

Spear Garage Services Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 October 2021

Rawlings & Co
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PL30 4LN

Spear Garage Services Limited

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Spear Garage Services Limited

Company Information

Director Mr Keith Hugh Spear

Registered office 31 Normandy Way
BODMIN
Cornwall
PL31 1HA

Bankers Santander
2 Triton Square
Regents Place
London
NW1 3AN

Accountants Rawlings & Co
Accountants
Unit 1
Brookside Court
St. Breward
Bodmin
Cornwall
PL30 4LN

Spear Garage Services Limited
(Registration number: 06811463)
Balance Sheet as at 31 October 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	<u>4</u>	34,978	15,063
Current assets			
Stocks	<u>5</u>	550,276	506,696
Debtors	<u>6</u>	87,334	122,485
Cash at bank and in hand		39,265	46,550
		676,875	675,731
Creditors: Amounts falling due within one year	<u>7</u>	(159,628)	(208,465)
Net current assets		517,247	467,266
Total assets less current liabilities		552,225	482,329
Creditors: Amounts falling due after more than one year	<u>7</u>	(55,337)	(45,806)
Provisions for liabilities		(4,414)	(631)
Net assets		492,474	435,892
Capital and reserves			
Called up share capital	<u>8</u>	1	1
Retained earnings		492,473	435,891
Shareholders' funds		492,474	435,892

For the financial year ending 31 October 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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 director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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 director on 14 April 2022

Spear Garage Services Limited
(Registration number: 06811463)
Balance Sheet as at 31 October 2021

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Mr Keith Hugh Spear
Director

Spear Garage Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2021

1 General information

The company is a private company limited by share capital, incorporated in UK.

The address of its registered office is:

31 Normandy Way
BODMIN
Cornwall
PL31 1HA

These financial statements were authorised for issue by the director on 14 April 2022.

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 smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

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.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Spear Garage Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2021

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

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
Motor Vehicles	25% Reducing Balance
Fixtures & Fittings	20% Reducing Balance
Leasehold Improvements	15% Reducing balance

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.

Spear Garage Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2021

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.

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 are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

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.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Spear Garage Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2021

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 the director) during the year, was 3 (2020 - 3).

4 Tangible assets

	Long leasehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation				
At 1 November 2020	13,816	810	6,655	21,281
Additions	-	-	57,650	57,650
Disposals	-	-	(29,675)	(29,675)
At 31 October 2021	13,816	810	34,630	49,256
Depreciation				
At 1 November 2020	2,072	162	3,984	6,218
Charge for the year	1,762	130	8,160	10,052
Eliminated on disposal	-	-	(1,992)	(1,992)
At 31 October 2021	3,834	292	10,152	14,278
Carrying amount				
At 31 October 2021	9,982	518	24,478	34,978
At 31 October 2020	11,744	648	2,671	15,063

Included within the net book value of land and buildings above is £9,982 (2020 - £11,744) in respect of long leasehold land and buildings.

5 Stocks

	2021 £	2020 £
Other inventories	550,276	506,696

Spear Garage Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2021

6 Debtors

	2021	2020
Current	£	£
Trade debtors	17,621	30,485
Prepayments	3,713	-
Other debtors	66,000	92,000
	<u>87,334</u>	<u>122,485</u>

Spear Garage Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2021

7 Creditors

Creditors: amounts falling due within one year

	Note	2021 £	2020 £
Due within one year			
Loans and borrowings	<u>9</u>	15,295	4,194
Trade creditors		13,430	38,135
Taxation and social security		46,079	58,184
Accruals and deferred income		4,339	4,231
Other creditors		80,485	103,721
		<u>159,628</u>	<u>208,465</u>

Creditors: amounts falling due after more than one year

	Note	2021 £	2020 £
Due after one year			
Loans and borrowings	<u>9</u>	<u>55,337</u>	<u>45,806</u>

8 Share capital

Allotted, called up and fully paid shares

	2021 No.	£	2020 No.	£
Ordinary of £1 each	1	1	1	1

9 Loans and borrowings

	2021 £	2020 £
Non-current loans and borrowings		
Bank borrowings	35,560	45,806
Hire purchase contracts	19,777	-
	<u>55,337</u>	<u>45,806</u>

Spear Garage Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2021

	2021 £	2020 £
Current loans and borrowings		
Bank borrowings	10,246	4,194
Hire purchase contracts	5,049	-
	<u>15,295</u>	<u>4,194</u>

10 Dividends

Final dividends paid

	2021 £	2020 £
Final dividend of 20,000.00 (2020 - 2,000.00) per each Ordinary Share	20,000	2,000
	<u>20,000</u>	<u>2,000</u>

11 Related party transactions

During the year the company paid the Sole Director Mr Keith Spear rent totalling £5,000 (2020: £7196) for the use of the retail outlet that the company operates from.

Spear Garage Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2021

Transactions with the director

	At 1 November 2020 £	Advances to director £	Repayments by director £	At 31 October 2021 £
2021				
Mr Keith Hugh Spear				
Directors loan account	(92,175)	51,212	(38,760)	(79,723)

	At 1 November 2019 £	Advances to director £	Repayments by director £	At 31 October 2020 £
2020				
Mr Keith Hugh Spear				
Directors loan account	(114,069)	117,270	(95,376)	(92,175)

Spear Garage Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2021

Director's remuneration

The director's remuneration for the year was as follows:

	2021	2020
	£	£
Remuneration	<u>9,835</u>	<u>8,559</u>

Dividends paid to the director

	2021	2020
	£	£
Mr Keith Hugh Spear		
Mr Keith Spear	20,000	2,000
	<u> </u>	<u> </u>

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.