

**GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023
FOR
S AND M TYRES HOLDINGS LIMITED**

GBJ LLP
Statutory Auditor
Sterling House
27 Hatchlands Road
Redhill
Surrey
RH1 6RW

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FOR THE YEAR ENDED 31 JANUARY 2023**

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S AND M TYRES HOLDINGS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 JANUARY 2023**

DIRECTORS: Mrs S D Whittemore
R J Whittemore

SECRETARY: R J Whittemore

REGISTERED OFFICE: EG Wholesale
Elite House
Star Road, Partridge Green
Horsham
West Sussex
RH13 8RA

REGISTERED NUMBER: 06978507 (England and Wales)

AUDITORS: GBJ LLP
Statutory Auditor
Sterling House
27 Hatchlands Road
Redhill
Surrey
RH1 6RW

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 JANUARY 2023**

The directors present their strategic report of the company and the group for the year ended 31 January 2023.

PRINCIPAL ACTIVITY

The company's principle activity is selling tyres; we sell to the public and local businesses through sixteen fast-fit centres that trade as Elite Garages. We wholesale tyres to the motor trade across southern England as EG Wholesale.

In addition we operate nine petrol stations in West Sussex, Surrey, Hampshire and Cornwall and a supermarket which trades as Morrisons Local in Shaftesbury.

REVIEW OF BUSINESS

We consider the key financial performance indicators are those that communicate the financial performance and strength of the company as a whole being turnover and gross margin.

The products that we deal in are closely related to the price of oil and the exchange rate of the dollar, these factors along with interest rates and the effect of our competitors are the major risks and uncertainties we face.

The volume of fuel that we sold this year was slightly more than the year before however the increase in energy prices generally meant that the sales value increased by 27%. The sales value of the goods sold through our forecourt shops also increased significantly due to inflation but there was also volume growth in part due to the full year figures from our new supermarket. The gross margin from our forecourt operation increased by 35% on the previous year.

Our tyre business turnover increased by some 18% in the year and this was mirrored by the margin however the increase in labour charges meant that overall gross margin increased by 9%. This was inclusive of the additional sales generated by our recent branch additions.

Our total turnover for the year increased to £71.0m (2022 - £57.2m) an increase of 24% and our gross profit increased to £8.1m (2022 - £6.6m) a rise of 22%.

PRINCIPAL RISKS AND UNCERTAINTIES

The risks and uncertainties in our business are affected by international exchange rates, commodity prices and general business confidence. Changes in the level of competition from other tyre sellers and petrol retailers will also have a bearing.

OBJECTIVES AND POLICIES

The company does not actively use financial instruments as part of its financial risk management. The company's policy is to finance working capital through the use of loan advances. The company is exposed to the usual credit and cash flow risk associated with selling on credit. The Directors do not consider any other risks attaching to the use of financial instruments to be material to an assessment of the company's financial position or results for the year.

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 JANUARY 2023**

PRICE RISK, CREDIT RISK, LIQUIDITY RISK AND CASH FLOW RISK

The business' principal financial instruments comprise bank balances, trade debtors, trade creditors and loans to the business. The main purpose of the instruments is to finance the business' operations.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility by management of credit facilities.

Trade debtors are managed in respect of credit and cash flow risk by the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

It is the company's policy to ensure settlement of supplier invoices in accordance with the stated terms. The business manages the liquidity risk by ensuring that there are sufficient funds available for operations.

ON BEHALF OF THE BOARD:

R J Whittemore - Director

20 October 2023

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 JANUARY 2023**

The directors present their report with the financial statements of the company and the group for the year ended 31 January 2023.

DIVIDENDS

No dividends will be distributed for the year ended 31 January 2023.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 JANUARY 2023**

DIRECTORS

The directors shown below have held office during the whole of the period from 1 February 2022 to the date of this report.

Mrs S D Whittemore
R J Whittemore

STREAMLINED ENERGY AND CARBON REPORTING

Environmental Matters and Streamlined Energy and Carbon Reporting (SECR)

The company takes environmental matters seriously and continues to improve its impact on the local and wider environment.

From 1 August 2019 we are required to report under new SECVR regulations which provides increased transparency on our energy efficiency and emissions as a business.

Reporting methodology

The information has been provided using the GHG Protocol Corporate Accounting and Reporting Standard and the 2019 UK Government Environmental Reporting Guidelines.

This report (including the Scope 1 and 2 consumption and CO₂e emissions data) has been developed and calculated using the GHG Protocol - A Corporate Accounting and Reporting Standard (World Business Council for Sustainable Development and World Resources Institute, 2004); Greenhouse Gas Protocol - Scope 2 Guidance (World Resources Institute, 2015); ISO 14064-1 and ISO 14064-2 (ISO, 2018; ISO 2019); Environmental Reporting Guidelines Including Streamlined Energy and Carbon Reporting Guidance (HM Government, 2019).

Government Emissions Factor Database 2022 version 2 has been used, utilising the published kWh gross calorific value (CV) and kgCO₂e emission factors relevant for the above reporting period.

Estimations were undertaken to cover missing periods for properties directly invoiced to the company. These were calculated on a kWh/day pro-rata basis at the meter level. For properties where the company is indirectly responsible for utilities (ie, via a landlord or service charge), the median consumption for properties, with similar operations was calculated at meter level and applied to the properties with no available data.

These full-year estimations were applied to one electricity supply. All estimations equated to 4.14% of reported consumption. An intensity metric has been calculated using total tCO₂e figures and the selected performance indicator agreed with the company for the relevant report period: Total turnover: £71.04m.

SECR Highlights:

Total Carbon Emissions: 882.40 tCO₂e

Overall Carbon Intensity: Intensity Metric: 12.42 tCO₂e per £m turnover

	Natural Gas	Electricity	Transport
Carbon & Energy Consumption			
kWh	25,277	1,554,076	2,501,932
tCO ₂ e	4.63	300.53	577.25
Carbon Intensity Metric			
tCO ₂ e per Turnover (£m)	0.07	4.23	8.13

Energy Saving Projects:

- Solar Feasibility Surveys
- Refrigeration Upgrades
- Electrical Upgrades

Executive Summary

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 JANUARY 2023**

This report summarises the company's energy usage, associated emission, energy efficiency actions and energy performance under the government policy Streamlined Energy & Carbon Reporting (SECR). This is implemented by the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

An operational boundary has been applied for the purposes of the reporting. A total of 4.14% of consumption data used for SECR has been estimated to achieve 100% data coverage.

Year 1

S&M Tyres Limited Scope 1 and 3 direct emission (combustion of natural gas and transportation fuels) for this year of reporting are 581.88 tCO₂e, resulting from the direct combustion of 2,527,209 kWh of fuel.

Scope 2 indirect emissions (purchased electricity) for this year of reporting are 300.53 tCO₂e, resulting from the consumption of 1,554,076 kWh of electricity purchased and consumed in day-to-day business operations.

S&M Tyres Limited operations have an intensity metric of 12.42 tCO₂e per £m Turnover for this reporting year.

Annual Reporting Figures

The following figures show the consumption and associated emission for this reporting year for S&M Tyres Limited's operations throughout the UK. Scope 1 consumption and emission include direct combustion of natural gas, and fuels utilised for transportation operations, for example, company vehicle fleets. Scope 2 consumption and emission refer to indirect emission related to the consumption of purchased electricity in day-to-day business operations. Scope 3 consumption and emissions cover emissions resulting from sources not directly owner by S&M Tyres Limited. This relates to grey fleet (business travel undertaken in employee-owned vehicles) only.

Table 2: S&M Tyres Limited UK Emissions intensity Metric.

Intensity Metrics	Location-based tCO ₂ e 2022/23
All Scopes tCO ₂ e per £m Turnover	12.42

Table 3: S&M Tyres Limited UK Total Energy Consumption (kWh).

Utility and Scope	2022/23 Consumption (kWh)
Scope 1 Total	2,460,528
Gaseous and Other Fuels (Scope 1)	25,277
Transportation (Scope 1)	2,435,251
Scope 2 Total	1,554,076
Grid-Supplied Electricity (Scope 2)	1,554,076
Scope 3 Total	66,682
Transportation (Scope 3)	66,682
Total	4,081,285

Table 4: S&M Tyres Limited UK Total Location-based Emission (tCO₂e)

Utility and Scope	2022/23 Consumption (tCO ₂ e) Location-based
Scope 1 Total	566.50
Gaseous and Other Fuels (Scope 1)	4.63
Transportation (Scope 1)	561.87
Scope 2 Total	300.53
Grid-Supplied Electricity (Scope 2)	300.53
Scope 3 Total	15.38
Transportation (Scope 3)	15.38
Total	882.40

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 JANUARY 2023**

Energy Efficiency Improvements

S&M Tyres Limited is committed to year-on-year improvements in its operational energy efficiency. A register of energy efficiency measures has been compiled, with a view to implementing these measures in the next five years.

Measures ongoing and undertaken through FY 2022/23:

- Solar Feasibility Surveys. Surveys have been undertaken across the portfolio to establish which may be suitable for solar panel installation. The aim of this is to find the best sites for solar photovoltaic installations which can reduce S&M Tyres' energy purchased from the grid and lower emission.
- Refrigeration Upgrades. Whenever refrigeration units are due to be replaced in any location, efforts are made to find the most energy-efficient models available to replace them.
- Electrical Upgrade. When lighting or other electrical equipment is undergoing repair or replacement, energy-efficient products and practices are employed in order to reduce energy wastage as much as possible.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group 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 the group and of the profit or loss of the group 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group 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 group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 JANUARY 2023**

AUDITORS

The auditors, GBJ LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

R J Whittemore - Director

20 October 2023

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF S AND M TYRES HOLDINGS LIMITED

Opinion

We have audited the financial statements of S And M Tyres Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 January 2023 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated 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 group's and of the parent company affairs as at 31 January 2023 and of the group's 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 group 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 group's and the parent 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 Group 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF S AND M TYRES HOLDINGS LIMITED

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 Group 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 Group 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 seven, 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF S AND M TYRES HOLDINGS LIMITED

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:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

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

We enquired of management concerning the Company's policies and procedures relating to:

- the identification, evaluation and compliance with laws and regulations;
- the detection and response to the risks of fraud; and
- the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.

The Company is subject to many laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. We identified the following laws and regulations as the most likely to have a material effect if non-compliance were to occur; United Kingdom Generally Accepted Accounting Practice, the Companies Act 2006, tax legislation, anti-bribery legislation, GDPR and employment law.

We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls. We determined that the principal risks were in relation to:

- journal entries that increased revenues or that reclassified costs from the income statement to the balance sheet
- stock existence, completeness and valuation
- potential management bias in determining accounting estimates
- transactions with related parties.

It is the audit partner's assessment that the audit team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

We obtained an understanding of the Company's operations, including the nature of its revenue sources, products and services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement. We also considered the effectiveness of the Company's control environment to identify and prevent any irregularities and fraud.

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. This description forms part of our Report of the Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF S AND M TYRES HOLDINGS 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.

Jonathan Hillier (Senior Statutory Auditor)
for and on behalf of GBJ LLP
Statutory Auditor
Sterling House
27 Hatchlands Road
Redhill
Surrey
RH1 6RW

20 October 2023

**CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2023**

		2023	2022
	Notes	£	£
TURNOVER	3	71,038,876	57,277,801
Cost of sales		62,872,145	50,591,104
GROSS PROFIT		8,166,731	6,686,697
Administrative expenses		6,811,163	5,251,507
		1,355,568	1,435,190
Other operating income		491,559	563,026
OPERATING PROFIT	5	1,847,127	1,998,216
Income from shares in group undertakings		-	120,000
Income from other participating interests		1,285,519	209,366
Interest receivable and similar income		5,459	1,388
		1,290,978	330,754
		3,138,105	2,328,970
Interest payable and similar expenses	6	93,917	54,748
PROFIT BEFORE TAXATION		3,044,188	2,274,222
Tax on profit	7	419,534	378,631
PROFIT FOR THE FINANCIAL YEAR		2,624,654	1,895,591
Profit attributable to: Owners of the parent		2,624,654	1,895,591

The notes form part of these financial statements

**CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JANUARY 2023**

	Notes	2023 £	2022 £
PROFIT FOR THE YEAR		2,624,654	1,895,591
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>2,624,654</u>	<u>1,895,591</u>
Total comprehensive income attributable to: Owners of the parent		<u>2,624,654</u>	<u>1,895,591</u>

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET
31 JANUARY 2023

	Notes	£	2023 £	£	2022 £
FIXED ASSETS					
Intangible assets	9		-		-
Tangible assets	10		15,577,745		15,369,871
Investments	11				
Interest in joint venture					
Share of gross assets			8,788,863		7,475,457
Share of gross liabilities			(5,972,718)		(5,944,831)
			<u>2,816,145</u>		<u>1,530,626</u>
Other investments			8,239		8,239
			<u>18,402,129</u>		<u>16,908,736</u>
CURRENT ASSETS					
Stocks	12	4,577,050		4,045,065	
Debtors	13	4,564,695		3,806,424	
Cash at bank and in hand		<u>545,477</u>		<u>5,850</u>	
			<u>9,687,222</u>	<u>7,857,339</u>	
CREDITORS					
Amounts falling due within one year	14	<u>11,715,119</u>		<u>11,054,784</u>	
NET CURRENT LIABILITIES			<u>(2,027,897)</u>		<u>(3,197,445)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>16,374,232</u>		<u>13,711,291</u>
CREDITORS					
Amounts falling due after more than one year	15		(2,148,975)		(2,308,479)
PROVISIONS FOR LIABILITIES	17		<u>(451,736)</u>		<u>(253,945)</u>
NET ASSETS			<u>13,773,521</u>		<u>11,148,867</u>
CAPITAL AND RESERVES					
Called up share capital	18		100		100
Retained earnings	19		13,773,421		11,148,767
SHAREHOLDERS' FUNDS			<u>13,773,521</u>		<u>11,148,867</u>

The financial statements were approved by the Board of Directors and authorised for issue on 20 October 2023 and were signed on its behalf by:

R J Whittemore - Director

The notes form part of these financial statements

COMPANY BALANCE SHEET
31 JANUARY 2023

	Notes	£	2023 £	£	2022 £
FIXED ASSETS					
Intangible assets	9		-		-
Tangible assets	10		12,402,077		12,502,192
Investments	11		986,769		986,769
			<u>13,388,846</u>		<u>13,488,961</u>
CREDITORS					
Amounts falling due within one year	14	<u>3,221,307</u>		<u>4,659,007</u>	
NET CURRENT LIABILITIES			<u>(3,221,307)</u>		<u>(4,659,007)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>10,167,539</u>		<u>8,829,954</u>
CAPITAL AND RESERVES					
Called up share capital	18		100		100
Retained earnings	19		10,167,439		8,829,854
SHAREHOLDERS' FUNDS			<u>10,167,539</u>		<u>8,829,954</u>
Company's profit for the financial year			<u>1,337,585</u>		<u>1,683,837</u>

The financial statements were approved by the Board of Directors and authorised for issue on 20 October 2023 and were signed on its behalf by:

R J Whittemore - Director

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2023**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 February 2021	100	9,253,176	9,253,276
Changes in equity			
Total comprehensive income	-	1,895,591	1,895,591
Balance at 31 January 2022	100	11,148,767	11,148,867
Changes in equity			
Total comprehensive income	-	2,624,654	2,624,654
Balance at 31 January 2023	100	13,773,421	13,773,521

The notes form part of these financial statements

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2023**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 February 2021	100	7,146,017	7,146,117
Changes in equity			
Total comprehensive income	-	1,683,837	1,683,837
Balance at 31 January 2022	100	8,829,854	8,829,954
Changes in equity			
Total comprehensive income	-	1,337,585	1,337,585
Balance at 31 January 2023	100	10,167,439	10,167,539

The notes form part of these financial statements

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2023**

		2023	2022
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	2,826,731	2,819,021
Interest paid		(93,917)	(54,748)
Tax paid		(189,999)	(346,329)
Net cash from operating activities		<u>2,542,815</u>	<u>2,417,944</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,041,486)	(2,754,780)
Sale of tangible fixed assets		118,189	101,743
Interest received		5,459	1,388
Dividends received		-	120,000
Net cash from investing activities		<u>(917,838)</u>	<u>(2,531,649)</u>
Cash flows from financing activities			
New loans in year		-	660,920
Loan repayments in year		(202,745)	(218,503)
Loan to joint venture		-	87,069
Amount withdrawn by directors		76,248	(532,934)
Net cash from financing activities		<u>(126,497)</u>	<u>(3,448)</u>
Increase/(decrease) in cash and cash equivalents		<u>1,498,480</u>	<u>(117,153)</u>
Cash and cash equivalents at beginning of year	2	(953,003)	(835,850)
Cash and cash equivalents at end of year	2	<u>545,477</u>	<u>(953,003)</u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2023**
1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2023	2022
	£	£
Profit before taxation	3,044,188	2,274,222
Depreciation charges	715,941	570,268
Profit on disposal of fixed assets	(519)	(12,745)
Finance costs	93,917	54,748
Finance income	<u>(1,290,978)</u>	<u>(330,754)</u>
	2,562,549	2,555,739
Increase in stocks	(531,985)	(909,824)
Increase in trade and other debtors	(861,947)	(834,040)
Increase in trade and other creditors	<u>1,658,114</u>	<u>2,007,146</u>
Cash generated from operations	<u>2,826,731</u>	<u>2,819,021</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 January 2023

	31.1.23	1.2.22
	£	£
Cash and cash equivalents	545,477	5,850
Bank overdrafts	<u>-</u>	<u>(958,853)</u>
	<u>545,477</u>	<u>(953,003)</u>

Year ended 31 January 2022

	31.1.22	1.2.21
	£	£
Cash and cash equivalents	5,850	4,150
Bank overdrafts	<u>(958,853)</u>	<u>(840,000)</u>
	<u>(953,003)</u>	<u>(835,850)</u>

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2023

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.2.22 £	Cash flow £	At 31.1.23 £
Net cash			
Cash at bank and in hand	5,850	539,627	545,477
Bank overdrafts	(958,853)	958,853	-
	<u>(953,003)</u>	<u>1,498,480</u>	<u>545,477</u>
Debt			
Debts falling due within 1 year	(266,452)	18,160	(248,292)
Debts falling due after 1 year	(2,308,479)	159,504	(2,148,975)
	<u>(2,574,931)</u>	<u>177,664</u>	<u>(2,397,267)</u>
Total	<u>(3,527,934)</u>	<u>1,676,144</u>	<u>(1,851,790)</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

1. STATUTORY INFORMATION

S And M Tyres Holdings 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 General Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 31 January 2021.

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £1,415,203 (2020 - £1,583,634).

Turnover and revenue recognition

Turnover represents amounts receivable for the sale of motor vehicle parts, accessories, forecourt goods and the repair of motor vehicles, excluding discounts, rebates, value added tax and other sales taxes.

Revenue is recognised by the group as and when the entity satisfies a performance obligation and the significant risks and rewards of ownership have been transferred to the customer.

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 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:

Amortisation method and rate - 100% in year of acquisition

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.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2023**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- in accordance with the property
Plant and machinery	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation.

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

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 for fuel stock. Tyre stock is valued using the average cost method.

At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its recoverable amount being the higher of value in use and fair value less costs to sell, the impairment loss is recognised immediately in profit or loss.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, 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.

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.

The group receives income from operating leases. Receipts are credited to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2023

2. ACCOUNTING POLICIES - continued

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.

Going concern

The financial statements have been prepared on a going concern basis.

3. TURNOVER

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

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

	2023 £	2022 £
Sale of goods	66,284,343	53,651,081
Rendering of services	4,754,533	3,626,720
	<u>71,038,876</u>	<u>57,277,801</u>

4. EMPLOYEES AND DIRECTORS

	2023 £	2022 £
Wages and salaries	8,393,463	6,652,026
Social security costs	767,840	617,572
Other pension costs	235,746	98,824
	<u>9,397,049</u>	<u>7,368,422</u>

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

	2023	2022
Retail and workshops	276	234
Administration and support	10	10
Other departments	2	2
	<u>288</u>	<u>246</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 288 (2022 - 246) .

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2023

4. EMPLOYEES AND DIRECTORS - continued

	2023 £	2022 £
Directors' remuneration	<u>697,929</u>	<u>562,560</u>

Information regarding the highest paid director is as follows:

	2023 £	2022 £
Emoluments etc	<u>400,065</u>	<u>291,200</u>

5. OPERATING PROFIT

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

	2023 £	2022 £
Other operating leases	123,589	112,792
Depreciation - owned assets	715,942	570,267
Profit on disposal of fixed assets	(519)	(12,745)
Auditors' remuneration	<u>16,430</u>	<u>10,095</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2023 £	2022 £
Bank interest	2,219	337
Bank loan interest	91,698	54,331
Other interest payable	-	80
	<u>93,917</u>	<u>54,748</u>

7. TAXATION

Analysis of the tax charge

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

	2023 £	2022 £
Current tax:		
UK corporation tax	221,743	339,362
Deferred tax	197,791	39,269
Tax on profit	<u>419,534</u>	<u>378,631</u>

8. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2023

9. INTANGIBLE FIXED ASSETS

Group

Goodwill
£

COST

At 1 February 2022
and 31 January 2023117,500

AMORTISATION

At 1 February 2022
and 31 January 2023117,500

NET BOOK VALUE

At 31 January 2023

-

At 31 January 2022

-

10. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Short leasehold £	Plant and machinery £	Motor vehicles £	Totals £
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COST

At 1 February 2022

13,887,467	1,731,389	2,485,903	1,216,972	19,321,731
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Additions

-	63,855	377,889	599,742	1,041,486
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Disposals

-	-	-	(269,153)	(269,153)
---	---	---	-----------	-----------

At 31 January 2023

13,887,467	1,795,244	2,863,792	1,547,561	20,094,064
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DEPRECIATION

At 1 February 2022

1,527,692	467,943	1,415,243	540,982	3,951,860
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Charge for year

100,115	93,116	289,199	233,512	715,942
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Eliminated on disposal

-	-	-	(151,483)	(151,483)
---	---	---	-----------	-----------

At 31 January 2023

1,627,807	561,059	1,704,442	623,011	4,516,319
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NET BOOK VALUE

At 31 January 2023

12,259,660	1,234,185	1,159,350	924,550	15,577,745
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At 31 January 2022

12,359,775	1,263,446	1,070,660	675,990	15,369,871
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2023

10. TANGIBLE FIXED ASSETS - continued

Company

Freehold
property
£**COST**At 1 February 2022
and 31 January 202313,646,647**DEPRECIATION**

At 1 February 2022

1,144,455

Charge for year

100,115

At 31 January 2023

1,244,570**NET BOOK VALUE**

At 31 January 2023

12,402,077

At 31 January 2022

12,502,192

11. FIXED ASSET INVESTMENTS

Group

2023
£2022
£

Company

2023
£2022
£

Shares in group undertakings

-

-

100

100

Participating interests

2,816,145

1,530,626

986,669

986,669

Other investments not loans

8,239

8,239

-

-

2,824,3841,538,865986,769986,769

Additional information is as follows:

Group

Interest in
joint
venture
£**COST**

At 1 February 2022

1,530,626

Share of profit/(loss)

1,285,519

At 31 January 2023

2,816,145**NET BOOK VALUE**

At 31 January 2023

2,816,145

At 31 January 2022

1,530,626

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2023

11. FIXED ASSET INVESTMENTS - continued

Group

Investments (neither listed nor unlisted) were as follows:

		2023 £	2022 £
Group Tyre (UK) Limited		<u>8,239</u>	<u>8,239</u>
Company			
	Shares in group undertakings £	Interest in joint venture £	Totals £
COST			
At 1 February 2022 and 31 January 2023	<u>100</u>	<u>986,669</u>	<u>986,769</u>
NET BOOK VALUE			
At 31 January 2023	<u>100</u>	<u>986,669</u>	<u>986,769</u>
At 31 January 2022	<u>100</u>	<u>986,669</u>	<u>986,769</u>

12. STOCKS

	Group	
	2023 £	2022 £
Stocks	<u>4,577,050</u>	<u>4,045,065</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	
	2023 £	2022 £
Trade debtors	3,849,993	3,178,021
Other debtors	4,395	28,277
Directors' loan accounts	23,092	126,768
Prepayments	<u>687,215</u>	<u>473,358</u>
	<u>4,564,695</u>	<u>3,806,424</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2023

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Bank loans and overdrafts (see note 16)	248,292	1,225,305	-	-
Trade creditors	7,583,872	7,194,284	-	-
Amounts owed to group undertakings	-	-	3,219,147	4,656,907
Tax	207,243	175,499	-	-
Social security and other taxes	351,806	279,574	-	-
VAT	827,924	395,391	-	-
Other creditors	737,136	378,161	-	-
Defined contributions pension	53,831	40,000	-	-
Directors' loan accounts	-	27,428	-	-
Accrued expenses	1,705,015	1,339,142	2,160	2,100
	<u>11,715,119</u>	<u>11,054,784</u>	<u>3,221,307</u>	<u>4,659,007</u>

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

	Group	
	2023	2022
	£	£
Bank loans (see note 16)	<u>2,148,975</u>	<u>2,308,479</u>

16. LOANS

An analysis of the maturity of loans is given below:

		Group	
		2023	2022
		£	£
Amounts falling due within one year	or on demand:		
Bank overdrafts		-	958,853
Bank loans		<u>248,292</u>	<u>266,452</u>
		<u>248,292</u>	<u>1,225,305</u>
Amounts falling due between one and two years:			
Bank loans - 1-2 years		<u>248,293</u>	<u>266,452</u>
Amounts falling due between two and five years:			
Bank loans - 2-5 years		<u>744,876</u>	<u>799,355</u>
Amounts falling due in more than five years:			
Repayable by instalments			
Bank loans more 5 yr by instal		<u>1,155,806</u>	<u>1,242,672</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 202316. **LOANS - continued****Group**

Bank borrowings

Barclays loan is denominated in sterling with a nominal interest rate of 1.75%, and the final instalment is due to be paid on 1 December 2026. The carrying amount at year end is £573,196 (2022: £627,230).

Barclays loan is denominated in sterling with a nominal interest rate of 1.75%, and the final instalment is due to be paid on 11 July 2023. The carrying amount at year end is £797,740 (2022: £858,940).

Barclays loan is denominated in sterling with a nominal interest rate of 1.75%. £502,500 was advanced in July 2020 and the final instalment is due to be paid on 23 July 2025. The carrying amount at year end is £429,871 (2022: £457,996).

Barclays loan is denominated in sterling with a nominal interest rate of 2.55%, and the final instalment is due to be paid on 5 March 2026. The carrying amount at year end is £596,460 (2022: £630,765).

Bank loans are secured by fixed and floating charges via inter-company cross guarantees.

17. **PROVISIONS FOR LIABILITIES**

	Group	
	2023	2022
	£	£
Deferred tax	<u>451,736</u>	<u>253,945</u>
Group		
		Deferred tax
		£
Balance at 1 February 2022		253,945
Provided during year		<u>197,791</u>
Balance at 31 January 2023		<u>451,736</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2023

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

No. Class:	Nominal value:	2023 £	2022 £
82 Ordinary 'A'	£1	82	82
1 Ordinary 'B'	£1	1	1
17 Ordinary 'C'	£1	17	17
		<u>100</u>	<u>100</u>

Rights, preferences and restrictions

Ordinary A shares have the following rights, preferences and restrictions:

Ordinary A shares have full rights to voting and are entitled to a dividend if declared on this class of share.

Ordinary B shares have the following rights, preferences and restrictions:

Ordinary B shares have full rights to voting and are entitled to a dividend if declared on this class of share.

Ordinary C shares have the following rights, preferences and restrictions:

Ordinary C shares have full rights to voting and are entitled to a dividend if declared on this class of share.

19. RESERVES

Group

	Retained earnings £
At 1 February 2022	11,148,767
Profit for the year	2,624,654
At 31 January 2023	<u>13,773,421</u>

Company

	Retained earnings £
At 1 February 2022	8,829,854
Profit for the year	1,337,585
At 31 January 2023	<u>10,167,439</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2023**

20. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £235,746 (2022- £121,552).

Contributions totalling £58,831 (2022 - £40,000) were payable to the scheme at the end of the year and are included in creditors.

21. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

R J Whittemore

At the balance sheet date the amount owed by R J Whittemore to the company was £4,910 (2022: -£27,408 owed to).

S D Whittemore

At the balance sheet date S D Whittemore owed the company £18,183 (2022: £126,768).

22. RELATED PARTY DISCLOSURES

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

**Group Tyre (UK) Limited
(Associate)**

S and M Tyres Limited has a 10% interest in Group Tyre (UK) Limited. During the year purchases of £129,479 (2022: £123,662) were made from Group Tyre (UK) Limited. At the balance sheet date the amount due to Group Tyre (UK) Limited was £5,391 (2022: £2,378). At the balance sheet date, the amount due from Group Tyre (UK) Limited was £Nil (2022: £2,159).

**Group Tyre Wholesale Limited
(Joint venture)**

S and M Tyres Holdings Limited has a 50% interest in Group Tyre Wholesale Limited. During the year sales totalling £363,931 (2022: £205,797) and purchases totalling £1,061,986. (2022: £682,557) were made between the two companies. At the balance sheet date the amount due from Group Tyre Wholesale Limited was £36,974 (2022: £69,963). At the balance sheet date the amount due to Group Tyre Wholesale Limited was £186,471 (2022: £457,514).

23. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is R J Whittemore.

These financial statements are available upon request from EG Wholesale, Elite House Star Road, Partridge Green, Horsham, West Sussex RH13 8RA.

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.