086,327	2,589,752
Debtors	9	804,621	704,022
		<u>3,890,948</u>	<u>3,293,774</u>
<b>CREDITORS</b>			
Amounts falling due within one year	10	(3,317,428)	(2,889,571)
<b>NET CURRENT ASSETS</b>		<u>573,520</u>	<u>404,203</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		811,687	663,013
<b>CREDITORS</b>			
Amounts falling due after more than one year	11	(47,200)	(70,800)
<b>PROVISIONS FOR LIABILITIES</b>	14	(54,542)	(43,801)
<b>NET ASSETS</b>		<u>709,945</u>	<u>548,412</u>

The notes form part of these financial statements

BALANCE SHEET - continued  
31 DECEMBER 2022

	Notes	31.12.22 £	31.12.21 £
<b>CAPITAL AND RESERVES</b>			
Called up share capital	15	100	100
Retained earnings	16	709,845	548,312
<b>SHAREHOLDERS' FUNDS</b>		<u>709,945</u>	<u>548,412</u>

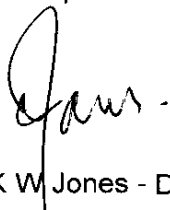
The company is entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies for the year ended 31 December 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

PENTRAETH AUTOMOTIVE LIMITED

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

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 January 2021</b>	100	370,627	370,727
<b>Changes in equity</b>			
Total comprehensive income	-	177,685	177,685
<b>Balance at 31 December 2021</b>	100	548,312	548,412
<b>Changes in equity</b>			
Total comprehensive income	-	161,533	161,533
<b>Balance at 31 December 2022</b>	100	709,845	709,945

The notes form part of these financial statements

**PENTRAETH AUTOMOTIVE LIMITED**

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	31.12.22 £	31.12.21 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	106,044	(141,013)
Tax paid		(40,795)	(2,811)
Net cash from operating activities		<u>65,249</u>	<u>(143,824)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(41,962)	(162,491)
Sale of tangible fixed assets		20,000	-
Net cash from investing activities		<u>(21,962)</u>	<u>(162,491)</u>
<b>Cash flows from financing activities</b>			
Consignment stocking loans movement		(100,939)	(310,697)
Other stocking loans movement		81,632	264,560
Amounts owed by group undertakings		22,285	(253,696)
Net cash from financing activities		<u>2,978</u>	<u>(299,833)</u>
<b>Increase/(decrease) in cash and cash equivalents</b>		<u>46,265</u>	<u>(606,148)</u>
<b>Cash and cash equivalents at beginning of year</b>	2	(354,527)	251,621
<b>Cash and cash equivalents at end of year</b>	2	<u><u>(308,262)</u></u>	<u><u>(354,527)</u></u>

The notes form part of these financial statements

PENTRAETH AUTOMOTIVE LIMITED

NOTES TO THE 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	207,069	240,373
Depreciation charges	51,426	50,221
Profit on disposal of fixed assets	(8,821)	-
	<u>249,674</u>	<u>290,594</u>
(Increase)/decrease in stocks	(496,575)	560,738
Increase in trade and other debtors	(122,884)	(15,238)
Increase/(decrease) in trade and other creditors	<u>475,829</u>	<u>(977,107)</u>
<b>Cash generated from operations</b>	<u>106,044</u>	<u>(141,013)</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>(308,262)</u>	<u>(354,527)</u>

**Year ended 31 December 2021**

	31.12.21	1.1.21
	£	£
Cash and cash equivalents	-	251,621
Bank overdrafts	<u>(354,527)</u>	<u>-</u>
	<u>(354,527)</u>	<u>251,621</u>

The notes form part of these financial statements

PENTRAETH AUTOMOTIVE LIMITED

NOTES TO THE 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 £
<b>Net cash</b>			
Bank overdrafts	(354,527)	46,265	(308,262)
	<u>(354,527)</u>	<u>46,265</u>	<u>(308,262)</u>
<b>Debt</b>			
Debts falling due within 1 year	(632,951)	19,307	(613,644)
	<u>(632,951)</u>	<u>19,307</u>	<u>(613,644)</u>
<b>Total</b>	<u>(987,478)</u>	<u>65,572</u>	<u>(921,906)</u>

The notes form part of these financial statements

PENTRAETH AUTOMOTIVE LIMITED

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

1. **STATUTORY INFORMATION**

Pentraeth Automotive 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 Company 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.

**Preparation of consolidated financial statements**

The financial statements contain information about Pentraeth Automotive Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Pentraeth Holdings Limited, Henffordd Garage, Pentraeth Road, Menai Bridge, Anglesey, Wales, LL59 5RW.

**Related party exemption**

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.



PENTRAETH AUTOMOTIVE LIMITED

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

**2. ACCOUNTING POLICIES - continued**

**Significant judgements and estimates**

In the application of the company'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 )

**Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

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.

**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.

PENTRAETH AUTOMOTIVE LIMITED

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

**2. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

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

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 company 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 company has the significant risks and rewards of ownership even though the legal title has not yet passed. Legal title does not pass to the company until the earlier of the company 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 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.

**Pension costs and other post-retirement benefits**

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

PENTRAETH AUTOMOTIVE LIMITED

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

2. **ACCOUNTING POLICIES - continued**

**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. **EMPLOYEES AND DIRECTORS**

	31.12.22 £	31.12.21 £
Wages and salaries	1,133,981	1,088,742
Social security costs	114,558	95,407
	<u>1,248,539</u>	<u>1,184,149</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	16	16
	<u>42</u>	<u>42</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.

4. **OPERATING PROFIT**

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

	31.12.22 £	31.12.21 £
Depreciation - owned assets	51,426	50,221
Profit on disposal of fixed assets	<u>(8,821)</u>	<u>-</u>

PENTRAETH AUTOMOTIVE LIMITED

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

5. **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	35,000	41,000
Adjustment for prior years	(205)	11
Total current tax	34,795	41,011
Deferred tax	10,741	21,677
Tax on profit	<u>45,536</u>	<u>62,688</u>

6. **INTANGIBLE FIXED ASSETS**

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

**PENTRAETH AUTOMOTIVE LIMITED**

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

**7. TANGIBLE FIXED ASSETS**

	Plant and machinery £	Fixtures and fittings £	Totals £
<b>COST</b>			
At 1 January 2022	852,736	71,976	924,712
Additions	27,616	14,346	41,962
Disposals	(21,416)	-	(21,416)
At 31 December 2022	858,936	86,322	945,258
<b>DEPRECIATION</b>			
At 1 January 2022	641,094	44,808	685,902
Charge for year	45,199	6,227	51,426
Eliminated on disposal	(10,237)	-	(10,237)
At 31 December 2022	676,056	51,035	727,091
<b>NET BOOK VALUE</b>			
At 31 December 2022	182,880	35,287	218,167
At 31 December 2021	211,642	27,168	238,810

**8. STOCKS**

	31.12.22 £	31.12.21 £
Stocks	2,982,455	2,384,941
Interest bearing consignment vehicles	103,872	204,811
	<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.

**9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.22 £	31.12.21 £
Trade debtors	285,799	146,817
Amounts owed by group undertakings	505,354	527,639
Other debtors	5,411	17,124
Debit balances in purchase ledger	8,057	12,442
	<u>804,621</u>	<u>704,022</u>

PENTRAETH AUTOMOTIVE LIMITED

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

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.22 £	31.12.21 £
Bank loans and overdrafts (see note 12)	308,262	354,527
Other loans (see note 12)	613,644	632,951
Trade creditors	2,051,141	1,554,285
Corporation tax payable	35,000	41,000
Social security and other taxes	25,890	25,050
VAT	160,466	147,142
Other creditors and accruals	74,248	94,614
Credit balances in sales ledger	25,177	16,402
Deferred government grants	23,600	23,600
	<u>3,317,428</u>	<u>2,889,571</u>

**11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

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

**12. LOANS**

An analysis of the maturity of loans is given below:

	31.12.22 £	31.12.21 £
Amounts falling due within one year or on demand:		
Bank overdrafts	308,262	354,527
Consignment stocking loans	103,872	204,811
Other stocking loans	509,772	428,140
	<u>921,906</u>	<u>987,478</u>

**13. SECURED DEBTS**

The following secured debts are included within creditors:

	31.12.22 £	31.12.21 £
Bank overdrafts	308,262	354,527
Consignment stocking loans	103,872	204,811
Other stocking loans	509,772	428,140
	<u>921,906</u>	<u>987,478</u>

The stocking loans are secured on motor vehicles.

**PENTRAETH AUTOMOTIVE LIMITED**

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

**14. PROVISIONS FOR LIABILITIES**

	31.12.22 £	31.12.21 £
Deferred tax		
Accelerated capital allowances	<u>54,542</u>	<u>43,801</u>
		Deferred tax £
Balance at 1 January 2022		43,801
Provided during year		<u>10,741</u>
Balance at 31 December 2022		<u>54,542</u>

**15. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			
Number:	Class:	Nominal value:	
100	Ordinary	£1	
		31.12.22 £ <u>100</u>	31.12.21 £ <u>100</u>

**16. RESERVES**

	Retained earnings £
At 1 January 2022	548,312
Profit for the year	<u>161,533</u>
At 31 December 2022	<u>709,845</u>

**17. ULTIMATE PARENT COMPANY**

Pentraeth Holdings Limited is regarded by the directors as being the company's ultimate parent company.

**18. CONTINGENT LIABILITIES**

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.

**19. RELATED PARTY DISCLOSURES**

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

PENTRAETH AUTOMOTIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
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**19. RELATED PARTY DISCLOSURES - continued**

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	1,100,396	877,315
Purchases	385,654	257,502
Debtor	NIL	NIL
Creditor	2550	NIL

**20. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is K W Jones, sole shareholder in the parent company Pentraeth Holdings Limited.