

Company Registration No. 04420034 (England and Wales)

PREMIER METAL WORKS (LLANDUDNO JUNCTION) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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PREMIER METAL WORKS (LLANDUDNO JUNCTION) LIMITED

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PREMIER METAL WORKS (LLANDUDNO JUNCTION) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	4	1,821,940		1,886,391	
Investments	5	25,916		-	
		<u>1,847,856</u>		<u>1,886,391</u>	
Current assets					
Stocks		1,019,315		928,164	
Debtors	7	2,000,240		782,334	
Cash at bank and in hand		37,858		11,640	
		<u>3,057,413</u>		<u>1,722,138</u>	
Creditors: amounts falling due within one year	8	<u>(1,615,368)</u>		<u>(1,462,504)</u>	
Net current assets			1,442,045		259,634
Total assets less current liabilities			3,289,901		2,146,025
Creditors: amounts falling due after more than one year	9		(1,111,028)		(208,838)
Provisions for liabilities	10		(72,345)		(76,734)
Net assets			<u>2,106,528</u>		<u>1,860,453</u>
Capital and reserves					
Called up share capital	11	229,781		229,781	
Revaluation reserve		240,613		240,613	
Profit and loss reserves		1,636,134		1,390,059	
Total equity			<u>2,106,528</u>		<u>1,860,453</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered 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 17 May 2022 and are signed on its behalf by:

Mr P M Gardner
Director

Company Registration No. 04420034

PREMIER METAL WORKS (LLANDUDNO JUNCTION) LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

	Share capital	Revaluation reserve	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 1 January 2019	229,781	119,407	1,234,959	1,584,147
Year ended 31 December 2019:				
Profit for the year	-	-	188,430	188,430
Other comprehensive income:				
Revaluation of tangible fixed assets	-	121,206	-	121,206
Total comprehensive income for the year	-	121,206	188,430	309,636
Dividends	-	-	(33,330)	(33,330)
Balance at 31 December 2019	229,781	240,613	1,390,059	1,860,453
Year ended 31 December 2020:				
Profit and total comprehensive income for the year	-	-	317,990	317,990
Dividends	-	-	(71,915)	(71,915)
Balance at 31 December 2020	229,781	240,613	1,636,134	2,106,528

PREMIER METAL WORKS (LLANDUDNO JUNCTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Premier Metal Works (Llandudno Junction) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Conway Road, Llandudno Junction, North Wales, LL31 9NX.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investment properties. The principal accounting policies adopted are set out below.

The financial statements of the company are consolidated in the financial statements of Premier Motors Limited. These consolidated financial statements are available from its registered office, Lindop Bros (Queensferry) Ltd, Station Road, Deeside, CH5 2TE

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover from the sale of goods is recognised in the Statement of Comprehensive Income, 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.

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 sales volume, as well as other objectives including maintaining brand partners 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 at 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.

PREMIER METAL WORKS (LLANDUDNO JUNCTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	25% reducing balance
Fixtures and fittings	25% reducing balance
Computers	33% reducing balance
Motor vehicles	25% on cost

In respect of the land and buildings, the land element is held at fair value. In respect of the property, the directors expect the fair value will remain at or above the current value in the accounts at that time. Therefore, no depreciation has been charged on the property. The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted..

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

PREMIER METAL WORKS (LLANDUDNO JUNCTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

PREMIER METAL WORKS (LLANDUDNO JUNCTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

PREMIER METAL WORKS (LLANDUDNO JUNCTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.15 Government grants

Grant income relates to furlough income under Coronavirus Job Retention Scheme and interest payments being covered by the government on Coronavirus Business Interruption Loan Scheme.

Under the furlough scheme, cash payments were made to compensate for part of the wages, associated national insurance and employer contributions of employees who have been placed on furlough. This grant income has been recognised under the performance model whereby entitlement to the grant only passes to the company when relevant employees are placed on furlough.

Grant income is recognised on a straight line basis over the furlough period for each employee. Grants received before the recognition criteria are satisfied are recognised as a liability.

1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are 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.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	42	42

PREMIER METAL WORKS (LLANDUDNO JUNCTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2020	1,650,000	980,792	2,630,792
Additions	-	12,237	12,237
Disposals	-	(23,763)	(23,763)
At 31 December 2020	1,650,000	969,266	2,619,266
Depreciation and impairment			
At 1 January 2020	-	744,401	744,401
Depreciation charged in the year	-	52,925	52,925
At 31 December 2020	-	797,326	797,326
Carrying amount			
At 31 December 2020	1,650,000	171,940	1,821,940
At 31 December 2019	1,650,000	236,391	1,886,391

Land and buildings were valued externally by Colliers International in April 2019. There have been no valuations in the year and the directors believe this to still be the market value.

5 Fixed asset investments

	2020 £	2019 £
Investments	25,916	-

PREMIER METAL WORKS (LLANDUDNO JUNCTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

5 Fixed asset investments (Continued)

Movements in fixed asset investments

	Investments £
Cost or valuation	
At 1 January 2020	-
Additions	25,916
	<hr/>
At 31 December 2020	25,916
	<hr/>
Carrying amount	
At 31 December 2020	25,916
	<hr/>
At 31 December 2019	-
	<hr/>

A subsidiary undertaking was acquired during the course of the year with 75% of the shareholding being acquired. This subsidiary has been excluded from consolidation on the grounds that its inclusion would not be material for the purposes of giving a true and fair view. This is inline with Section 405 of the Companies Act 2006.

6 Subsidiaries

Details of the company's subsidiaries at 31 December 2020 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Tasting Menorca SA	Spain	Ordinary shares	75.00

Premier Metal Works (Llandudno Junction) Limited has not drawn up group consolidated accounts on the grounds that itself is a subsidiary undertaking of an UK Parent company which draws up group consolidated accounts, for which they are included. This is in line with Section 400 of the Companies Act 2006.

7 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	256,780	402,793
Amounts owed by group undertakings	1,509,553	108,385
Other debtors	233,907	271,156
	<hr/>	<hr/>
	2,000,240	782,334
	<hr/>	<hr/>

PREMIER METAL WORKS (LLANDUDNO JUNCTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

8 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	109,541	236,388
Obligations under finance leases	37,649	27,135
Other borrowings	33,333	41,665
Trade creditors	769,892	726,097
Corporation tax	65,657	18,717
Other taxation and social security	114,431	80,228
Other creditors	3,184	6,003
Accruals and deferred income	481,681	326,271
	<u>1,615,368</u>	<u>1,462,504</u>

There is a cross guarantee in place with Premier Motors Llandudno Limited creating a fixed and floating charge over the company assets.

There is an additional fixed and floating charge in place over the property or undertaking of the company.

9 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Bank loans and overdrafts		946,261	100,153
Obligations under finance leases		6,981	6,981
Other borrowings		157,786	101,704
		<u>1,111,028</u>	<u>208,838</u>

There is a cross guarantee in place with Premier Motors Llandudno Limited creating a fixed and floating charge over the company assets.

There is an additional fixed and floating charge in place over the property or undertaking of the company.

10 Provisions for liabilities

	2020 £	2019 £
Deferred tax liabilities	72,345	76,734
	<u>72,345</u>	<u>76,734</u>

11 Called up share capital

	2020 Number	2019 Number	2020 £	2019 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	229,781	229,781	229,781	229,781
	<u>229,781</u>	<u>229,781</u>	<u>229,781</u>	<u>229,781</u>

PREMIER METAL WORKS (LLANDUDNO JUNCTION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

12 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Jason Selig BA ACA CTA DChA and the auditor was Lopian Gross Barnett & Co.

13 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.

14 Events after the reporting date

There were no events after the reporting period end which require disclosure at the balance sheet date.

15 Parent company

The immediate parent undertaking is Premier Motors Llandudno Limited.

There is no ultimate controlling party as no individual owns more than 50% of the shares of the group.

16 Covid-19

The directors have closely monitored the Government guidance in response to the Covid-19 Pandemic and have implemented measures in line with the Governmental guidelines. The directors have assessed the impact of Covid-19 on the group and conclude that there are no items resulting from the Covid-19 Pandemic which require disclosure at the balance sheet date beyond those already disclosed elsewhere in the accounts.

17 Brexit

The directors have considered the impact of Brexit and don't believe there are any items relating to Brexit which require disclosure at the balance sheet date.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.