

## **Geoffrey Harris Tyres Limited**

Company Reg. No. 02362984

## **Unaudited Filleted Accounts**

For the Year ended 31 March 2017



[www.hwca.com](http://www.hwca.com)

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Haines Watts Cornwall is a trading name of Haines Watts South West LLP  
Haines Watts South West LLP is a limited liability partnership registered in England & Wales, no. OC365571  
A list of the names of the principals is available at the registered office 3 Southernhay West, Exeter, EX1 1JG

# **Geoffrey Harris Tyres Limited**

## **Contents**

	<b>Page</b>
Directors and other information	<b>1</b>
Statement of financial position	<b>2 - 3</b>
Statement of changes in equity	<b>4</b>
Notes to the financial statements	<b>5 - 11</b>

**Geoffrey Harris Tyres Limited**

**Directors and other information**

**Directors** Mr Michael Harris  
Mrs Joanne Harris

**Company number** 02362984

**Registered office** Station Road  
Liskeard  
Cornwall  
PL14 4DA

**Business address** Station Road  
Liskeard  
Cornwall  
PL14 4DA

**Accountants** Haines Watts  
Southgate Close  
Launceston  
Cornwall  
PL15 9DU

**Bankers** Barclays Bank plc

**Geoffrey Harris Tyres Limited**

**Statement of financial position  
31 March 2017**

	Note	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Tangible assets	5	346,390		370,222	
			346,390		370,222
<b>Current assets</b>					
Stocks		318,545		265,216	
Debtors	6	195,408		182,747	
Investments	7	60		60	
Cash at bank and in hand		98,278		169,443	
		612,291		617,466	
<b>Creditors: amounts falling due within one year</b>	8	(356,978)		(319,600)	
<b>Net current assets</b>			255,313		297,866
<b>Total assets less current liabilities</b>			601,703		668,088
<b>Provisions for liabilities</b>			(17,888)		(22,866)
<b>Net assets</b>			583,815		645,222
<b>Capital and reserves</b>					
Called up share capital			100		100
Fair value reserve			-		11,361
Profit and loss account			583,715		633,761
<b>Shareholders funds</b>			583,815		645,222

For the year ending 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

**Directors responsibilities:**

- The shareholders have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

**The notes on pages 5 to 11 form part of these financial statements.**

**Geoffrey Harris Tyres Limited**

**Statement of financial position (continued)**  
**31 March 2017**

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on , and are signed on behalf of the board by:



Mr Michael Harris  
Director

Company registration number: 02362984

**The notes on pages 5 to 11 form part of these financial statements.**

**Geoffrey Harris Tyres Limited**

**Statement of changes in equity  
Year ended 31 March 2017**

	Called up share capital £	Fair value reserve £	Profit and loss account £	<b>Total</b> £
<b>At 1 April 2015 (as previously reported)</b>	100	11,361	644,999	656,460
Effects of changes in accounting policies	-	-	(2,119)	(2,119)
<b>At 1 April 2015 (restated)</b>	100	11,361	642,880	654,341
Profit for the year			45,381	45,381
<b>Total comprehensive income for the year</b>	-	-	45,381	45,381
Dividends paid and payable			(54,500)	(54,500)
<b>Total investments by and distributions to owners</b>	-	-	(54,500)	(54,500)
<b>At 31 March 2016 (as previously reported)</b>	100	11,361	633,761	645,222
Effects of changes in accounting policies	-	2,665	-	2,665
<b>At 31 March 2016 (restated) and 1 April 2016</b>	100	14,026	633,761	647,887
Profit for the year			2,954	2,954
Other comprehensive income for the year:				
Fair value movements on investment in subsidiaries		(14,026)		(14,026)
<b>Total comprehensive income for the year</b>	-	(14,026)	2,954	(11,072)
Dividends paid and payable			(53,000)	(53,000)
<b>Total investments by and distributions to owners</b>	-	-	(53,000)	(53,000)
<b>At 31 March 2017</b>	100	-	583,715	583,815

## **Geoffrey Harris Tyres Limited**

### **Notes to the financial statements Year ended 31 March 2017**

#### **1. General information**

The company is a private company limited by shares, registered in England & Wales. The address of the registered office is Station Road, Liskeard, Cornwall, PL14 4DA.

#### **2. Statement of compliance**

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

#### **3. Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### **Transition to FRS 102**

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 12.

##### **Turnover**

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, usually on despatch of the goods; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

##### **Taxation**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. 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 capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

## **Geoffrey Harris Tyres Limited**

### **Notes to the financial statements (continued)**

**Year ended 31 March 2017**

#### **Tangible assets**

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

#### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	- 2%	straight line
Plant and machinery	- 10%	reducing balance
Fittings fixtures and equipment	- 10%	reducing balance
Motor vehicles	- 20%	reducing balance

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

#### **Investment property**

Investment property is measured initially at cost, which includes purchase price and any directly attributable expenditure. Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

If a reliable measure of fair value is not available without undue cost or effort it shall be transferred to tangible assets and accounted for under the cost model until it is expected that fair value will be reliably measurable on an on-going basis.

#### **Impairment**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

#### **Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.



## **Geoffrey Harris Tyres Limited**

### **Notes to the financial statements (continued) Year ended 31 March 2017**

#### **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

#### **Financial instruments**

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### **Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

#### **4. Staff costs**

The average number of persons employed by the company during the year amounted to 14 (2016: 14).

**Geoffrey Harris Tyres Limited**

**Notes to the financial statements (continued)**  
**Year ended 31 March 2017**

**5. Tangible assets**

	Freehold property	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost or valuation</b>					
At 1 April 2016	333,787	94,506	11,698	88,715	528,706
Additions	3,000	6,079	-	13,900	22,979
Disposals	(23)	(9,967)	-	(15,285)	(25,275)
Revaluation	(14,026)	-	-	-	(14,026)
<b>At 31 March 2017</b>	<u>322,738</u>	<u>90,618</u>	<u>11,698</u>	<u>87,330</u>	<u>512,384</u>
<b>Depreciation</b>					
At 1 April 2016	64,571	46,688	7,457	39,768	158,484
Charge for the year	5,923	5,091	1,408	11,618	24,040
Disposals	-	(6,008)	-	(10,522)	(16,530)
<b>At 31 March 2017</b>	<u>70,494</u>	<u>45,771</u>	<u>8,865</u>	<u>40,864</u>	<u>165,994</u>
<b>Carrying amount</b>					
<b>At 31 March 2017</b>	<u>252,244</u>	<u>44,847</u>	<u>2,833</u>	<u>46,466</u>	<u>346,390</u>
At 31 March 2016	<u>269,216</u>	<u>47,818</u>	<u>4,241</u>	<u>48,947</u>	<u>370,222</u>

**Investment property**

Included within the above is investment property as follows:

	£
At 1 April 2016	79,739
Fair value adjustments	(14,026)
Other movements	(2,119)
<b>At 31 March 2017</b>	<u>63,594</u>

**6. Debtors**

	2017	2016
	£	£
Trade debtors	194,365	176,550
Other debtors	1,043	6,197
	<u>195,408</u>	<u>182,747</u>

**Geoffrey Harris Tyres Limited**

**Notes to the financial statements (continued)**  
**Year ended 31 March 2017**

**7. Investments**

	2017	2016
	£	£
Other investments	60	60
	<u>60</u>	<u>60</u>

**8. Creditors: amounts falling due within one year**

	2017	2016
	£	£
Trade creditors	228,128	214,751
Corporation tax	3,516	9,398
Social security and other taxes	35,348	49,981
Other creditors	89,986	45,470
	<u>356,978</u>	<u>319,600</u>

**9. Directors advances, credits and guarantees**

During the year the directors entered into the following advances and credits with the company:

<b>2017</b>				
	Balance brought forward	Advances /(credits) to the directors	Amounts repaid	Balance o/standing
	£	£	£	£
Mr Michael Harris	(40,126)	33,600	(78,000)	(84,526)
	<u>(40,126)</u>	<u>33,600</u>	<u>(78,000)</u>	<u>(84,526)</u>
<b>2016</b>				
	Balance brought forward	Advances /(credits) to the directors	Amounts repaid	Balance o/standing
	£	£	£	£
Mr Michael Harris	(25,830)	40,204	(54,500)	(40,126)
	<u>(25,830)</u>	<u>40,204</u>	<u>(54,500)</u>	<u>(40,126)</u>

# Geoffrey Harris Tyres Limited

## Notes to the financial statements (continued) Year ended 31 March 2017

### 10. Related party transactions

During the year the company entered into the following transactions with related parties:

	Transaction value	
	2017	2016
	£	£
Mr G and Mrs K Harris - shareholders	28,056	28,040
Mr M and Mrs J Harris - directors and shareholders	50	50

Mr G and Mrs K Harris each own 25 ordinary £1 shares of the company. Mr M and Mrs J Harris jointly own 50 ordinary £1 shares of the company. During the year rent of £27,500 and insurance of £556 was paid to Mr G and Mrs K Harris. Mr M and Mrs J Harris maintain an interest free current account with the company. Advances in aggregate amounting to £33,600 were made to the directors during the year and these were repaid in full. The directors also loaned monies to the company totalling £25,000. During the year Mr M and Mrs J Harris received dividends of £53,000 and the credit balance on their loan account at 31 March 2017 was £84,526.

### 11. Controlling party

The company is controlled by the Harris family.

### 12. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 April 2015.

#### Reconciliation of equity

	At 1 April 2015			At 31 March 2016		
	Previously stated	Effect of transition	FRS 102 (restated)	Previously stated	Effect of transition	FRS 102 (restated)
	£	£	£	£	£	£
Fixed assets	374,690	(38,142)	336,548	372,341	(2,119)	370,222
Current assets	838,791	-	838,791	617,466	-	617,466
Creditors amounts falling due within 1 year	(498,714)	-	(498,714)	(319,600)	-	(319,600)
Net current assets	340,077	-	340,077	297,866	-	297,866
Total assets less current liabilities	714,767	(38,142)	676,625	670,207	(2,119)	668,088
Provisions for liabilities	(17,500)	(2,665)	(20,165)	(20,201)	(2,665)	(22,866)
Net assets	697,267	(40,807)	656,460	650,006	(4,784)	645,222
Equity	691,737	(35,274)	656,463	650,006	(4,784)	645,222

**Geoffrey Harris Tyres Limited**

**Notes to the financial statements (continued)**  
**Year ended 31 March 2017**

**Reconciliation of profit or loss for the year**

No transitional adjustments were required.

The revaluation reserve for Investment Property has been reclassified as a Fair Value Reserve in line with the updated guidance.

As per FRS 102 guidance, deferred tax has been accounted for on Investment Properties.