

Unaudited Financial Statements for the Year Ended 30 June 2021

for

Guildford Tyre Company Limited

**Contents of the Financial Statements
for the Year Ended 30 June 2021**

	Page
Company Information	1
Chartered Accountants' Report	2
Balance Sheet	3
Notes to the Financial Statements	5

Guildford Tyre Company Limited

**Company Information
for the Year Ended 30 June 2021**

DIRECTORS:

C W L Sunderland
M C Sunderland

SECRETARY:

M C Sunderland

REGISTERED OFFICE:

13-14 Woodbridge Meadows
Guildford
Surrey
GU1 1BA

REGISTERED NUMBER:

01265969 (England and Wales)

ACCOUNTANTS:

Brewers Chartered Accountants
Bourne House
Queen Street
Gomshall
Surrey
GU5 9LY

**Chartered Accountants' Report to the Board of Directors
on the Unaudited Financial Statements of
Guildford Tyre Company Limited**

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Guildford Tyre Company Limited for the year ended 30 June 2021 which comprise the Profit and loss account, Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Guildford Tyre Company Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Guildford Tyre Company Limited and state those matters that we have agreed to state to the Board of Directors of Guildford Tyre Company Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Guildford Tyre Company Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Guildford Tyre Company Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Guildford Tyre Company Limited. You consider that Guildford Tyre Company Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Guildford Tyre Company Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Brewers Chartered Accountants
Bourne House
Queen Street
Gomshall
Surrey
GU5 9LY

23 February 2022

Guildford Tyre Company Limited (Registered number: 01265969)

Balance Sheet
30 June 2021

	Notes	30.6.21 £	£	30.6.20 £	£
FIXED ASSETS					
Tangible assets	4		2,136,417		2,000,001
Investments	5		<u>2</u>		<u>2</u>
			2,136,419		2,000,003
CURRENT ASSETS					
Stocks		421,730		320,740	
Debtors	6	365,405		256,737	
Cash at bank and in hand		381,488		59,058	
		<u>1,168,623</u>		<u>636,535</u>	
CREDITORS					
Amounts falling due within one year	7	<u>1,406,492</u>		<u>679,321</u>	
NET CURRENT LIABILITIES			(237,869)		(42,786)
TOTAL ASSETS LESS CURRENT LIABILITIES			1,898,550		1,957,217
CREDITORS					
Amounts falling due after more than one year	8		<u>363,169</u>		<u>578,629</u>
NET ASSETS			<u>1,535,381</u>		<u>1,378,588</u>
CAPITAL AND RESERVES					
Called up share capital			1,560		1,560
Capital redemption reserve			940		940
Retained earnings			<u>1,532,881</u>		<u>1,376,088</u>
SHAREHOLDERS' FUNDS			<u>1,535,381</u>		<u>1,378,588</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

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

Balance Sheet - continued
30 June 2021

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 Profit and loss account has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 23 February 2022 and were signed on its behalf by:

M C Sunderland - Director

**Notes to the Financial Statements
for the Year Ended 30 June 2021**

1. STATUTORY INFORMATION

Guildford Tyre Company Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

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

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.

Going concern

The financial statements have been prepared on a going concern basis which assumes that the Company will continue in operational existence for the foreseeable future. The directors have reviewed the working capital requirements of the Company for a period of at least twelve months from the anticipated date of signing of the financial statements and are satisfied that the Company will be able to meet its liabilities as they fall due.

Government support

Government support was received during the year in the form of a bank loan, a lending facility supported by the Coronavirus Business Interruption Loan Scheme, which has a Partial Guarantee by the Secretary of State. Other income includes furlough receipts from the Coronavirus Job Retention Scheme which are recognised on a receivable basis. Also as a retail business the company received full business rates relief from every council covering all branch locations.

Turnover

Turnover represents the value of tyre and vehicle parts supplied together with repair and MOT services undertaken on vehicles during the period, excluding value added tax.

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% on cost
Long leasehold	- in accordance with the property
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

Assets are stated at cost and are capitalized where over £500.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet 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 profit or loss.

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2021**

2. ACCOUNTING POLICIES - continued

Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. 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 the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Pension costs and other post-retirement benefits

The company make employee pension contributions under an Auto-Enrolment group scheme. Contributions payable to the scheme are charged to the profit and loss account in the period to which they relate.

Debtors

Basic financial assets, including trade and other debtors, are initially recognised at transaction price, unless the arrangement constitutes a financial transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Notes to the Financial Statements - continued
for the Year Ended 30 June 2021

2. ACCOUNTING POLICIES - continued

Cash and cash equivalents

Cash and cash equivalents are represented by cash in hand, deposits held at call with financial institutions, and other short-term highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

Basic financial liabilities, including trade and other creditors, loans from third parties and loans from related parties, 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. Such instruments are subsequently carried at amortised cost using the effective interest method, less any impairment.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 41 (2020 - 44) .

4. TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Improvements to property £
COST			
At 1 July 2020	621,306	1,199,010	384,604
Additions	-	-	158,259
Disposals	-	-	-
At 30 June 2021	<u>621,306</u>	<u>1,199,010</u>	<u>542,863</u>
DEPRECIATION			
At 1 July 2020	94,862	171,289	86,894
Charge for year	8,144	19,032	38,850
Eliminated on disposal	-	-	-
At 30 June 2021	<u>103,006</u>	<u>190,321</u>	<u>125,744</u>
NET BOOK VALUE			
At 30 June 2021	<u>518,300</u>	<u>1,008,689</u>	<u>417,119</u>
At 30 June 2020	<u>526,444</u>	<u>1,027,721</u>	<u>297,710</u>

Notes to the Financial Statements - continued
for the Year Ended 30 June 2021

4. TANGIBLE FIXED ASSETS - continued

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 July 2020	648,196	105,633	151,988	3,110,737
Additions	82,224	5,513	4,250	250,246
Disposals	(10,630)	-	(41,477)	(52,107)
At 30 June 2021	<u>719,790</u>	<u>111,146</u>	<u>114,761</u>	<u>3,308,876</u>
DEPRECIATION				
At 1 July 2020	520,827	93,376	143,488	1,110,736
Charge for year	40,583	3,972	2,208	112,789
Eliminated on disposal	(9,989)	-	(41,077)	(51,066)
At 30 June 2021	<u>551,421</u>	<u>97,348</u>	<u>104,619</u>	<u>1,172,459</u>
NET BOOK VALUE				
At 30 June 2021	<u>168,369</u>	<u>13,798</u>	<u>10,142</u>	<u>2,136,417</u>
At 30 June 2020	<u>127,369</u>	<u>12,257</u>	<u>8,500</u>	<u>2,000,001</u>

5. FIXED ASSET INVESTMENTS

	Shares in group undertaking £
COST	
At 1 July 2020 and 30 June 2021	<u>2</u>
NET BOOK VALUE	
At 30 June 2021	<u>2</u>
At 30 June 2020	<u>2</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.21 £	30.6.20 £
Trade debtors	254,918	223,119
Other debtors	<u>110,487</u>	<u>33,618</u>
	<u>365,405</u>	<u>256,737</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.21 £	30.6.20 £
Trade creditors	768,144	360,806
Taxation and social security	135,247	230,222
Other creditors	<u>503,101</u>	<u>88,293</u>
	<u>1,406,492</u>	<u>679,321</u>

Notes to the Financial Statements - continued
for the Year Ended 30 June 2021

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

	30.6.21	30.6.20
	£	£
Other creditors	<u>363,169</u>	<u>578,629</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Loan in excess 5 years	<u>127,263</u>	<u>193,984</u>

9. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	30.6.21	30.6.20
	£	£
Within one year	103,122	101,892
Between one and five years	386,200	393,742
In more than five years	<u>1,218,625</u>	<u>1,312,975</u>
	<u>1,707,947</u>	<u>1,808,609</u>

10. SECURED DEBTS

The following secured debts are included within creditors:

	30.6.21	30.6.20
	£	£
Bank loans and mortgages	<u>840,545</u>	<u>641,738</u>

The bank loans and mortgages are secured by a fixed and floating charge over the assets and property of the company.

The £250,000 bank loan, a lending facility supported by the Coronavirus Business Interruption Loan Scheme (CBILS), has a Partial Guarantee by the Secretary of State. The loan is fully repaid shortly after the year end. Under the terms of the loan interest, fees and charges for the first 12 months are covered by the Secretary of State.

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.