

Company Number: 351313

Mallow Road Motors Cork Limited
Annual Report and Financial Statements
for the financial year ended 31 December 2024

DMFN Limited
Chartered Accountants and Statutory Auditors
7 Lower Fitzwilliam Street
Dublin 2

Mallow Road Motors Cork Limited

CONTENTS

	Page
Directors and Other Information	3
Directors' Report	4 - 5
Directors' Responsibilities Statement	6
Independent Auditor's Report	7 - 8
Appendix to the Independent Auditor's Report	9
Profit and Loss Account	10
Balance Sheet	11
Reconciliation of Shareholders' Funds	12
Cash Flow Statement	13
Notes to the Financial Statements	14 - 23

Mallow Road Motors Cork Limited
DIRECTORS AND OTHER INFORMATION

Directors	Pio Cafferkey Patrick Ferriter Stephen Ferriter
Company Secretary	Patrick Ferriter
Company Number	351313
Registered Office and Business Address	Kilnap, Mallow Road, Cork
Auditors	DMFN Limited Chartered Accountants and Statutory Auditors 7 Lower Fitzwilliam Street Dublin 2
Bankers	AIB Blackpool Cork Bank of Ireland Blackpool Cork
Solicitors	Graham Kenny Solicitors 3 Pembroke Street Upper Dublin 2

Mallow Road Motors Cork Limited

DIRECTORS' REPORT

for the financial year ended 31 December 2024

The directors present their report and the audited financial statements for the financial year ended 31 December 2024.

Principal Activity and Review of the Business

The principal activity of the company is that of the sale and service of motor vehicles and allied activities. The directors have no plans to change the activities and operations of the company in the foreseeable future. During the year the company reported a profit. This surplus was transferred to the reserves of the company. The directors expect the company to remain profitable in future periods.

There has been no significant change in these activities during the financial year ended 31 December 2024.

Principal Risks and Uncertainties

The directors consider that the principal risks and uncertainties faced by the company include:

Economic risk

-The Company is at risk of the adverse impact that inflation or rising interest rates may have on its served market. The directors review this risk on a regular basis and believe the Company is well placed to act quickly to mitigate the effects of this risk.

Competition risk

-The directors of the Company manage competition risk through close attention to customer service levels.

Financial risk

-The Company has budgetary and financial reporting procedures in place, supported by appropriate key performance indicators to manage costs, liquidity and other financial risks.

-The company requires that appropriate credit checks are carried out on new customers before sales are made. All customers have individual credit limits that are reviewed on an ongoing basis by the board. Provisions for bad debts are made based on historical evidence and any new events which might indicate a reduction in the recoverability of cash flows.

Results and Dividends

The profit for the financial year after providing for depreciation and taxation amounted to €431,713 (2023 - €542,783).

The directors do not recommend payment of a dividend.

At the end of the financial year, the company has assets of €8,877,078 (2023 - €8,371,975) and liabilities of €5,549,243 (2023 - €5,475,853). The net assets of the company have increased by €431,713.

Directors and Secretary

The directors who served throughout the financial year were as follows:

Pio Cafferkey
Patrick Ferriter
Stephen Ferriter

The secretary who served throughout the financial year was Patrick Ferriter.

The directors' and the secretary's interests in the shares of the company are as follows:

Name	Class of Shares	Number Held At 31/12/24	Number Held At 01/01/24
Pio Cafferkey	Ordinary Shares Class 1	1	1
Patrick Ferriter	Ordinary Shares Class 1	1	1
Stephen Ferriter	Ordinary Shares Class 1	1	1
		<u>3</u>	<u>3</u>

There were no changes in shareholdings between 31 December 2024 and the date of signing the financial statements.

In accordance with the Constitution, the directors are not required to retire by rotation.

Mallow Road Motors Cork Limited

DIRECTORS' REPORT

for the financial year ended 31 December 2024

Future Developments

The company plans to continue its present activities and current trading levels. Employees are kept as fully informed as practicable about developments within the business.

Post Balance Sheet Events

There have been no significant events affecting the company since the financial year-end.

Auditors

DMFN Limited, (Chartered Accountants), were appointed auditors by the directors to fill the casual vacancy and they have expressed their willingness to continue in office in accordance with the provisions of section 383(2) of the Companies Act 2014.

Taxation Status

The company is a close company within the meaning of the Taxes Consolidation Act, 1997.

Statement on Relevant Audit Information

In accordance with section 330 of the Companies Act 2014, so far as each of the persons who are directors at the time this report is approved are aware, there is no relevant audit information of which the statutory auditors are unaware. The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and they have established that the statutory auditors are aware of that information.

Compliance Statement

The directors are responsible for securing the company's compliance with its relevant obligations (compliance with both company and tax law) and with respect to each of the following three items, we confirm that it has been done. We confirm:"

- the existence of a compliance policy statement;
- appropriate arrangements or structures put in place to secure material compliance with the company's relevant obligations;
- a review of such arrangements and structures has taken place during the year

Accounting Records

To ensure that adequate accounting records are kept in accordance with sections 281 to 285 of the Companies Act 2014, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The accounting records are located at the company's office at Kilnap, Mallow Road, Cork.

Signed on behalf of the board

Pio Cafferkey
Director

Stephen Ferriter
Director

22 January 2026

Mallow Road Motors Cork Limited

DIRECTORS' RESPONSIBILITIES STATEMENT

for the financial year ended 31 December 2024

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable Irish law and regulations.

Irish 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 the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council. 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 assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- 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 ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be readily and properly audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the board

Pio Cafferkey
Director

Stephen Ferriter
Director

22 January 2026

INDEPENDENT AUDITOR'S REPORT

to the Shareholders of Mallow Road Motors Cork Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Mallow Road Motors Cork Limited ('the company') for the financial year ended 31 December 2024 which comprise the Profit and Loss Account, the Balance Sheet, the Reconciliation of Shareholders' Funds, the Cash Flow Statement and the related notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued in the United Kingdom by the Financial Reporting Council.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2024 and of its profit for the financial year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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 company's ability to continue as a going concern for a period of at least twelve months from the date 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 included in the annual report other than the financial statements and our Auditor's Report 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.

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

Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based on the work undertaken in the course of the audit, we report that:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

INDEPENDENT AUDITOR'S REPORT

to the Shareholders of Mallow Road Motors Cork Limited

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they determine is 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 company's ability to continue as a going concern, disclosing, if applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operation, or has no realistic alternative but to do so.

Auditor's 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 an Auditor's Report 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 (Ireland) 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.

A further description of our responsibilities for the audit of the financial statements is contained in the appendix to this report, located at page 9, which is to be read as an integral part of our report.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the company's shareholders, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than the company and the company's shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

Darren Flanagan
for and on behalf of
DMFN LIMITED

Chartered Accountants and Statutory Auditors
7 Lower Fitzwilliam Street
Dublin 2

22 January 2026

Mallow Road Motors Cork Limited

APPENDIX TO THE INDEPENDENT AUDITOR'S REPORT

Further information regarding the scope of our responsibilities as auditor

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Mallow Road Motors Cork Limited
PROFIT AND LOSS ACCOUNT

for the financial year ended 31 December 2024

	Notes	2024 €	2023 €
Turnover	4	31,863,307	29,789,692
Cost of sales		(30,324,267)	(28,227,253)
Gross profit		1,539,040	1,562,439
Administrative expenses		(928,467)	(872,334)
Operating profit	5	610,573	690,105
Interest payable and similar expenses	6	(93,884)	(64,576)
Profit before taxation		516,689	625,529
Tax on profit	8	(84,976)	(82,746)
Profit for the financial year		431,713	542,783
Total comprehensive income		431,713	542,783

Mallow Road Motors Cork Limited
BALANCE SHEET

as at 31 December 2024

	Notes	2024 €	2023 €
Fixed Assets			
Tangible assets	9	<u>2,669,256</u>	<u>2,422,296</u>
Current Assets			
Stocks	10	4,848,956	4,621,001
Debtors	11	884,077	772,076
Cash and cash equivalents		474,789	556,602
		<u>6,207,822</u>	<u>5,949,679</u>
Creditors: amounts falling due within one year	13	<u>(4,892,760)</u>	<u>(4,750,813)</u>
Net Current Assets		<u>1,315,062</u>	<u>1,198,866</u>
Total Assets less Current Liabilities		<u>3,984,318</u>	<u>3,621,162</u>
Creditors: amounts falling due after more than one year	14	<u>(656,483)</u>	<u>(725,040)</u>
Net Assets		<u><u>3,327,835</u></u>	<u><u>2,896,122</u></u>
Capital and Reserves			
Called up share capital presented as equity	16	3	3
Retained earnings		3,327,832	2,896,119
Equity attributable to owners of the company		<u><u>3,327,835</u></u>	<u><u>2,896,122</u></u>

Approved by the board on 22 January 2026 and signed on its behalf by:

Pio Cafferkey
 Director

Stephen Ferriter
 Director

Mallow Road Motors Cork Limited
RECONCILIATION OF SHAREHOLDERS' FUNDS

as at 31 December 2024

	Called up share capital €	Retained earnings €	Total €
At 1 January 2023	3	2,353,336	2,353,339
Profit for the financial year	-	542,783	542,783
At 31 December 2023	3	2,896,119	2,896,122
Profit for the financial year	-	431,713	431,713
At 31 December 2024	3	3,327,832	3,327,835

Mallow Road Motors Cork Limited
CASH FLOW STATEMENT

for the financial year ended 31 December 2024

	Notes	2024 €	2023 €
Cash flows from operating activities			
Profit for the financial year		431,713	542,783
Adjustments for:			
Interest payable and similar expenses		93,884	64,576
Tax on profit on ordinary activities		84,976	82,746
Depreciation		530,766	361,700
Profit/loss on disposal of tangible assets		(32,369)	(27,454)
		<u>1,108,970</u>	<u>1,024,351</u>
Movements in working capital:			
Movement in stocks		(227,955)	(1,033,001)
Movement in debtors		(111,062)	(338,458)
Movement in creditors		(1,196,704)	151,574
Cash used in operations		(426,751)	(195,534)
Interest paid		(48,220)	(37,512)
Tax paid		(85,915)	(84,376)
Tax repaid		(1,539)	2,642
Net cash used in operating activities		<u>(562,425)</u>	<u>(314,780)</u>
Cash flows from investing activities			
Interest element of finance lease rental payments		(45,664)	(27,064)
Payments to acquire tangible assets		(720,874)	(735,577)
Receipts from sales of tangible assets		82,684	135,984
Net cash used in investment activities		<u>(683,854)</u>	<u>(626,657)</u>
Cash flows from financing activities			
New long term loan		4,155	6,004
New short term loan		1,242,703	702,928
Repayment of short term loan		(82,392)	(86,594)
Net cash generated from financing activities		<u>1,164,466</u>	<u>622,338</u>
Net decrease in cash and cash equivalents		(81,813)	(319,099)
Cash and cash equivalents at beginning of financial year		556,602	875,701
Cash and cash equivalents at end of financial year	12	<u><u>474,789</u></u>	<u><u>556,602</u></u>

Mallow Road Motors Cork Limited

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

1. General Information

Mallow Road Motors Cork Limited is a company limited by shares incorporated in Ireland.

2. Summary of Significant Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Statement of compliance

The financial statements of the company for the year ended 31 December 2024 have been prepared on the going concern basis and in accordance with generally accepted accounting principles in Ireland and Irish statute comprising the Companies Act 2014 and in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) issued by the Financial Reporting Council. These are the company's first set of financial statements prepared in accordance with FRS 102

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council.

The company qualifies as a medium company as defined by section 280F of the Companies Act 2014 in respect of the financial year.

Turnover

Turnover comprises the invoice value of goods supplied by the company, exclusive of trade discounts and value added tax.

Tangible assets and depreciation

Tangible assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible assets, less their estimated residual value, over their expected useful lives as follows:

Land and buildings freehold	-	4% Straight line
Computer equipment	-	33.3% Straight line
Plant and machinery	-	20% Straight Line
Fixtures, fittings and equipment	-	12.5% Straight Line
Motor vehicles	-	33.3% Straight Line
Hire vehicles	-	33.3% Straight line/ Term of Lease or HP

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Leasing and hire purchases

Tangible assets held under leasing and Hire Purchases arrangements which transfer substantially all the risks and rewards of ownership to the company are capitalised and included in the Balance Sheet at their cost or valuation, less depreciation. The corresponding commitments are recorded as liabilities. Payments in respect of these obligations are treated as consisting of capital and interest elements, with interest charged to the Profit and Loss Account.

Stocks

Stocks are valued at the lower of cost and net realisable value. Stocks are determined on a first-in first-out basis. Cost comprises expenditure incurred in the normal course of business in bringing stocks to their present location and condition. Full provision is made for obsolete and slow moving items. Net realisable value comprises actual or estimated selling price (net of trade discounts) less all further costs to completion or to be incurred in marketing and selling.

Mallow Road Motors Cork Limited

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

Borrowing costs

Borrowing costs relating to the acquisition of assets are capitalised at the appropriate rate by adding them to the cost of assets being acquired. Investment income earned on the temporary investment of specific borrowings pending their expenditure on the assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

Employee benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The company also operates a defined benefit pension scheme for its employees providing benefits based on final pensionable pay. The assets of this scheme are also held separately from those of the company, being invested with pension fund managers.

Taxation and deferred taxation

Current tax represents the amount expected to be paid or recovered in respect of taxable profits for the financial year and is calculated using the tax rates and laws that have been enacted or substantially enacted at the Balance Sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax in the future, or a right to pay less tax in the future. Timing differences are temporary differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured on an undiscounted basis at the tax rates that are anticipated to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Balance Sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Profit and Loss Account.

Ordinary share capital

The ordinary share capital of the company is presented as equity.

3. Critical Accounting Judgements and Estimates

The directors consider the accounting estimates and assumptions below to be its critical accounting judgements and estimates:

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

Mallow Road Motors Cork Limited

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

(a) Establishing useful economic lives for depreciation purposes of tangible fixed assets

Long-lived assets, consisting primarily of Tangible fixed assets, comprise a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated useful lives of each type of asset and estimates of residual values. The directors regularly review these asset useful economic lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have significant impact on depreciation and amortisation charges for the period. Detail of the useful economic lives is included in the accounting policies.

(b) Providing for doubtful debts

The company makes an estimate of the recoverable value of trade and other debtors. The company uses estimates based on historical experience in determining the levels of debts, which the company believes, will not be collected. These estimates include such factors as the current credit rating of the debtor, the ageing profile of debtors and historical experience. Any significant reduction in the level of customers that default on payments or other significant improvements that resulted in a reduction in the level of bad debt provision would have a positive impact on the operating results. The level of provision required is reviewed on an on-going basis.

4. Turnover

The turnover for the financial year is analysed as follows:

	2024	2023
	€	€
By Category:		
Vehicle sales and servicing	31,707,835	29,723,878
Rechargeable direct costs	155,472	65,814
	<u>31,863,307</u>	<u>29,789,692</u>

Other sales consist solely of employee and other overhead costs recharged to related companies.

The whole of the company's turnover is attributable to its market in the Republic of Ireland and is derived from the principal activity of the sale and service of motor vehicles and allied activities.

5. Operating profit

	2024	2023
	€	€
Operating profit is stated after charging/(crediting):		
Depreciation of tangible assets	530,766	361,700
(Profit) on disposal of tangible assets	(32,369)	(27,454)
	<u>500,397</u>	<u>334,246</u>

6. Interest payable and similar expenses

	2024	2023
	€	€
On bank loans and overdrafts	12,290	14,034
Finance lease charges and hire purchase interest	81,594	50,542
	<u>93,884</u>	<u>64,576</u>

Mallow Road Motors Cork Limited

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

7. Employees and remuneration

Number of employees

The average number of persons employed (including executive directors) during the financial year was as follows:

	2024 Number	2023 Number
Administration	2	2
Directors	3	3
Sales	8	8
Service/Stores	17	17
	<u>30</u>	<u>30</u>

The staff costs (inclusive of directors' salaries) comprise:

	2024 €	2023 €
Wages and salaries	1,543,267	1,228,257
Social welfare costs	147,845	119,809
Pension costs	144,348	52,338
	<u>1,835,460</u>	<u>1,400,404</u>

8. Tax on profit

	2024 €	2023 €
(a) Analysis of charge in the financial year		
Current tax:		
Corporation tax at 12.50% (2023 - 12.50%) (Note 8 (b))	<u>70,107</u>	<u>85,915</u>
Deferred tax:		
Origination and reversal of timing differences	<u>14,869</u>	<u>(3,169)</u>
Total deferred tax (Note 11)	<u>14,869</u>	<u>(3,169)</u>
Tax on profit (Note 8 (b))	<u>84,976</u>	<u>82,746</u>

(b) Factors affecting tax charge for the financial year

The tax assessed for the financial year differs from the standard rate of corporation tax in Republic of Ireland 12.50% (2023 - 12.50%). The differences are explained below:

	2024 €	2023 €
Profit taxable at 12.50%	<u>516,689</u>	<u>625,529</u>
Profit before tax		
multiplied by the standard rate of corporation tax		
in Republic of Ireland at 12.50% (2023 - 12.50%)	64,586	78,191
Effects of:		
Expenses not deductible for tax purposes	2,842	5,985
Depreciation in excess of capital allowances for period	45,962	25,818
Deferred tax	14,869	(3,169)
Lease payments in excess of interest	(43,283)	(24,079)
Total tax charge for the financial year (Note 8 (a))	<u>84,976</u>	<u>82,746</u>

Mallow Road Motors Cork Limited
NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2024

9. Tangible assets

	Land and buildings freehold	Computer equipment	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Hire vehicles	Total
	€	€	€	€	€	€	€
Cost							
At 1 January 2024	1,124,981	28,166	99,159	277,750	24,000	1,790,117	3,344,173
Additions	-	7,565	24,759	9,840	-	785,877	828,041
Disposals	-	-	-	-	-	(182,654)	(182,654)
At 31 December 2024	1,124,981	35,731	123,918	287,590	24,000	2,393,340	3,989,560
Depreciation							
At 1 January 2024	185,449	13,570	48,113	102,153	24,000	548,592	921,877
Charge for the financial year	15,000	9,116	18,659	28,918	-	459,073	530,766
On disposals	-	-	-	-	-	(132,339)	(132,339)
At 31 December 2024	200,449	22,686	66,772	131,071	24,000	875,326	1,320,304
Net book value							
At 31 December 2024	924,532	13,045	57,146	156,519	-	1,518,014	2,669,256
At 31 December 2023	939,532	14,596	51,046	175,597	-	1,241,525	2,422,296

Mallow Road Motors Cork Limited
NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

9.1. Tangible assets continued

Included above are assets held under finance leases or hire purchase contracts as follows:

	2024 Net book value €	Depreciation charge €	2023 Net book value €	Depreciation charge €
Hire vehicles	<u>1,518,541</u>	<u>326,604</u>	<u>1,200,419</u>	<u>286,329</u>
10. Stocks			2024	2023
			€	€
Used vehicle stock			2,016,373	1,895,367
Work in progress			147,288	148,843
			<u>2,163,661</u>	<u>2,044,210</u>
New vehicle stock			2,685,295	2,576,791
			<u>4,848,956</u>	<u>4,621,001</u>

The replacement cost of stock did not differ significantly from the figures shown. Stocks are stated after provision for impairment of €101,358 (2023: €159,357)

11. Debtors	2024	2023
	€	€
Trade debtors	286,854	373,282
Amounts owed by connected parties (Note 20)	291,606	117,747
Deferred tax asset	(4,900)	9,969
Taxation (Note 15)	213,515	69,861
Prepayments	97,002	201,217
	<u>884,077</u>	<u>772,076</u>

Debtors are stated after provisions for impairment of €5,000 (2023: €5,000).

12. Cash and cash equivalents	2024	2023
	€	€
Cash and bank balances	<u>474,789</u>	<u>556,602</u>

Mallow Road Motors Cork Limited

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

13. Creditors	2024	2023
Amounts falling due within one year	€	€
Amounts owed to credit institutions	3,595,232	2,385,155
Net obligations under finance leases and hire purchase contracts	672,245	542,132
Trade creditors	263,680	1,179,875
Amounts owed to connected parties (Note 20)	12,922	178,113
Taxation (Note 15)	41,260	3,403
Directors' current accounts (Note 19)	209,308	211,695
Accruals	98,113	250,440
	<u>4,892,760</u>	<u>4,750,813</u>

Trade and other creditors are payable at various dates in the next 12 months in accordance with the usual suppliers usual and customary terms.

Tax and social securities are repayable at various dates over the coming months in line with the tax authority guidelines.

14. Creditors	2024	2023
Amounts falling due after more than one year	€	€
Mortgage	127,718	173,329
Finance leases and hire purchase contracts	528,765	551,711
	<u>656,483</u>	<u>725,040</u>
Loans		
Repayable in one year or less, or on demand (Note 13)	3,595,232	2,385,155
Repayable between one and two years	47,949	53,056
Repayable between two and five years	79,769	89,348
Repayable in five years or more	-	30,925
	<u>3,722,950</u>	<u>2,558,484</u>
Net obligations under finance leases and hire purchase contracts		
Repayable within one year	672,245	542,132
Repayable between one and five years	528,765	551,711
	<u>1,201,010</u>	<u>1,093,843</u>

Bank of Ireland plc hold a legal mortgage charge over Block 1500, Blarney Business Park, Blarney, Co Cork as security for the companies borrowings.

Allied Irish Bank plc hold a legal mortgage charge over Block 1200, Blarney Business Park, Blarney, Co Cork along with personal guarantees provided by the directors of €150,000 each, as security for the companies borrowings.

Mallow Road Motors Cork Limited
NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

15. Taxation	2024	2023
	€	€
Debtors:		
VAT	180,133	58,689
Corporation tax	15,808	-
VRT	17,574	11,172
	<u>213,515</u>	<u>69,861</u>
Creditors:		
Corporation tax	-	1,539
PAYE	41,260	1,864
	<u>41,260</u>	<u>3,403</u>

16. Share capital	2024	2023		
	€	€		
Description	Number of shares	Value of units		
Authorised				
Ordinary Shares Class 1	1,000,000	€1.00 each	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, called up and fully paid				
Ordinary Shares Class 1	3	€1.00 each	<u>3</u>	<u>3</u>

17. Capital commitments

There were no capital commitments at the year ended 31 December 2023.

18. Contingent liabilities

The company is engaged in commercial litigation with another company that shares a common director and two common shareholders with the company. No provision has been recognized in respect of the litigation, with the exception of the accrual of legal fees incurred to date. The company, advised by legal counsel, is unable to make a reasonable assessment of the outcome due to the stage of the proceedings, but the company is confident that it can defend the case. It is not possible at present to make an estimate of any potential economic impact of these proceedings, but the directors will continue to update their assessment of the matter as the case evolves.

19. Directors' remuneration and transactions	2024	2023
	€	€
Remuneration	159,996	92,996
Pension contributions	91,988	21,413
	<u>251,984</u>	<u>114,409</u>

The following amounts are repayable to the directors:

	2024	2023
	€	€
Pio Cafferkey	17,820	20,207
Patrick Ferriter	160,000	160,000
Stephen Ferriter	31,488	31,488
	<u>209,308</u>	<u>211,695</u>

Mallow Road Motors Cork Limited

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

20. Related party transactions

As permitted by the Companies Act 2014 the company had transactions with other connected parties. The following amounts are receivable at the financial year end:

	Balance 2024 €	Movement in year €	Balance 2023 €	Maximum in year €
Cork Truck Services Limited	210,821	173,859	36,962	-
DAF Truck Services (Cork) Limited	80,785	-	80,785	-
	<u>291,606</u>	<u>173,859</u>	<u>117,747</u>	

The following amounts are due to other connected parties:

	2024 €	2023 €
Cork Truck Services Limited	(35)	50,107
DAF Truck Services (Cork) Limited	12,957	128,006
	<u>12,922</u>	<u>178,113</u>

Net balances with other connected parties:

	2024 €	2023 €
Cork Truck Services Limited	210,856	(13,145)
DAF Truck Services (Cork) Limited	67,828	(47,221)
	<u>278,684</u>	<u>(60,366)</u>

All amounts due from, and to connected parties are unsecured, interest free and repayable on demand. The above companies are deemed to be connected parties due to the common directorships of Pat Ferriter in relation to DAF Truck Services (Cork) Limited and Stephen Ferriter in relation to Cork Truck Services Limited, during the reporting period.

In the opinion of the directors these amounts arise in the ordinary course of business and the terms of the amounts due are in accordance with the terms ordinarily offered by the company.

There were no related party transactions with the directors during the period.

21. Post-Balance Sheet Events

There have been no significant events affecting the company since the year-end.

22. Reconciliation of Net Cash Flow to Movement in Net Debt

	Opening balance €	Cash flows €	Other changes €	Closing balance €
Long-term borrowings	(173,329)	(4,155)	49,766	(127,718)
Short-term borrowings	(2,385,155)	(1,160,311)	(49,766)	(3,595,232)
Finance lease and hire purchase	(1,093,843)	-	(107,167)	(1,201,010)
Total liabilities from financing activities	<u>(3,652,327)</u>	<u>(1,164,466)</u>	<u>(107,167)</u>	<u>(4,923,960)</u>
Total Cash and cash equivalents (Note 12)				<u>474,789</u>
Total net debt				<u>(4,449,171)</u>

Mallow Road Motors Cork Limited
NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2024

23. Approval of financial statements

The financial statements were approved and authorised for issue by the board of directors on 22 January 2026.