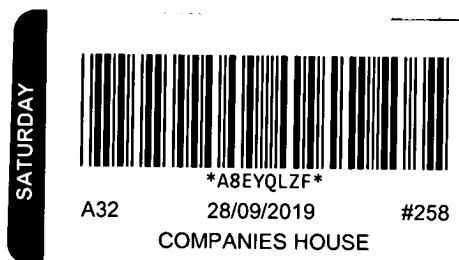


REGISTERED NUMBER: 04420034 (England and Wales)

Financial Statements for the Year Ended 31 December 2018

for

Premier Metal Works (Llandudno Junction)
Limited



ASE Audit LLP
Statutory Auditors & Chartered Accountants
Rowan Court
Concord Business Park
Manchester
Greater Manchester
M22 0RR

Premier Metal Works (Llandudno Junction)
Limited (Registered number: 04420034)

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for the Year Ended 31 December 2018

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Premier Metal Works (Llandudno Junction)
Limited

Company Information
for the Year Ended 31 December 2018

DIRECTORS:

M D Blagden
K W Cumming
G Davis
P M Gardner
S N Hopewell
C B Shuell

REGISTERED OFFICE:

Conwy Road
Llandudno Junction
North Wales
LL31 9NX

REGISTERED NUMBER:

04420034 (England and Wales)

AUDITORS:

ASE Audit LLP
Statutory Auditors & Chartered Accountants
Rowan Court
Concord Business Park
Manchester
Greater Manchester
M22 0RR

**Premier Metal Works (Llandudno Junction)
Limited (Registered number: 04420034)**

**Statement of Financial Position
31 December 2018**

		2018	2017 as restated
	Notes	£	£
FIXED ASSETS			
Intangible assets	4	15,454	40,454
Tangible assets	5	1,625,065	1,630,421
		<u>1,640,519</u>	<u>1,670,875</u>
 CURRENT ASSETS			
Stocks	6	883,076	792,456
Debtors	7	533,808	591,199
Cash at bank and in hand		244,620	320
		<u>1,661,504</u>	<u>1,383,975</u>
CREDITORS			
Amounts falling due within one year	8	(1,477,051)	(1,436,952)
NET CURRENT ASSETS/(LIABILITIES)		<u>184,453</u>	<u>(52,977)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,824,972</u>	<u>1,617,898</u>
 CREDITORS			
Amounts falling due after more than one year	9	(213,463)	(251,376)
PROVISIONS FOR LIABILITIES		<u>(27,362)</u>	<u>(27,344)</u>
NET ASSETS		<u><u>1,584,147</u></u>	<u><u>1,339,178</u></u>
 CAPITAL AND RESERVES			
Called up share capital	12	229,781	229,781
Revaluation reserve	13	119,407	119,407
Retained earnings	13	1,234,959	989,990
SHAREHOLDERS' FUNDS		<u><u>1,584,147</u></u>	<u><u>1,339,178</u></u>

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

In accordance with Section 444 of the Companies Act 2006, the Statement of Comprehensive Income has not been delivered.

The financial statements were approved by the Board of Directors on 27/9/19 and were signed on its behalf by:



P M Gardner - Director

Premier Metal Works (Llandudno Junction)
Limited (Registered number: 04420034)

Notes to the Financial Statements
for the Year Ended 31 December 2018

1. STATUTORY INFORMATION

Premier Metal Works (Llandudno Junction) Limited is a private company, limited by shares, registered in England and Wales.

The company's registered office address and principal place of business is Conway Road, Llandudno Junction, North Wales, LL31 9NX.

The presentation currency of the financial statements is Pound Sterling (£).

The principal activity of company is that of a car dealership.

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" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see below).

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.

Significant judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Property, plant and equipment assets

Property, plant and equipment are reviewed for impairment if events or circumstances indicate that the carrying value may not be recoverable. When an impairment review is carried out the recoverable value is determined based on value in use calculations which require estimates to be made of future cash flows.

Stock valuation

Stock valuation is regularly monitored against age profile and market demand. Management use a number of market tools during the appraisal process including Glass' and CAP valuation guides. The directors maintain oversight of ageing stock profiles and a monthly review of any provision required is performed.

Incentives and other rebates from brand partner

The company receives income in the form of various incentives which are determined by the brand partner. The amount received is generally based on achieving specific objectives such as a specified sales volume, as well as other objectives including maintaining brand partner standards which may include, but are not limited to, retail centre image and design requirements, customer satisfaction survey results and training standards. Objectives are generally set and measured on either a quarterly or annual basis.

Where incentives are based on a specific sales volume or number of registrations, the related income is recognised as a reduction in cost of sales when it is reasonably certain that the income has been earned. This is generally the later of the date the related vehicles are sold or registered or when it is reasonably certain that the related target will be met. Where incentives are linked to retail centre image and design requirements, customer satisfaction survey results or training standards, they are recognised as a reduction in cost of sales when it is reasonably certain that the incentive will be received for the relevant period.

The company may also receive contributions towards advertising, promotional and rent expenditure. Where such contributions are received they are recognised as a reduction in the related expenditure in the period to which they relate.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2018**

2. ACCOUNTING POLICIES - continued

Turnover

Turnover from the sale of goods is recognised in the Income Statement, net of discounts and value added tax, when the significant risks and rewards of ownership have been transferred to the buyer. In general this occurs when vehicles or parts have been supplied or when a service has been completed.

Commission income is recognised on a receivable basis.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2007, is being amortised evenly over its estimated useful life of twelve years.

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the company's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Income Statement.

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	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on cost
Computer equipment	- 33% on reducing balance

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

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the Income Statement during the period in which they are incurred.

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Income Statement.

Although the Companies Act 2006 requires all assets to be depreciated, in the directors opinion, this would result in an inappropriate carrying value of freehold property being stated in the financial statements. The directors consider that the market value of the property is at least equal to the residual value, hence no depreciation has been provided in the financial statements.

Stocks

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

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

Taxation

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

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 statement of financial position date.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2018**

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Income Statement on a straight line basis over the period of the lease.

Assets held under hire purchase or finance leases are capitalised in the Statement of Financial Position. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to the Income Statement over the relevant period. The capital element of the future payments is treated as a liability in the Statement of Financial Position.

Pension costs and other post-retirement benefits

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

The contributions are recognised as an expense in the Income Statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Finance costs

Finance costs are charged to the Income Statement over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 41 (2017 - 41).

**Premier Metal Works (Llandudno Junction)
Limited (Registered number: 04420034)**

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2018**

4. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 January 2018	
and 31 December 2018	251,754
AMORTISATION	
At 1 January 2018	211,300
Charge for year	25,000
At 31 December 2018	236,300
NET BOOK VALUE	
At 31 December 2018	15,454
At 31 December 2017	40,454

5. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £
COST OR VALUATION			
At 1 January 2018	1,500,000	254,738	356,202
Additions	3,851	749	5,545
At 31 December 2018	1,503,851	255,487	361,747
DEPRECIATION			
At 1 January 2018	-	232,910	283,254
Charge for year	-	5,644	19,593
At 31 December 2018	-	238,554	302,847
NET BOOK VALUE			
At 31 December 2018	1,503,851	16,933	58,900
At 31 December 2017	1,500,000	21,828	72,948
	Motor vehicles £	Computer equipment £	Totals £
COST OR VALUATION			
At 1 January 2018	48,375	117,476	2,276,791
Additions	-	25,656	35,801
At 31 December 2018	48,375	143,132	2,312,592
DEPRECIATION			
At 1 January 2018	28,304	101,902	646,370
Charge for year	5,017	10,903	41,157
At 31 December 2018	33,321	112,805	687,527
NET BOOK VALUE			
At 31 December 2018	15,054	30,327	1,625,065
At 31 December 2017	20,071	15,574	1,630,421

**Premier Metal Works (Llandudno Junction)
Limited (Registered number: 04420034)**

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2018**

5. TANGIBLE FIXED ASSETS - continued

Cost or valuation at 31 December 2018 is represented by:

	Freehold property £	Plant and machinery £	Fixtures and fittings £
Valuation in 2015	1,500,000	-	-
Cost	3,851	255,487	361,747
	<u>1,503,851</u>	<u>255,487</u>	<u>361,747</u>
	Motor vehicles £	Computer equipment £	Totals £
Valuation in 2015	-	-	1,500,000
Cost	48,375	143,132	812,592
	<u>48,375</u>	<u>143,132</u>	<u>2,312,592</u>

6. STOCKS

	2018 £	2017 as restated £
Vehicle stock	837,777	735,452
Parts and accessories	45,299	57,004
	<u>883,076</u>	<u>792,456</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 as restated £
Trade debtors	240,656	369,658
Amounts owed by group undertakings	108,385	108,385
Other debtors	184,767	113,156
	<u>533,808</u>	<u>591,199</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 as restated £
Bank loans and overdrafts	45,397	81,453
Hire purchase contracts and finance leases (see note 10)	38,883	19,852
Trade creditors	1,126,837	1,018,289
Taxation and social security	105,543	134,091
Other creditors	160,391	183,267
	<u>1,477,051</u>	<u>1,436,952</u>

**Premier Metal Works (Llandudno Junction)
Limited (Registered number: 04420034)**

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2018**

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

	2018	2017 as restated
	£	£
Bank loans	147,620	193,202
Hire purchase contracts and finance leases (see note 10)	27,051	58,174
Other creditors	38,792	-
	<u>213,463</u>	<u>251,376</u>

Amounts falling due in more than five years:

Repayable by instalments		
Finance leases	6,108	58,174

10. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts		Finance leases	
	2018	2017 as restated	2018	2017 as restated
	£	£	£	£
Net obligations repayable:				
Within one year	17,940	19,852	20,943	-
Between one and five years	-	-	20,943	-
In more than five years	-	-	6,108	58,174
	<u>17,940</u>	<u>19,852</u>	<u>47,994</u>	<u>58,174</u>

11. SECURED DEBTS

The following secured debts are included within creditors:

	2018	2017 as restated
	£	£
Bank loans	193,017	238,599
Other loans	57,683	-
Hire purchase contracts and finance leases	65,934	78,026
Vehicle funding	834,606	738,234
	<u>1,151,240</u>	<u>1,054,859</u>

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2018	2017 as restated
			£	£
229,781	Ordinary shares	£1	<u>229,781</u>	<u>229,781</u>

Premier Metal Works (Llandudno Junction)
Limited (Registered number: 04420034)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

13. RESERVES

Retained earnings

This reserve includes all current and prior period retained profits and losses, less dividends paid.

Revaluation reserve

This reserve represents the surplus which arose on the past valuations of the freehold property held.

14. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Ian McMahon FCCA FMAAT (Senior Statutory Auditor)
for and on behalf of ASE Audit LLP

15. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £34,968 (2017: £29,951). Contributions totalling £Nil (2017: £Nil) were payable to the fund at the reporting date.

16. CAPITAL COMMITMENTS

	2018	2017
	£	as restated £
Contracted but not provided for in the financial statements	-	19,197
	<u> </u>	<u> </u>

17. ULTIMATE CONTROLLING PARTY

The immediate parent undertaking is deemed to be Premier Motors Llandudno Limited.