

REGISTERED NUMBER: 01968351 (England and Wales)

GROUP STRATEGIC REPORT, DIRECTORS' REPORT AND
AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
PENTRAETH HOLDINGS LIMITED



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FOR THE YEAR ENDED 31 DECEMBER 2020

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PENTRAETH HOLDINGS LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020

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

INDEPENDENT AUDITORS:

J V Banks
Chartered Accountants and Statutory Auditors
Banks House
Paradise Street
Rhyl
Denbighshire
LL18 3LW

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their strategic report of the company and the group for the year ended 31 December 2020.

REVIEW OF BUSINESS

Year end 31/12/20 Review

Our trading activities were impacted by the Covid-19 Pandemic. We went into lockdown late March 2020 and from then on were either in full or part lockdown, or operational under Health and Safety Covid guidance rules.

We have benefited from the following during the year: -

1. The support of the manufacturers with respect to early bonuses and waiving of targets.
2. Finance providers offering extended credit terms on stocking loans.
3. Owning our premises has meant low fixed costs, greatly assisting the cash flow.
4. We have had significant grant support from local and national governments and have used the Coronavirus Job Retention scheme when required.
5. Our large site made adhering to Covid-19 Health and safety protocols relatively easy and helped us to quickly get to full capacity.
6. Customers, in the main, had done their research and knew what they wanted making the selling process easier.

Government funding was received in December 2020, to substantially increase our electric capacity and to install a bank of fast chargers for electric vehicles.

We expect to come out of the pandemic a more robust and agile company.

Post year-end review

There was another significant lock down in the beginning of 2021 but we knew what to expect and were prepared for it.

It has been well documented that there is a countrywide lack of used cars however we have a large database to call on and when cars are sold there is an increased margin per unit.

Although some of our manufacturers have had a shortage of new cars due to the microchip crisis they have assured us future disruption should be minimal.

We have had no noticeable impact from Brexit.

Mitsubishi

After the announcement that the Mitsubishi brand are pulling out of Europe, we took the decision to run our new stock down and sell all the demonstrators.

We have retained Service, Warranty, and Parts for the Mitsubishi brand which have been profitable areas.

We have negotiated a deal for the Isuzu and Subaru franchise to join the group in 2021, these are expected to be more profitable given that Mitsubishi was our lowest performing dealership.

Going concern

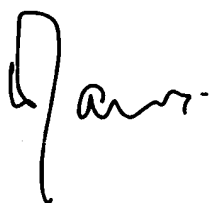
Management has determined that there is no material uncertainty that casts doubt on the entity's ability to continue as a going concern. Although Covid-19 has had some impact it's not significant and is not expected to have a negative impact on future performance or effect future valuations.

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

KEY FINANCIAL HIGHLIGHTS ARE AS FOLLOWS

	Y.E.31.12.20	Y.E.31.12.19	Y.E. 31.12.18
Turnover	16.9M	21.0M	22.1M
Gross profit margin	2%	4%	4%
Net profit after tax	14,455	13,696	61,269

ON BEHALF OF THE BOARD:



K W Jones - Director

28 September 2021

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2020.

PRINCIPAL ACTIVITY

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

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2020.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2020 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.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

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.

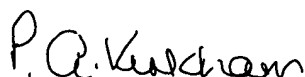
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

28 September 2021

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 2020 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 2020 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.

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.

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

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.

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:

The extent to which the audit was considered capable of detecting irregularities including fraud

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 computer component manufacturing and supply 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

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

- investigated the rationale behind significant or unusual transactions.

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.

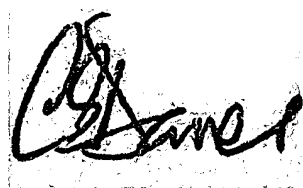
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance 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

28 September 2021

PENTRAETH HOLDINGS LIMITED (REGISTERED NUMBER: 01968351)

CONSOLIDATED
INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	31.12.20 £	31.12.19 £
TURNOVER	3	16,858,550	20,994,747
Cost of sales		<u>(16,476,572)</u>	<u>(20,071,655)</u>
GROSS PROFIT		381,978	923,092
Administrative expenses		<u>(782,991)</u>	<u>(888,003)</u>
		(401,013)	35,089
Other operating income		<u>435,722</u>	<u>2,725</u>
OPERATING PROFIT	5	34,709	37,814
Interest payable and similar expenses	6	<u>(6,743)</u>	<u>(10,712)</u>
PROFIT BEFORE TAXATION		27,966	27,102
Tax on profit	7	<u>(13,511)</u>	<u>(13,406)</u>
PROFIT FOR THE FINANCIAL YEAR		<u>14,455</u>	<u>13,696</u>
Profit attributable to: Owners of the parent		<u>14,455</u>	<u>13,696</u>

The notes form part of these financial statements

CONSOLIDATED
OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	31.12.20 £	31.12.19 £
PROFIT FOR THE YEAR		14,455	13,696
OTHER COMPREHENSIVE INCOME			
Property revaluation		-	52,833
Income tax relating to other comprehensive income		<u>-</u>	<u>-</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		<u>-</u>	<u>52,833</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>14,455</u>	<u>66,529</u>
Total comprehensive income attributable to: Owners of the parent		<u>14,455</u>	<u>66,529</u>

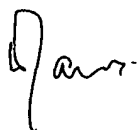
The notes form part of these financial statements

PENTRAETH HOLDINGS LIMITED (REGISTERED NUMBER: 01968351)

CONSOLIDATED BALANCE SHEET
31 DECEMBER 2020

	Notes	31.12.20 £	31.12.19 £
FIXED ASSETS			
Intangible assets	10	20,000	20,000
Tangible assets	11	2,826,209	2,623,493
Investments	12	-	-
		<u>2,846,209</u>	<u>2,643,493</u>
CURRENT ASSETS			
Stocks	13	3,150,490	3,872,591
Debtors	14	170,145	315,278
Cash at bank		<u>254,571</u>	<u>241</u>
		3,575,206	4,188,110
CREDITORS			
Amounts falling due within one year	15	<u>(3,950,209)</u>	<u>(4,310,126)</u>
NET CURRENT LIABILITIES		<u>(375,003)</u>	<u>(122,016)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,471,206	2,521,477
CREDITORS			
Amounts falling due after more than one year	16	(48,000)	(112,000)
PROVISIONS FOR LIABILITIES	20	<u>(24,399)</u>	<u>(25,125)</u>
NET ASSETS		<u>2,398,807</u>	<u>2,384,352</u>
CAPITAL AND RESERVES			
Called up share capital	21	30,000	30,000
Revaluation reserve	22	401,664	401,664
Retained earnings	22	<u>1,967,143</u>	<u>1,952,688</u>
SHAREHOLDERS' FUNDS		<u>2,398,807</u>	<u>2,384,352</u>

The financial statements were approved by the Board of Directors and authorised for issue on 28 September 2021 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 2020

	Notes	31.12.20 £	31.12.19 £
FIXED ASSETS			
Intangible assets	10	-	-
Tangible assets	11	2,699,669	2,493,027
Investments	12	<u>300</u>	<u>300</u>
		<u>2,699,969</u>	<u>2,493,327</u>
CURRENT ASSETS			
Debtors	14	9,000	1,829
Cash at bank		<u>2,950</u>	<u>241</u>
		11,950	2,070
CREDITORS			
Amounts falling due within one year	15	<u>(633,465)</u>	<u>(356,328)</u>
NET CURRENT LIABILITIES		<u>(621,515)</u>	<u>(354,258)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,078,454	2,139,069
CREDITORS			
Amounts falling due after more than one year	16	(48,000)	(112,000)
PROVISIONS FOR LIABILITIES	20	<u>(2,275)</u>	<u>(2,676)</u>
NET ASSETS		<u>2,028,179</u>	<u>2,024,393</u>
CAPITAL AND RESERVES			
Called up share capital	21	30,000	30,000
Revaluation reserve		401,664	401,664
Retained earnings		<u>1,596,515</u>	<u>1,592,729</u>
SHAREHOLDERS' FUNDS		<u>2,028,179</u>	<u>2,024,393</u>
Company's profit for the financial year		<u>3,786</u>	<u>2,357</u>

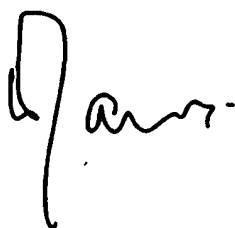
The notes form part of these financial statements

PENTRAETH HOLDINGS LIMITED (REGISTERED NUMBER: 01968351)

COMPANY BALANCE SHEET - continued
31 DECEMBER 2020

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 28 September 2021 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'K W Jones', is written on the page.

K W Jones - Director

The notes form part of these financial statements

PENTRAETH HOLDINGS LIMITED (REGISTERED NUMBER: 01968351)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 January 2019	30,000	1,940,992	348,831	2,319,823
Changes in equity				
Dividends	-	(2,000)	-	(2,000)
Total comprehensive income	-	13,696	52,833	66,529
Balance at 31 December 2019	<u>30,000</u>	<u>1,952,688</u>	<u>401,664</u>	<u>2,384,352</u>
Changes in equity				
Total comprehensive income	-	14,455	-	14,455
Balance at 31 December 2020	<u>30,000</u>	<u>1,967,143</u>	<u>401,664</u>	<u>2,398,807</u>

The notes form part of these financial statements

PENTRAETH HOLDINGS LIMITED (REGISTERED NUMBER: 01968351)

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 January 2019	30,000	1,592,372	348,831	1,971,203
Changes in equity				
Dividends	-	(2,000)	-	(2,000)
Total comprehensive income	<u>-</u>	<u>2,357</u>	<u>52,833</u>	<u>55,190</u>
Balance at 31 December 2019	<u>30,000</u>	<u>1,592,729</u>	<u>401,664</u>	<u>2,024,393</u>
Changes in equity				
Total comprehensive income	<u>-</u>	<u>3,786</u>	<u>-</u>	<u>3,786</u>
Balance at 31 December 2020	<u>30,000</u>	<u>1,596,515</u>	<u>401,664</u>	<u>2,028,179</u>

The notes form part of these financial statements

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	31.12.20 £	31.12.19 £
Cash flows from operating activities			
Cash generated from operations	1	742,129	946,554
Interest paid		(6,743)	(10,712)
Tax paid		<u>(15,437)</u>	<u>(19,648)</u>
Net cash from operating activities		<u>719,949</u>	<u>916,194</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(270,557)</u>	<u>(64,735)</u>
Net cash from investing activities		<u>(270,557)</u>	<u>(64,735)</u>
 Cash flows from financing activities			
Bank loan repayments in year		(64,000)	(64,000)
Amount introduced by directors		213,435	26,000
Consignment stocking loans movement		28,857	(634,501)
Other stocking loans movement		(266,160)	26,840
Equity dividends paid		<u>-</u>	<u>(2,000)</u>
Net cash from financing activities		<u>(87,868)</u>	<u>(647,661)</u>
 Increase in cash and cash equivalents		<u>361,524</u>	<u>203,798</u>
Cash and cash equivalents at beginning of year	2	<u>(106,953)</u>	<u>(310,751)</u>
 Cash and cash equivalents at end of year	2	<u><u>254,571</u></u>	<u><u>(106,953)</u></u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

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

	31.12.20	31.12.19
	£	£
Profit before taxation	27,966	27,102
Depreciation charges	67,841	68,908
Finance costs	<u>6,743</u>	<u>10,712</u>
	102,550	106,722
Decrease/(increase) in stocks	722,101	(605,204)
Decrease in trade and other debtors	145,133	174,414
(Decrease)/increase in trade and other creditors	<u>(227,655)</u>	<u>1,270,622</u>
Cash generated from operations	<u><u>742,129</u></u>	<u><u>946,554</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 2020

	31.12.20	1.1.20
	£	£
Cash and cash equivalents	254,571	241
Bank overdrafts	<u>-</u>	<u>(107,194)</u>
	<u><u>254,571</u></u>	<u><u>(106,953)</u></u>

Year ended 31 December 2019

	31.12.19	1.1.19
	£	£
Cash and cash equivalents	241	241
Bank overdrafts	<u>(107,194)</u>	<u>(310,992)</u>
	<u><u>(106,953)</u></u>	<u><u>(310,751)</u></u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

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

	At 1.1.20 £	Cash flow £	At 31.12.20 £
Net cash			
Cash at bank	241	254,330	254,571
Bank overdrafts	<u>(107,194)</u>	<u>107,194</u>	<u>-</u>
	<u>(106,953)</u>	<u>361,524</u>	<u>254,571</u>
Debt			
Debts falling due within 1 year	(980,391)	237,303	(743,088)
Debts falling due after 1 year	<u>(112,000)</u>	<u>64,000</u>	<u>(48,000)</u>
	<u>(1,092,391)</u>	<u>301,303</u>	<u>(791,088)</u>
Total	<u>(1,199,344)</u>	<u>662,827</u>	<u>(536,517)</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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 2020. 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

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 £1,304,794 (31.12.19 - £1,970,549)

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 £2,653,976 (31.12.19 - £2,444,202) 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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

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.

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

Government grants

Grants are accounted for under the accrual model and are credited to deferred revenue.

Grants towards capital expenditure are released to the profit & loss account over the expected useful life of the assets.

Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred furthermore, grants which becomes receivable as compensation for expenses or losses already incurred, or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognised in income in the period in which it becomes receivable.

Government grants in respect of Covid-19 have been treated as revenue grants.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

2. **ACCOUNTING POLICIES - continued**

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.

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:

	31.12.20	31.12.19
	£	£
Vehicles	14,772,315	17,745,846
Parts	815,201	1,432,216
Servicing	616,759	798,221
Bodyshop	580,566	942,541
Commissions	55,031	55,976
Rent	18,678	19,947
	<u>16,858,550</u>	<u>20,994,747</u>

An analysis of turnover by geographical market is given below:

	31.12.20	31.12.19
	£	£
United Kingdom	<u>16,858,550</u>	<u>20,994,747</u>
	<u>16,858,550</u>	<u>20,994,747</u>

4. **EMPLOYEES AND DIRECTORS**

PENTRAETH HOLDINGS LIMITED (REGISTERED NUMBER: 01968351)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

	31.12.20	31.12.19
	£	£
Wages and salaries	1,167,873	1,240,482
Social security costs	<u>102,953</u>	<u>106,811</u>
	<u>1,270,826</u>	<u>1,347,293</u>

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

	31.12.20	31.12.19
Administration and management	6	6
Servicing, parts and bodyshop	25	25
Sales	<u>16</u>	<u>19</u>
	<u>47</u>	<u>50</u>

	31.12.20	31.12.19
	£	£
Directors remuneration	<u>82,573</u>	<u>21,055</u>

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

5. OPERATING PROFIT

The operating profit is stated after charging:

	31.12.20	31.12.19
	£	£
Depreciation - owned assets	67,841	68,908
Audit fees	<u>9,000</u>	<u>6,000</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.12.20	31.12.19
	£	£
Bank interest	<u>6,743</u>	<u>10,712</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

7. **TAXATION**

Analysis of the tax charge

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

	31.12.20 £	31.12.19 £
Current tax:		
UK corporation tax	14,300	15,500
Adjustment for prior years	<u>(63)</u>	<u>(52)</u>
Total current tax	14,237	15,448
Deferred tax	<u>(726)</u>	<u>(2,042)</u>
Tax on profit	<u>13,511</u>	<u>13,406</u>

UK corporation tax was charged at 19% in 2019.

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:

	31.12.20 £	31.12.19 £
Profit before tax	<u>27,966</u>	<u>27,102</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	5,314	5,149
Effects of:		
Depreciation in excess of capital allowances	8,245	8,246
Adjustments to tax charge in respect of previous periods	(63)	(52)
Other adjustments	<u>15</u>	<u>63</u>
Total tax charge	<u>13,511</u>	<u>13,406</u>

Tax effects relating to effects of other comprehensive income

There were no tax effects for the year ended 31 December 2020.

	Gross £	31.12.19 Tax £	Net £
Property revaluation	<u>52,833</u>	<u>-</u>	<u>52,833</u>

8. **INDIVIDUAL INCOME STATEMENT**

The company's profit for the year was £3,786 (31.12.19 - £2,357)

PENTRAETH HOLDINGS LIMITED (REGISTERED NUMBER: 01968351)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

9. DIVIDENDS

	31.12.20 £	31.12.19 £
Ordinary shares of £1 each		
Interim	<u>-</u>	<u>2,000</u>

10. INTANGIBLE FIXED ASSETS

Group

	Number plates £
COST	
At 1 January 2020	
and 31 December 2020	<u>20,000</u>
NET BOOK VALUE	
At 31 December 2020	<u>20,000</u>
At 31 December 2019	<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 2020	2,572,674	51,000	703,297	287,910	3,614,881
Additions	<u>252,153</u>	<u>-</u>	<u>5,652</u>	<u>12,752</u>	<u>270,557</u>
At 31 December 2020	<u>2,824,827</u>	<u>51,000</u>	<u>708,949</u>	<u>300,662</u>	<u>3,885,438</u>
DEPRECIATION					
At 1 January 2020	128,472	16,260	575,677	270,979	991,388
Charge for year	<u>42,379</u>	<u>1,020</u>	<u>19,990</u>	<u>4,452</u>	<u>67,841</u>
At 31 December 2020	<u>170,851</u>	<u>17,280</u>	<u>595,667</u>	<u>275,431</u>	<u>1,059,229</u>
NET BOOK VALUE					
At 31 December 2020	<u>2,653,976</u>	<u>33,720</u>	<u>113,282</u>	<u>25,231</u>	<u>2,826,209</u>
At 31 December 2019	<u>2,444,202</u>	<u>34,740</u>	<u>127,620</u>	<u>16,931</u>	<u>2,623,493</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

11. TANGIBLE FIXED ASSETS - continued

Group

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

In November 2016 freehold land and buildings were revalued to a fair value of £2,520,000 by David Baker Bsc (Hons) MRICS, RICS for Lambert Smith Hampton. Without this revaluation the carrying value would be £2,174,351. The director is not aware of any material change in value since the revaluation was made.

Cost or valuation at 31 December 2020 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)
Cost	<u>3,255,069</u>	<u>51,000</u>	<u>708,949</u>	<u>300,662</u>	<u>4,315,680</u>
	<u>2,824,827</u>	<u>51,000</u>	<u>708,949</u>	<u>300,662</u>	<u>3,885,438</u>

Company

	Freehold property £	Short leasehold £	Fixtures and fittings £	Totals £
COST OR VALUATION				
At 1 January 2020	2,572,674	51,000	247,390	2,871,064
Additions	<u>252,153</u>	<u>-</u>	<u>-</u>	<u>252,153</u>
At 31 December 2020	<u>2,824,827</u>	<u>51,000</u>	<u>247,390</u>	<u>3,123,217</u>
DEPRECIATION				
At 1 January 2020	128,472	16,260	233,305	378,037
Charge for year	<u>42,379</u>	<u>1,020</u>	<u>2,112</u>	<u>45,511</u>
At 31 December 2020	<u>170,851</u>	<u>17,280</u>	<u>235,417</u>	<u>423,548</u>
NET BOOK VALUE				
At 31 December 2020	<u>2,653,976</u>	<u>33,720</u>	<u>11,973</u>	<u>2,699,669</u>
At 31 December 2019	<u>2,444,202</u>	<u>34,740</u>	<u>14,085</u>	<u>2,493,027</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

11. TANGIBLE FIXED ASSETS - continued

Company

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

In November 2016 freehold land and buildings were revalued to a fair value of £2,520,000 by David Baker Bsc (Hons) MRICS, RICS for Lambert Smith Hampton. Without this revaluation the carrying value would be £2,174,351. The directors are not aware of any material change in value since the revaluation was made.

Cost or valuation at 31 December 2020 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)
Cost	<u>3,255,069</u>	<u>51,000</u>	<u>247,390</u>	<u>3,553,459</u>
	<u>2,824,827</u>	<u>51,000</u>	<u>247,390</u>	<u>3,123,217</u>

12. FIXED ASSET INVESTMENTS

Company

	Shares in group undertaking £
COST	
At 1 January 2020 and 31 December 2020	<u>300</u>
NET BOOK VALUE	
At 31 December 2020	<u>300</u>
At 31 December 2019	<u>300</u>

PENTRAETH HOLDINGS LIMITED (REGISTERED NUMBER: 01968351)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

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

	% holding		
Class of shares:			
Ordinary	100.00	31.12.20	31.12.19
		£	£
Aggregate capital and reserves		370,727	360,059
Profit for the year		<u>10,668</u>	<u>11,339</u>

Pentraeth Limited

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

Nature of business: Dormant

	% holding		
Class of shares:			
Ordinary	100.00	31.12.20	31.12.19
		£	£
Aggregate capital and reserves		<u>100</u>	<u>100</u>

North Wales Kia Limited formerly Pentraeth Automotive(4x4)Limited

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

Nature of business: Dormant

	% holding		
Class of shares:			
Ordinary	100.00	31.12.20	31.12.19
		£	£
Aggregate capital and reserves		<u>100</u>	<u>100</u>

PENTRAETH HOLDINGS LIMITED (REGISTERED NUMBER: 01968351)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

13. STOCKS

	Group	
	31.12.20	31.12.19
	£	£
Stocks	2,634,982	3,385,940
Interest bearing consignment vehicles	<u>515,508</u>	<u>486,651</u>
	<u><u>3,150,490</u></u>	<u><u>3,872,591</u></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 £15,709,024 (31.12.19 - £19,269,665)

At the balance sheet date £163,580 (31.12.19 - £429,740) 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	
	31.12.20	31.12.19	31.12.20	31.12.19
	£	£	£	£
Trade debtors	133,712	280,369	-	-
Other debtors	32,681	32,475	9,000	977
Debit balances in purchase ledger	3,752	-	-	-
VAT	<u>-</u>	<u>2,434</u>	<u>-</u>	<u>852</u>
	<u><u>170,145</u></u>	<u><u>315,278</u></u>	<u><u>9,000</u></u>	<u><u>1,829</u></u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.12.20	31.12.19	31.12.20	31.12.19
	£	£	£	£
Bank loans and overdrafts (see note 17)	64,000	171,194	64,000	64,000
Other loans (see note 17)	679,088	916,391	-	-
Trade creditors	2,503,700	2,989,844	4,825	2,528
Amounts owed to group undertakings	-	-	274,143	209,549
Corporation tax	14,300	15,500	11,500	11,200
Social security and other taxes	24,734	32,131	-	-
VAT	146,558	-	5,011	-
Other creditors and accruals	120,011	133,515	9,000	17,500
Credit balances in sales ledger	14,832	-	-	-
Directors' current accounts	264,986	51,551	264,986	51,551
Deferred government grants	<u>118,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>3,950,209</u></u>	<u><u>4,310,126</u></u>	<u><u>633,465</u></u>	<u><u>356,328</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

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

	Group		Company	
	31.12.20	31.12.19	31.12.20	31.12.19
	£	£	£	£
Bank loans (see note 17)	<u>48,000</u>	<u>112,000</u>	<u>48,000</u>	<u>112,000</u>

17. **LOANS**

An analysis of the maturity of loans is given below:

	Group		Company	
	31.12.20	31.12.19	31.12.20	31.12.19
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	-	107,194	-	-
Bank loans	64,000	64,000	64,000	64,000
Consignment stocking loans	515,508	486,651	-	-
Other stocking loans	<u>163,580</u>	<u>429,740</u>	<u>-</u>	<u>-</u>
	<u>743,088</u>	<u>1,087,585</u>	<u>64,000</u>	<u>64,000</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>48,000</u>	<u>112,000</u>	<u>48,000</u>	<u>112,000</u>

Company and group

The bank loan figure consists of the following :

A loan of £112,000 (31.12.19 - £176,000) repayable in quarterly instalments with an interest rate of a 2.25% margin on the base rate. The loan is secured by way of a legal charge over the freehold land and buildings and a debenture over the whole assets of the company.

18. **LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

Group

	Non-cancellable operating leases	
	31.12.20	31.12.19
	£	£
In more than five years	<u>59,400</u>	<u>59,400</u>

PENTRAETH HOLDINGS LIMITED (REGISTERED NUMBER: 01968351)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

19. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	31.12.20	31.12.19	31.12.20	31.12.19
	£	£	£	£
Bank overdraft	-	107,194	-	-
Bank loans	112,000	176,000	112,000	176,000
Consignment stocking loans	515,508	486,651	-	-
Other stocking loans	<u>163,580</u>	<u>429,740</u>	<u>-</u>	<u>-</u>
	<u>791,088</u>	<u>1,199,585</u>	<u>112,000</u>	<u>176,000</u>

The stocking loans are secured on motor vehicles.

20. PROVISIONS FOR LIABILITIES

	Group		Company	
	31.12.20	31.12.19	31.12.20	31.12.19
	£	£	£	£
Deferred tax				
Accelerated capital allowances	<u>24,399</u>	<u>25,125</u>	<u>2,275</u>	<u>2,676</u>

Group

	Deferred tax £
Balance at 1 January 2020	25,125
Credit to Income statement during year	<u>(726)</u>
Balance at 31 December 2020	<u>24,399</u>

Company

	Deferred tax £
Balance at 1 January 2020	2,676
Credit to Income statement during year	<u>(401)</u>
Balance at 31 December 2020	<u>2,275</u>

PENTRAETH HOLDINGS LIMITED (REGISTERED NUMBER: 01968351)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.20 £	31.12.19 £
24,000	Ordinary	£1	24,000	24,000
6,000	Ordinary B	£1	<u>6,000</u>	<u>6,000</u>
			<u>30,000</u>	<u>30,000</u>

22. RESERVES

Group

	Retained earnings £	Revaluation reserve £	Totals £
At 1 January 2020	1,952,688	401,664	2,354,352
Profit for the year	<u>14,455</u>		<u>14,455</u>
At 31 December 2020	<u>1,967,143</u>	<u>401,664</u>	<u>2,368,807</u>

Company

	Revaluation reserve £
At 1 January 2020 and 31 December 2020	<u>401,664</u>

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.

PENTRAETH HOLDINGS LIMITED (REGISTERED NUMBER: 01968351)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

24. RELATED PARTY DISCLOSURES - continued

The company purchased land from the director K. W. Jones at market value of £252,153 as an arms length transaction.

The directors loans £264,986 (31.12.19 - £51,551) are included in creditors falling due within one year.

The group paid rent of £59,400 (31.12.19 - £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 :

	31.12.20 £	31.12.19 £
Sales	407,456	1,021,963
Purchases	97,500	780,772
Debtor	NIL	NIL
Creditor	NIL	NIL

25. ULTIMATE CONTROLLING PARTY

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

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 formerly Pentraeth Automotive (4 x 4) Limited