

Strategic Report, Report of the Directors and  
Financial Statements for the Year Ended 31 October 2022  
for  
Tyrefix Plant Tyres (UK) Limited

Contents of the Financial Statements  
for the Year Ended 31 October 2022

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	4
Statement of Comprehensive Income	7
Balance Sheet	8
Statement of Changes in Equity	9
Cash Flow Statement	10
Notes to the Cash Flow Statement	11
Notes to the Financial Statements	12

Tyrefix Plant Tyres (UK) Limited

Company Information  
for the Year Ended 31 October 2022

**DIRECTORS:**

O Johnson  
A D Buffin  
J Pitman

**SECRETARY:**

J Pitman

**REGISTERED OFFICE:**

Tyrefix  
Brookside Industrial Estate  
Spring Road  
Ibstock  
Leicestershire  
LE67 6LR

**REGISTERED NUMBER:**

04075419 (England and Wales)

**AUDITORS:**

Gopsall Audit Services Limited  
Chartered Accountants  
Statutory Auditor  
4 HRFC Business Centre  
Leicester Road  
Hinckley  
Leicestershire  
LE10 3DR

Strategic Report  
for the Year Ended 31 October 2022

The directors present their strategic report for the year ended 31 October 2022.

**REVIEW OF BUSINESS**

There was uptick in demand from a post-COVID market which Tyrefix Plant Tyres (UK) Limited ("Tyrefix") were able to meet through continued high service levels and depth of stock, leading to a growth in both the number of customers trading and spend of current customers. Supporting this, operational efficiencies, and an adoption of a new stock system led to growth in Tyrefix's core plant business during the year.

In early 2022, Tyrefix expanded into the earthmover sector, undertaking significant capital investment to obtain a modern, competitive fleet which could provide nationwide coverage for our new services. Synergies have been achieved between the two divisions from our new head office facility in Ibstock, Leicestershire.

An abnormally dry summer period curbed growth in what was an otherwise strengthening marketplace throughout the year.

Revenue increased by 24.4% to £15,290,286 (2021 £12,289,332). Operational expenditure continued to be managed closely during 2022 to achieve a pre-tax profit of £952,078 (2021 £1,067,681).

The company reports net assets of £4,595,123 (2021 £3,753,028).

Our Financial Key Performance Indicators for the year, together with the historical trend data, are set out in the table below:-

	<u>2022</u>	<u>2021 as</u> <u>restated</u>	<u>Analysis</u>
Increase/(Decrease) in sales (%)	24.4	19.6	Sales growth driven by growth in core plant business and diversification into the Earthmover sector.
Gross profit margin (%)	34.7	34.0	Slight increase driven by operational efficiencies.
Net profit margin (%)	6.2	8.7	Reduction resulting from investment in head office function to support future growth.

**PRINCIPAL RISKS AND UNCERTAINTIES**

There are several risks impacting the construction industry as a whole and Tyrefix as a result, these include:

**Interest Rates** - Interest rate increases since late 2022 following high inflation could result in a drop in demand for new housebuilding. We are pursuing expansion and diversification actions to hedge this risk and grow in a variety of sectors

**Commodity Prices** - Inflation has remained high in the market which has pushed prices up over the past 12-18 months. This remains an area that we monitor closely and are in regular dialogue with suppliers and customers alike.

**Exposure to Bad Debts** - Key customers are offered extended payment terms and we have exposure to potential bad debts as a result. To manage the risk, we perform credit checks on clients at regular intervals and have a credit control function to ensure customers settle invoices within payment terms.

**POST BALANCE SHEET EVENTS AND FUTURE DEVELOPMENTS**

Since the close of the accounts for the year ended 31 October 2022, Noah Bidco Limited (a company within the Tyrefix group) has completed an acquisition of another plant tyre services business.

Tyrefix management are actively expanding the business by additional revenue streams and by acquisition of suitable businesses providing similar or complementary services.

**ON BEHALF OF THE BOARD:**

O Johnson - Director

28 September 2023

Report of the Directors  
for the Year Ended 31 October 2022

The directors present their report with the financial statements of the company for the year ended 31 October 2022.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of plant tyre repair and replacement service.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 October 2022.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 November 2021 to the date of this report.

O Johnson  
A D Buffin

Other changes in directors holding office are as follows:

J Pitman was appointed as a director after 31 October 2022 but prior to the date of this report.

T E Gover ceased to be a director after 31 October 2022 but prior to the date of this report.

**DISCLOSURE IN THE STRATEGIC REPORT**

The company has taken advantage of provisions which allow items marked for disclosure in the directors' report to be set out in the strategic report in accordance with s.414C(11) CA 2006.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Gopsall Audit Services Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

O Johnson - Director

28 September 2023

## **Opinion**

We have audited the financial statements of Tyrefix Plant Tyres (UK) Limited (the 'company') for the year ended 31 October 2022 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 October 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 the financial statements in the UK, including the FRC's Ethical Standard, 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 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 in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 2006**

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

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

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' 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 a Report of the Auditors 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 (UK) 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the construction and plant tyre sectors;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships; tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates set out in note 4 were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims; and
- Reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

Report of the Independent Auditors to the Members of  
Tyrefix Plant Tyres (UK) Limited

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Peter White (Senior Statutory Auditor)  
for and on behalf of Gopsall Audit Services Limited  
Chartered Accountants  
Statutory Auditor  
4 HRFC Business Centre  
Leicester Road  
Hinckley  
Leicestershire  
LE10 3DR

28 September 2023



Statement of Comprehensive Income  
for the Year Ended 31 October 2022

		31.10.22	31.10.21 as restated
	Notes	£	£
<b>TURNOVER</b>	5	15,290,286	12,289,332
Cost of sales		9,982,669	8,114,029
<b>GROSS PROFIT</b>		5,307,617	4,175,303
Administrative expenses		4,284,035	3,116,832
		1,023,582	1,058,471
Other operating income	6	600	22,444
<b>OPERATING PROFIT</b>	9	1,024,182	1,080,915
Interest payable and similar expenses	10	72,104	13,234
<b>PROFIT BEFORE TAXATION</b>		952,078	1,067,681
Tax on profit	11	109,983	205,135
<b>PROFIT FOR THE FINANCIAL YEAR</b>		842,095	862,546
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		842,095	862,546

**Tyrefix Plant Tyres (UK) Limited (Registered number: 04075419)**

**Balance Sheet**  
**31 October 2022**

		31.10.22		31.10.21 as restated	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	14		30,260		16,770
Tangible assets	15		4,020,534		2,621,643
Investments	16		<u>112</u>		<u>112</u>
			4,050,906		2,638,525
<b>CURRENT ASSETS</b>					
Stocks	17	2,272,739		1,204,317	
Debtors	18	4,427,492		3,376,886	
Cash at bank and in hand		<u>65,658</u>		<u>168,990</u>	
		6,765,889		4,750,193	
<b>CREDITORS</b>					
Amounts falling due within one year	19	<u>5,486,570</u>		<u>3,039,413</u>	
<b>NET CURRENT ASSETS</b>			<u>1,279,319</u>		<u>1,710,780</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			5,330,225		4,349,305
<b>CREDITORS</b>					
Amounts falling due after more than one year	20		(426,003)		(418,470)
<b>PROVISIONS FOR LIABILITIES</b>	24		<u>(309,099)</u>		<u>(177,807)</u>
<b>NET ASSETS</b>			<u>4,595,123</u>		<u>3,753,028</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	25		2		2
Retained earnings	26		<u>4,595,121</u>		<u>3,753,026</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>4,595,123</u>		<u>3,753,028</u>

The financial statements were approved by the Board of Directors and authorised for issue on 28 September 2023 and were signed on its behalf by:

J Pitman - Director

Statement of Changes in Equity  
for the Year Ended 31 October 2022

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 November 2020</b>	2	4,161,601	4,161,603
<b>Changes in equity</b>			
Dividends	-	(1,271,121)	(1,271,121)
Total comprehensive income	-	862,546	862,546
<b>Balance at 31 October 2021</b>	<u>2</u>	<u>3,753,026</u>	<u>3,753,028</u>
<b>Changes in equity</b>			
Total comprehensive income	-	842,095	842,095
<b>Balance at 31 October 2022</b>	<u>2</u>	<u>4,595,121</u>	<u>4,595,123</u>

**Tyrefix Plant Tyres (UK) Limited (Registered number: 04075419)**

**Cash Flow Statement**  
**for the Year Ended 31 October 2022**

		31.10.22	31.10.21 as restated
	Notes	£	£
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	1,497,699	877,886
Interest paid		(53,750)	-
Interest element of hire purchase payments paid		(18,354)	(13,234)
Tax paid		(54,528)	(251,556)
Net cash from operating activities		<u>1,371,067</u>	<u>613,096</u>
<b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets		(14,863)	(17,016)
Purchase of tangible fixed assets		(1,903,036)	(1,838,949)
Purchase of fixed asset investments		-	(62)
Sale of tangible fixed assets		37,416	204,656
Net cash from investing activities		<u>(1,880,483)</u>	<u>(1,651,371)</u>
<b>Cash flows from financing activities</b>			
Other loans in year		1,386,523	508,879
New intercompany loans in year		(671,508)	9,806
Intercompany loan repayments in year		-	(465,208)
Hire purchase financing		(308,991)	414,911
Amount introduced by directors		60	225,775
Amount withdrawn by directors		-	(60)
Equity dividends paid		-	(1,271,121)
Net cash from financing activities		<u>406,084</u>	<u>(577,018)</u>
<b>Decrease in cash and cash equivalents</b>		<u>(103,332)</u>	<u>(1,615,293)</u>
<b>Cash and cash equivalents at beginning of year</b>	2	168,990	1,784,283
<b>Cash and cash equivalents at end of year</b>	2	<u>65,658</u>	<u>168,990</u>

The notes form part of these financial statements

Notes to the Cash Flow Statement  
for the Year Ended 31 October 2022

1. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	31.10.22	31.10.21 as restated
	£	£
Profit before taxation	952,078	1,067,681
Depreciation charges	958,330	737,210
Profit on disposal of fixed assets	(8,561)	(19,408)
Increase in other provisions	21,310	-
Finance costs	72,104	13,234
	<u>1,995,261</u>	<u>1,798,717</u>
Increase in stocks	(1,068,422)	(567,917)
Increase in trade and other debtors	(379,158)	(428,719)
Increase in trade and other creditors	950,018	75,805
<b>Cash generated from operations</b>	<u>1,497,699</u>	<u>877,886</u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 October 2022**

	31.10.22	1.11.21
	£	£
Cash and cash equivalents	<u>65,658</u>	<u>168,990</u>

**Year ended 31 October 2021**

	31.10.21 as restated	1.11.20
	£	£
Cash and cash equivalents	<u>168,990</u>	<u>1,784,283</u>

3. **ANALYSIS OF CHANGES IN NET DEBT**

	At 1.11.21 £	Cash flow £	Other non-cash changes £	At 31.10.22 £
<b>Net cash</b>				
Cash at bank and in hand	<u>168,990</u>	<u>(103,332)</u>		<u>65,658</u>
	<u>168,990</u>	<u>(103,332)</u>		<u>65,658</u>
<b>Debt</b>				
Finance leases	(635,958)	217,404	(390,081)	(808,635)
Debts falling due within 1 year	<u>(508,879)</u>	<u>(1,386,523)</u>	-	<u>(1,895,402)</u>
	<u>(1,144,837)</u>	<u>(1,169,119)</u>	<u>(390,081)</u>	<u>(2,704,037)</u>
<b>Total</b>	<u>(975,847)</u>	<u>(1,272,451)</u>	<u>(390,081)</u>	<u>(2,638,379)</u>

1. **STATUTORY INFORMATION**

Tyrefix Plant Tyres (UK) 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. **STATEMENT OF COMPLIANCE**

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" and the Companies Act 2006.

3. **ACCOUNTING POLICIES**

**Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**Basis of preparing the financial statements**

These financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed within the notes to the accounts.

**Going Concern**

The directors assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The directors make this assessment in respect of a period of at least one year from the date of the approval of the financial statements.

The directors have concluded that there are no material uncertainties about the company's ability to continue as a going concern and they are satisfied that the company has adequate resources to continue to meet its liabilities as they fall due and, therefore, that it remains appropriate to continue to adopt going concern basis of accounting in the preparation of the financial statements.

**Preparation of consolidated financial statements**

The financial statements contain information about Tyrefix Plant Tyres (UK) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 402 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as all of its subsidiary undertakings can be excluded from consolidation under Section 405 of the Companies Act 2006.

The company has three dormant subsidiary undertakings that individually and collectively are not material for giving a true and fair view and can be excluded from consolidation under section 405 of the Companies Act 2006. The three excluded subsidiary undertakings are:

- Tyrefix UK Limited
- Hosefix Plant Hose Services (UK) Limited
- Tyrefix Limited

**Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

3. **ACCOUNTING POLICIES - continued**

**Revenue recognition**

Tyre replacement and repair

The company recognises revenue upon completion of the tyre replacement or repair. Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed by the company and value added taxes.

**Goodwill**

Goodwill acquired in earlier periods has been fully amortised prior to 1 November 2017.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Computer software is being amortised evenly over its estimated useful life of twenty years.

**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	Improvements - 10% on cost, Buildings - 2% on cost. Land is held at cost and is not depreciated.
Improvements to property	20% on cost and 5% on cost.
Plant and machinery	25% on cost, 20% on reducing balance and 10% on reducing balance. Cranes are depreciated on a straight line basis over 10 years down to their estimated residual value.
Fixtures and fittings	50% on cost, 25% on cost, 20% on cost, 10% on cost, 25% reducing balance, 10% reducing balance.
Motor Vehicles	Van fleet and cars are depreciated on a straight line basis over 4 years down to their estimated residual value. Trucks and other vehicles are depreciated on a straight line basis over 5, 7 or 8 years down to their estimated residual value.

**Impairment of tangible and intangible fixed assets**

At each reporting date tangible and intangible fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

**Government grants**

Government grants have been accounted for under the accrual model. The grants, which relate to revenue, are recognised as income in the same period as the expenses for which they compensate.

**Investments in subsidiaries and associates**

Investments in subsidiaries and associates are held at cost less accumulated impairment losses.

**Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Stocks are recognised as an expense in the period in which the related revenue is recognised.

Cost is determined using the weighted average cost method. Cost includes the purchase price, including taxes and duties and transport and handling directly attributable to bringing the stock to its present location and condition.

At the end of each reporting period stocks are assessed for impairment. If an item of stock is impaired, the identified stock item is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the profit and loss account. Where a reversal of the impairment is recognised the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the profit and loss account.

3. **ACCOUNTING POLICIES - continued**

**Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Cash and cash equivalents

These comprise cash at bank and other short-term highly liquid bank deposits with an original maturity of three months or less.

Debtors

Debtors do not carry any interest and are stated at their nominal value. Appropriate allowances for estimated irrecoverable amounts are recognised in the Profit and Loss account when there is objective evidence that the asset is impaired.

Trade creditors

Trade creditors are not interest bearing and are stated at their nominal value.

Debt Instruments

Debt instruments (other than those wholly repayable or receivable within one year), including bank loans and loan notes, are initially measured at the transaction price (adjusted for transaction cost) and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, which includes trade debtors and creditors and other loans, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

**Taxation**

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

Current 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.

**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.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in Other creditors in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.



Notes to the Financial Statements - continued  
for the Year Ended 31 October 2022

3. **ACCOUNTING POLICIES - continued**

**Provisions**

Provisions are recognised when the company has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

4. **CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

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 material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilization and the physical condition of the assets. The carrying amount of tangible fixed assets is disclosed in note 15 to these financial statements.

(ii) Impairment of debtors

The group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. The carrying amount of trade and other debtors is disclosed in note 18 to these financial statements.

(iii) Stock

Stock is stated at the lower of net realisable value and cost. Net realisable value is based on estimated selling price in the ordinary course of business, less any further costs expected to be incurred to completion and disposal. At the end of each reporting period inventories are assessed for impairment and an impairment charge is recognised in the profit and loss account. The net carrying value of stocks is disclosed in note 17 to these financial statements.

(iv) Deferred tax provision

Deferred tax has been provided at the tax rate of 25%, this being the corporation tax rate applicable from 1 April 2023. Given that the tax assets and liabilities on timing differences may only be realised many years into the future, there is inherent uncertainty as to the actual rates that these will be subject to. The net carrying amount of the provision is disclosed in note 24.

5. **TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	31.10.22	31.10.21 as restated
	£	£
Rendering of services	15,290,286	12,289,332
	<u>15,290,286</u>	<u>12,289,332</u>

All turnover is derived from activity in the UK.

6. **OTHER OPERATING INCOME**

	31.10.22	31.10.21 as restated
	£	£
Sundry receipts	600	965
Coronavirus job retention scheme	-	21,479
	<u>600</u>	<u>22,444</u>

**Notes to the Financial Statements - continued  
for the Year Ended 31 October 2022**

**7. EMPLOYEES AND DIRECTORS**

	31.10.22	31.10.21 as restated
	£	£
Wages and salaries	4,259,536	3,353,855
Social security costs	457,762	328,620
Other pension costs	92,220	71,300
	<u>4,809,518</u>	<u>3,753,775</u>

The average number of employees during the year was as follows:

	31.10.22	31.10.21 as restated
Directors	2	2
Administrative	40	20
Fitters	83	82
	<u>125</u>	<u>104</u>

**8. DIRECTORS' EMOLUMENTS**

	31.10.22	31.10.21 as restated
	£	£
Directors' remuneration	180,632	206,589
Directors' pension contributions to money purchase schemes	<u>2,642</u>	<u>2,635</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>2</u>
------------------------	----------	----------

The key management personnel of the company are the directors.

**9. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	31.10.22	31.10.21 as restated
	£	£
Hire of plant and machinery	63,871	58,871
Other operating leases	298,242	186,384
Depreciation - owned assets	689,458	557,802
Depreciation - assets on hire purchase contracts	267,500	179,160
Profit on disposal of fixed assets	(8,561)	(19,408)
Computer software amortisation	1,373	246
Auditors' remuneration	22,500	24,350
Other non- audit services	<u>1,946</u>	<u>2,800</u>

**10. INTEREST PAYABLE AND SIMILAR EXPENSES**

	31.10.22	31.10.21 as restated
	£	£
Invoice discounting charges	53,750	-
Hire purchase	<u>18,354</u>	<u>13,234</u>
	<u>72,104</u>	<u>13,234</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 October 2022

11. **TAXATION**

**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	31.10.22	31.10.21 as restated
	£	£
Current tax:		
UK corporation tax	-	174,984
Deferred tax	109,983	30,151
Tax on profit	<u>109,983</u>	<u>205,135</u>

UK corporation tax has been charged at 19% (2021 - 19%).

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	31.10.22	31.10.21 as restated
	£	£
Profit before tax	<u>952,078</u>	<u>1,067,681</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	180,895	202,859
Effects of:		
Expenses not deductible for tax purposes	2,060	36,456
Capital allowances in excess of depreciation	(99,368)	(23,066)
Claims to group relief	-	(53,788)
Remeasurement of deferred tax due to change in UK tax rate	26,396	42,674
Total tax charge	<u>109,983</u>	<u>205,135</u>

12. **DIVIDENDS**

	31.10.22	31.10.21 as restated
	£	£
Ordinary shares of 1 each		
Interim	<u>-</u>	<u>1,271,121</u>

13. **PRIOR YEAR ADJUSTMENT**

The comparatives have been restated to reclassify motor expenses from administrative expenses to cost of sales. As a result of this reclassification, administrative expenses and gross profit have decreased by £1,125,117 and cost of sales have increased by £1,125,177 in year ended 31 October 2021. The restatement has not impacted retained earnings or net assets as at 31 October 2021.

Notes to the Financial Statements - continued  
for the Year Ended 31 October 2022

14. **INTANGIBLE FIXED ASSETS**

	Goodwill £	Computer software £	Totals £
<b>COST</b>			
At 1 November 2021	426,745	17,016	443,761
Additions	-	14,863	14,863
At 31 October 2022	<u>426,745</u>	<u>31,879</u>	<u>458,624</u>
<b>AMORTISATION</b>			
At 1 November 2021	426,745	246	426,991
Amortisation for year	-	1,373	1,373
At 31 October 2022	<u>426,745</u>	<u>1,619</u>	<u>428,364</u>
<b>NET BOOK VALUE</b>			
At 31 October 2022	-	30,260	30,260
At 31 October 2021	-	<u>16,770</u>	<u>16,770</u>

15. **TANGIBLE FIXED ASSETS**

	Freehold property £	Improvements to property £	Plant and machinery £
<b>COST</b>			
At 1 November 2021	785,196	58,455	347,267
Additions	345,471	25,096	487,981
Disposals	-	(58,455)	-
At 31 October 2022	<u>1,130,667</u>	<u>25,096</u>	<u>835,248</u>
<b>DEPRECIATION</b>			
At 1 November 2021	-	39,956	78,108
Charge for year	22,908	4,647	78,961
Eliminated on disposal	-	(42,879)	-
At 31 October 2022	<u>22,908</u>	<u>1,724</u>	<u>157,069</u>
<b>NET BOOK VALUE</b>			
At 31 October 2022	<u>1,107,759</u>	<u>23,372</u>	<u>678,179</u>
At 31 October 2021	<u>785,196</u>	<u>18,499</u>	<u>269,159</u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 October 2022**

**15. TANGIBLE FIXED ASSETS - continued**

	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>			
At 1 November 2021	108,768	2,915,610	4,215,296
Additions	130,897	1,395,259	2,384,704
Disposals	(8,570)	(272,505)	(339,530)
At 31 October 2022	<u>231,095</u>	<u>4,038,364</u>	<u>6,260,470</u>
<b>DEPRECIATION</b>			
At 1 November 2021	82,262	1,393,327	1,593,653
Charge for year	16,213	834,229	956,958
Eliminated on disposal	(2,247)	(265,549)	(310,675)
At 31 October 2022	<u>96,228</u>	<u>1,962,007</u>	<u>2,239,936</u>
<b>NET BOOK VALUE</b>			
At 31 October 2022	<u>134,867</u>	<u>2,076,357</u>	<u>4,020,534</u>
At 31 October 2021	<u>26,506</u>	<u>1,522,283</u>	<u>2,621,643</u>

The net book value of tangible fixed assets includes £897,331 (2021 £659,709) in respect of assets held under hire purchase contracts.

**16. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>COST</b>	
At 1 November 2021 and 31 October 2022	<u>112</u>
<b>NET BOOK VALUE</b>	
At 31 October 2022	<u>112</u>
At 31 October 2021	<u>112</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

**Tyrefix UK Limited**

Registered office: Tyrefix, Brookside Industrial Estate, Spring Road, Ibstock, Leicestershire, LE67 6LR

Nature of business: Dormant

	% holding		
Class of shares:			
Ordinary	100.00	30.4.22 £	30.4.21 £
Aggregate capital and reserves		<u>100</u>	<u>100</u>

**Hosefix Plant Hose Services (UK) Limited**

Registered office: Tyrefix, Brookside Industrial Estate, Spring Road, Ibstock, Leicestershire, LE67 6LR

Nature of business: Dormant

	% holding		
Class of shares:			
Ordinary	100.00	28.2.22 £	28.2.21 £
Aggregate capital and reserves		<u>10</u>	<u>10</u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 October 2022**

**16. FIXED ASSET INVESTMENTS - continued**

**Tyrefix Limited**

Registered office: Tyrefix, Brookside Industrial Estate, Spring Road, Ibstock, Leicestershire, LE67 6LR

Nature of business: Dormant

Class of shares:	% holding		
Ordinary	100.00	30.11.21 £	30.11.20 £
Aggregate capital and reserves		<u>2</u>	<u>2</u>

**17. STOCKS**

	31.10.22 £	31.10.21 as restated £
Stocks	<u>2,272,739</u>	<u>1,204,317</u>

**18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.10.22 £	31.10.21 as restated £
Trade debtors	2,953,608	2,382,013
Amounts owed by group undertakings	1,141,496	469,988
Other debtors	43,273	33,254
Directors' current accounts	-	60
Prepayments	289,115	491,571
	<u>4,427,492</u>	<u>3,376,886</u>

**19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.10.22 £	31.10.21 as restated £
Other loans (see note 21)	1,895,402	508,879
Hire purchase contracts (see note 22)	382,632	217,488
Trade creditors	2,383,720	1,768,025
Amounts owed to group undertakings	9,806	9,806
Tax	456	54,984
Social security and other taxes	111,006	86,424
VAT	484,805	231,246
Other creditors	24,388	62,731
Accrued expenses	194,355	99,830
	<u>5,486,570</u>	<u>3,039,413</u>

**20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.10.22 £	31.10.21 as restated £
Hire purchase contracts (see note 22)	<u>426,003</u>	<u>418,470</u>

**21. LOANS**

An analysis of the maturity of loans is given below:

	31.10.22 £	31.10.21 as restated £
Amounts falling due within one year or on demand:		
Other loans	<u>1,895,402</u>	<u>508,879</u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 October 2022**

**22. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	Hire purchase contracts 31.10.22	31.10.21 as restated
	£	£
Net obligations repayable:		
Within one year	382,632	217,488
Between one and five years	426,003	418,470
	<u>808,635</u>	<u>635,958</u>
	Non-cancellable operating leases 31.10.22	31.10.21 as restated
	£	£
Within one year	89,598	35,593
Between one and five years	223,249	38,222
	<u>312,847</u>	<u>73,815</u>

**23. SECURED DEBTS**

The following secured debts are included within creditors:

	31.10.22	31.10.21 as restated
	£	£
Other loans	1,895,402	508,879
Hire purchase contracts	808,635	635,958
	<u>2,704,037</u>	<u>1,144,837</u>

Hire purchase loans are secured against the asset to which they relate.

Investec bank plc holds fixed and floating charges over the assets and undertaking of the company in respect of other loans and in support of facilities provided to other group companies.

**24. PROVISIONS FOR LIABILITIES**

	31.10.22	31.10.21 as restated
	£	£
Deferred tax		
Accelerated capital allowances	474,809	177,807
Tax losses carried forward	(187,020)	-
Other provisions	21,310	-
	<u>309,099</u>	<u>177,807</u>
	Deferred tax	Other provisions
	£	£
Balance at 1 November 2021	177,807	-
Provided during year	109,982	21,310
Balance at 31 October 2022	<u>287,789</u>	<u>21,310</u>

**Notes to the Financial Statements - continued  
for the Year Ended 31 October 2022**

**25. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid: Number:	Class:	Nominal value:	31.10.22	31.10.21 as restated
			£	£
2	Ordinary	1	<u>2</u>	<u>2</u>

**26. RESERVES**

	Retained earnings £
At 1 November 2021	3,753,026
Profit for the year	842,095
At 31 October 2022	<u>4,595,121</u>

**27. PENSION COMMITMENTS**

The company operates a defined contribution pension scheme. The charge for the year of pension contributions payable by the company amounted to £92,200 (2021 £71,300).

At the balance sheet date the amount owed to the scheme was £24,388 (2021 £11,783) and is included within other creditors.

**28. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

Included in debtors at 31 October 2022 is an amount owed by Mr O Johnson to the company of £Nil (2021 £60).

**29. RELATED PARTY DISCLOSURES**

A farming partnership is a related party to the company and the following transactions have taken place between the company and this partnership:

- During the year the company sold items of plant and machinery for sales proceeds of £Nil (2021 £97,980) to the partnership, and the company rented storage facilities charged at £32,316 (2021 £Nil) from the same partnership.
- At the balance sheet date the company was owed £3,270 (2021 £2,192) from this partnership. This balance is presented within trade debtors £1,334 (2021 £988) and within other debtors £1,936 (2021 £1,204).

The company has paid rent in the year totalling £28,488 (2021 £25,640) to the pension trust of a former director of the company. The director resigned from office on 9 November 2020 during the comparative year.

**Entities with control, joint control or significant influence over the entity**

	31.10.22	31.10.21 as restated
	£	£
Services to the company	<u>62,585</u>	<u>58,712</u>

**Other related parties**

	31.10.22	31.10.21 as restated
	£	£
Services to the company	<u>41,900</u>	<u>34,028</u>



**30. ULTIMATE CONTROLLING PARTY**

The immediate parent undertaking is Tyrefix Holdings Limited.

The smallest and largest group to consolidate these financial statements is Noah Topco Limited. Copies of Noah Topco Limited consolidated financial statements can be obtained from its registered office at Tyrefix, Brookside Industrial Estate, Spring Road, Ibstock, Leicestershire, LE67 6LR.

The ultimate holding company is Literacy Capital plc (Company Number 10976145). Literacy Capital plc does not have an ultimate controlling party.

**31. GOVERNMENT GRANTS**

Government grants are recognised as income in Other operating income of £Nil (2021 £21,479) and relate to claims made under the Coronavirus Job Retention Scheme.

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.