

Tyretrax Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 August 2020

Tyretrax Limited

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Tyretrax Limited

Company Information

Directors	D A Reynolds Mrs J Reynolds
Registered office	275 Portland Road South Norwood London SE25 4XB

Tyretrax Limited
(Registration number: 06298970)
Balance Sheet as at 31 August 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	<u>5</u>	53,595	30,866
Current assets			
Stocks	<u>6</u>	22,894	26,903
Debtors	<u>7</u>	36,594	65,561
Cash at bank and in hand		120,171	70,002
		179,659	162,466
Creditors: Amounts falling due within one year	<u>8</u>	(111,431)	(130,511)
Net current assets		68,228	31,955
Total assets less current liabilities		121,823	62,821
Creditors: Amounts falling due after more than one year	<u>8</u>	(47,501)	-
Provisions for liabilities		(10,007)	(5,687)
Net assets		64,315	57,134
Capital and reserves			
Called up share capital	<u>9</u>	2	2
Profit and loss account		64,313	57,132
Shareholders' funds		64,315	57,134

For the financial year ending 31 August 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

Tyretrax Limited

(Registration number: 06298970) Balance Sheet as at 31 August 2020

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 10 March 2021 and signed on its behalf by:

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D A Reynolds
Director

Tyretrax Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 August 2020

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

275 Portland Road
South Norwood
London
SE25 4XB

These financial statements were authorised for issue by the Board on 10 March 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	15% straight line per annum
Motor vehicles	25% reducing balance per annum
Office equipment	20% straight line per annum

Tyretrax Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 August 2020

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	Over 10 years

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Tyretrax Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 August 2020

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 9 (2019 - 10).

Tyretrax Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 August 2020

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 September 2019	130,000	130,000
At 31 August 2020	130,000	130,000
Amortisation		
At 1 September 2019	130,000	130,000
At 31 August 2020	130,000	130,000
Carrying amount		
At 31 August 2020	-	-

5 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation				
At 1 September 2019	13,437	39,009	43,242	95,688
Additions	-	20,914	16,989	37,903
At 31 August 2020	13,437	59,923	60,231	133,591
Depreciation				
At 1 September 2019	11,686	28,392	24,744	64,822
Charge for the year	39	7,883	7,252	15,174
At 31 August 2020	11,725	36,275	31,996	79,996
Carrying amount				
At 31 August 2020	1,712	23,648	28,235	53,595
At 31 August 2019	1,751	10,617	18,498	30,866

6 Stocks

	2020 £	2019 £
Other inventories	22,894	26,903

Tyretrax Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 August 2020

7 Debtors

	2020 £	2019 £
Trade debtors	32,324	61,475
Prepayments	4,270	4,086
	<u>36,594</u>	<u>65,561</u>

8 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Loans and borrowings	<u>10</u>	2,499	-
Trade creditors		79,500	96,415
Taxation and social security		22,589	28,400
Accruals and deferred income		1,800	1,750
Other creditors		5,043	3,946
		<u>111,431</u>	<u>130,511</u>

Creditors: amounts falling due after more than one year

	Note	2020 £	2019 £
Due after one year			
Loans and borrowings	<u>10</u>	<u>47,501</u>	<u>-</u>

9 Share capital

Allotted, called up and fully paid shares

	2020 No.	£	2019 No.	£
Ordinary shares of £1 each	2	2	2	2
	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

Tyretrax Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 August 2020

10 Loans and borrowings

	2020 £	2019 £
Non-current loans and borrowings		
Bank borrowings	47,501	-

	2020 £	2019 £
Current loans and borrowings		
Bank borrowings	2,499	-

11 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £60,000 (2019 - £84,000).

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.