

**B.A. BUSH & SON LIMITED
AND SUBSIDIARY COMPANIES**

**GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**



Please find in this set of parent accounts
the named subsidiary that is exempt from
audit requirements on page 34 note 12.

**CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**B.A. BUSH & SON LIMITED
AND SUBSIDIARY COMPANIES**

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020**

DIRECTORS:

N A Bush
B C Bush
T A Bush

SECRETARY:

B C Bush

REGISTERED OFFICE:

Bush Tyres
Station Yard
Horncastle
Lincolnshire
LN9 5AQ

REGISTERED NUMBER:

00976405 (England and Wales)

SENIOR STATUTORY AUDITOR:

Adrian Reynolds BA FCA

AUDITORS:

Duncan & Toplis Limited, Statutory Auditor
3 Castlegate
Grantham
Lincolnshire
NG31 6SF

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their strategic report of the company and the group for the year ended 31 December 2020.

REVIEW OF BUSINESS

We aim to present a balanced and comprehensive review of our business. Our review is consistent with the size and nature of our business and in the context of risks and uncertainties we face.

The key aim is delivering great service to our customers in the various sectors; retail, account, wholesale and agricultural tyres - our latest three-year sales plan was on target until Covid hit the country but has recovered such that in 2021 we are back on plan!

Despite sales falling off a cliff at the end of March, we navigated our way through year with great success; credit for our success being down to our staff who have had a difficult year and a half but overcame problems to put us in good shape for 2021.

Some of the building of these businesses has started to bear fruit, with an approach to our product centres that is growing the business with an improved focus on quality service.

Our new commercial salary package, whilst increased costs we are rightfully rewarding staff to become the highest quality job available in the industry and this aim is to be implemented in all sectors of our business.

The moving to a larger, new warehouse is becoming essential, the expectation this strategy is following will become important in coming years.

2020 has been a decent year, with the mix of customers and product channels improving, sales increasing in all sectors, and this has continued in 2021.

The year was one of relative price stability, with tyre sizes used getting larger in car and agriculture, helping our average tyre cost to increase. Economy tyres were volatile, with the pound weakness firming costs, pressurising margins towards the end of the year. The continued focus on a complete portfolio in all product channels ensured that our offer was good.

PRINCIPAL RISKS AND UNCERTAINTIES

We stocked up for 2021 ready for price increases and shortages. A couple of figures to put some idea of effect on our sector are car tyres shipping increase year on year, £5 per tyre and truck wide singles £75 increase per tyre!

This shipping problem amongst covid and others has created a stock shortage, yet demand is buoyant, it all adds up to an interesting end to 2021!

Overall 2021 will also be a good year.

Our staff are key to our performance and have enabled plans to be realised with hard work and skill in all parts of the business which is pivotal to our success. Great effort will continually be made to improve staff, in training, effectiveness and improving our environment to safely enable their full potential to shine. We started to implement changes to work patterns, to make their work more rewarding, they are key to our success and by their hard work our expansion continues.

Growth plans will again put pressure on our ability to train and nurture quality staff and is a key area to focus on.

Whilst we believe that our industry will remain challenging, we have the skills to meet these challenges and build on these foundations to have another successful year.

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

SECTION 172(1) STATEMENT

The directors accept their duty to promote the success of the company for the benefit of its members as a whole and have regard to the wider shareholder interests below.

The major factor that affected our business in 2020 was Covid 19, which hit sales and caused pain and heartache to some members of staff and hit all of us in the way it changed our way of life.

The management and staff dealt with the changes that hit the company with skill and flexibility so that we maintained a level of service to keep the business going.

The procedures and operations were successfully implemented and safely carried out, both instore and on vehicles. Our moving to a larger, new warehouse has been essential, the expectation this strategy is following will become important in coming years.

Overall, 2020 has been a decent year, with the mix of customers and product channels improving, sales increasing in all sectors.

This has continued in 2021, so, overall the companies will have another good year.

Whilst we believe that our industry will remain challenging, we have the skills to meet these challenges and build on these foundations to have another successful year.

The likely consequences of any decision in the long term;

Every operating section of our business operates economic, social and environmental responsibilities on their own, while cooperating constantly with other parts of the operation and with shareholders. This allows the company to manage risk and opportunity and risk to its processes, products and services, with constant focus of trying to improve the business.

We operate by three year plans of sustainable targets, this being the first year of our three year plan 2020-2022. The key aim is delivering great service to our customers in the various sectors; retail, account, wholesale, commercial and agricultural tyres - our latest three-year plan was on target until Covid hit the country but has recovered such that in 2021 we are back on plan!

Despite sales falling off a cliff at the end of March, we navigated our way through the year with great success; credit for our success being down to our staff who have had a difficult year and a half but overcame problems to put us in good shape for 2021.

The impact of the company's operations on the community and the environment;

We are always conscious of our responsibilities, our ethics being implemented constantly, with new staff induction training explaining our principles.

Covid 19 provided a new challenge of how do we cut down on single use PPE, whilst providing a safe operating environment.

The interests of the company's employees;

Our staff are key to our performance and have enabled plans to be realised with hard work and skill in all parts of the business which is pivotal to our success. Great effort will continually be made to improve staff, in training, effectiveness and improving our environment to safely enable their full potential to shine. We started to implement changes to work patterns, to make their work more rewarding, they are key to our success and by their hard work our expansion continues.

Our new commercial salary package, whilst increased costs we are rightfully rewarding staff to become the highest quality job available in the industry and this aim is to be implemented in all sectors of our business.

Growth plans will again put pressure on our ability to train and nurture quality staff and is a key area to focus on.

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The need to foster the company's business relationships with suppliers, customers and others;

Some of the building of these businesses has started to bear fruit, with an approach to our product centres that is growing the business with an improved focus on quality service.

The year was one of relative price stability, with tyre sizes used getting larger in car and agriculture, helping our average tyre cost to increase. Economy tyres were volatile, but we remained with our principal suppliers, with the pound weakness firming costs, pressurising margins towards the end of the year. The continued focus on a complete portfolio in all product channels ensured that our offer was good. Our policy of working with suppliers and customers to get the best solutions to tyre needs. We believe this retains customers, gets the loyalty of suppliers and enable us to give a quality service.

The impact of the company's operations on the community and the environment;

Bush operates as a quality tyre service company, with smart well cared for outlets, with clean well maintained vehicles, operating sympathetically to its neighbours and caring for the environment.

The desirability of the company maintaining a reputation for high standard business conduct;

Our philosophy is trust and high standards, which if looked back, Bush were the first tyre company in the UK to receive BS5750 and have continued to work to this standard (ISO 9001:2008) It creates a standard to achieve!

Because of our rural beginnings, where customers were not great in number, we needed them to return time after time to make a profit and this basis off business, "trust and quality" hold true today.

The need to act fairly as between members of the company;


Our length of service of staff is as good indicator of treatment of staff, over 25% of staff have been with the company for more than 10 years.

Our truck structure is successful, with clear and open packages that enable open structures to happen. This is to be expanded in the other sectors of our business.

GREENHOUSE GAS EMISSIONS, ENERGY CONSUMPTION AND ENERGY EFFICIENCY

Due to the coronavirus pandemic it has not been feasible to acquire the relevant information to make this statement this year.

ON BEHALF OF THE BOARD:


.....
N A Bush - Director

Date: 24.09.2021.....

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2020.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of tyre distribution.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2020.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2020 to the date of this report.

N A Bush
B C Bush
T A Bush

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 ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

ON BEHALF OF THE BOARD:

.....
N A Bush

Date: 24.09.2021

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
B.A. BUSH & SON LIMITED
AND SUBSIDIARY COMPANIES**

Opinion

We have audited the financial statements of B.A. Bush & Son Limited and Subsidiary Companies (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and Notes to the Consolidated Statement of Cash Flows, 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 December 2020 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
B.A. BUSH & SON LIMITED
AND SUBSIDIARY COMPANIES**

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 five, 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
B.A. BUSH & SON LIMITED
AND SUBSIDIARY COMPANIES**

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.

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

We have identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial experience, knowledge of the sector, a review of regulatory and legal correspondence and through discussions with Directors and other management obtained as part of the work required by auditing standards. We have also discussed with the Directors and other management the policies and procedures relating to compliance with laws and regulations. We communicated laws and regulations throughout the team and remained alert to any indications of non-compliance throughout the audit.

The potential impact of different laws and regulations varies considerably. Firstly, the company is subject to laws and regulations that directly impact the financial statements (for example financial reporting legislation) and we have assessed the extent of compliance with such laws as part of our financial statements audit.

Secondly, the company is subject to other laws and regulations where the consequence for non-compliance could have a material effect on the amounts or disclosures in the financial statements. We identified the following areas as those most likely to have such an effect: Health and Safety regulations and Employment laws.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection. This inspection included an assessment of the company's employment and health and safety controls. Through these procedures, if we became aware of any non-compliance, we considered the impact on the procedures performed on the related financial statement items.

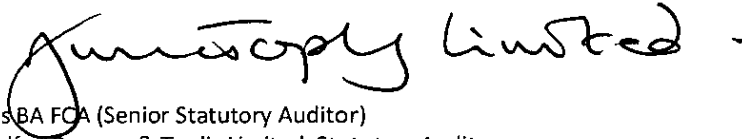
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. As with any audit, there is a greater risk of non-detection of irregularities as these may involve collusion, intentional omissions of the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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
B.A. BUSH & SON LIMITED
AND SUBSIDIARY COMPANIES**

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.

A handwritten signature in black ink, appearing to read 'Adrian Reynolds', written over the printed name.

Adrian Reynolds BA FCA (Senior Statutory Auditor)
for and on behalf of Duncan & Topliss Limited, Statutory Auditor
3 Castlegate
Grantham
Lincolnshire
NG31 6SF

Date: 24 September 2021

**B.A. BUSH & SON LIMITED
AND SUBSIDIARY COMPANIES (REGISTERED NUMBER: 00976405)**

**CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
TURNOVER			
Group and share of joint ventures and associates		55,747,684	59,278,271
Less:			
Share of joint ventures' turnover		(14,988,787)	(14,281,255)
Share of associates' turnover		(594,497)	(557,689)
GROUP TURNOVER	3	40,164,400	44,439,327
Cost of sales		34,809,410	38,035,536
GROSS PROFIT		5,354,990	6,403,791
Distribution costs		435,504	395,139
Administrative expenses		4,961,294	5,470,739
		5,396,798	5,865,878
		(41,808)	537,913
Other operating income		1,132,235	123,581
GROUP OPERATING PROFIT	5	1,090,427	661,494
Share of operating profit in			
Joint ventures		281,599	31,904
Associates		14,905	(18,342)
		1,386,931	675,056
Interest payable and similar expenses			
Group	6	(66,113)	(47,699)
Joint ventures		(29,801)	(35,925)
Associates		(1,506)	(2,685)
PROFIT BEFORE TAXATION		1,289,511	588,747
Tax on profit	7	291,763	159,764
PROFIT FOR THE FINANCIAL YEAR		997,748	428,983
Profit attributable to:			
Owners of the parent		977,392	405,700
Non-controlling interests		20,356	23,283
		997,748	428,983

The notes form part of these financial statements

**B.A. BUSH & SON LIMITED
AND SUBSIDIARY COMPANIES (REGISTERED NUMBER: 00976405)**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
PROFIT FOR THE YEAR		997,748	428,983
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>997,748</u>	<u>428,983</u>
Total comprehensive income attributable to:			
Owners of the parent		977,392	401,700
Non-controlling interests		<u>20,356</u>	<u>27,283</u>
		<u>997,748</u>	<u>428,983</u>

The notes form part of these financial statements

**B.A. BUSH & SON LIMITED
AND SUBSIDIARY COMPANIES (REGISTERED NUMBER: 00976405)**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2020**

		2020		2019	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	10		439,404		521,223
Tangible assets	11		4,581,345		4,383,091
Investments	12				
Interest in joint venture					
Share of gross assets			6,880,992		7,451,716
Share of gross liabilities			(5,559,734)		(6,332,710)
			<hr/>		<hr/>
			1,321,258		1,119,006
Interest in associate			199,792		184,001
Other investments			8,239		8,239
			<hr/>		<hr/>
			6,550,038		6,215,560
CURRENT ASSETS					
Stocks	13	8,083,375		7,594,366	
Debtors	14	7,805,563		6,901,193	
Cash at bank and in hand		2,491,885		101,143	
		<hr/>		<hr/>	
			18,380,823		14,596,702
CREDITORS					
Amounts falling due within one year	15	12,717,048		12,101,412	
		<hr/>		<hr/>	
NET CURRENT ASSETS			5,663,775		2,495,290
TOTAL ASSETS LESS CURRENT LIABILITIES			<hr/>		<hr/>
			12,213,813		8,710,850
CREDITORS					
Amounts falling due after more than one year	16		(2,482,399)		(45,069)
PROVISIONS FOR LIABILITIES	21		(285,669)		(217,784)
			<hr/>		<hr/>
NET ASSETS			<hr/>		<hr/>
			9,445,745		8,447,997


The notes form part of these financial statements

B.A. BUSH & SON LIMITED
AND SUBSIDIARY COMPANIES (REGISTERED NUMBER: 00976405)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - continued
31 DECEMBER 2020

	Notes	2020 £	2019 £
CAPITAL AND RESERVES			
Called up share capital	22	10,000	10,000
Share premium		30,000	30,000
Revaluation reserve		224,634	224,634
Retained earnings		9,071,292	8,093,900
SHAREHOLDERS' FUNDS		<u>9,335,926</u>	<u>8,358,534</u>
NON-CONTROLLING INTERESTS	23	<u>109,819</u>	<u>89,463</u>
TOTAL EQUITY		<u><u>9,445,745</u></u>	<u><u>8,447,997</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 24.09.2021 and were signed on its behalf by:



 N A Bush - Director


The notes form part of these financial statements

B.A. BUSH & SON LIMITED
AND SUBSIDIARY COMPANIES (REGISTERED NUMBER: 00976405)

COMPANY STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2020

		2020		2019	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	10		18,860		21,620
Tangible assets	11		4,320,794		4,033,294
Investments	12		2,612,974		2,862,974
			<u>6,952,628</u>		<u>6,917,888</u>
CURRENT ASSETS					
Stocks	13	7,439,855		6,820,043	
Debtors	14	7,010,579		6,194,289	
Cash at bank and in hand		2,248,760		97,580	
		<u>16,699,194</u>		<u>13,111,912</u>	
CREDITORS					
Amounts falling due within one year	15	12,005,484		11,640,740	
NET CURRENT ASSETS			<u>4,693,710</u>		<u>1,471,172</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>11,646,338</u>		<u>8,389,060</u>
CREDITORS					
Amounts falling due after more than one year	16		(2,482,399)		(45,069)
PROVISIONS FOR LIABILITIES	21		(264,363)		(186,611)
NET ASSETS			<u>8,899,576</u>		<u>8,157,380</u>
CAPITAL AND RESERVES					
Called up share capital	22		10,000		10,000
Share premium			30,000		30,000
Retained earnings			8,859,576		8,117,380
SHAREHOLDERS' FUNDS			<u>8,899,576</u>		<u>8,157,380</u>
Company's profit for the financial year			<u>742,196</u>		<u>1,022,259</u>

The financial statements were approved by the Board of Directors and authorised for issue on 24.09.2021 and were signed on its behalf by:



 N A Bush - Director

The notes form part of these financial statements

**B.A. BUSH & SON LIMITED
AND SUBSIDIARY COMPANIES (REGISTERED NUMBER: 00976405)**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 January 2019	10,000	7,698,200	30,000
Changes in equity			
Dividends	-	(10,000)	-
Total comprehensive income	-	405,700	-
Balance at 31 December 2019	10,000	8,093,900	30,000
Changes in equity			
Total comprehensive income	-	977,392	-
Balance at 31 December 2020	10,000	9,071,292	30,000

	Revaluation reserve £	Total £	Non-controlling interests £	Total equity £
Balance at 1 January 2019	224,634	7,962,834	62,180	8,025,014
Changes in equity				
Dividends	-	(10,000)	-	(10,000)
Total comprehensive income	-	405,700	27,283	432,983
Balance at 31 December 2019	224,634	8,358,534	89,463	8,447,997
Changes in equity				
Total comprehensive income	-	977,392	20,356	997,748
Balance at 31 December 2020	224,634	9,335,926	109,819	9,445,745

The notes form part of these financial statements

**B.A. BUSH & SON LIMITED
AND SUBSIDIARY COMPANIES (REGISTERED NUMBER: 00976405)**

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 January 2019	10,000	7,095,121	30,000	7,135,121
Changes in equity				
Total comprehensive income	-	1,022,259	-	1,022,259
Balance at 31 December 2019	10,000	8,117,380	30,000	8,157,380
Changes in equity				
Total comprehensive income	-	742,196	-	742,196
Balance at 31 December 2020	10,000	8,859,576	30,000	8,899,576

The notes form part of these financial statements

B.A. BUSH & SON LIMITED
AND SUBSIDIARY COMPANIES (REGISTERED NUMBER: 00976405)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	1,181,403	364,976
Interest paid		(56,842)	(46,212)
Interest element of hire purchase payments paid		(9,271)	(1,487)
Government grants		1,052,790	-
Tax paid		(140,198)	(197,525)
Net cash from operating activities		2,027,882	119,752
Cash flows from investing activities			
Purchase of tangible fixed assets		(753,687)	(590,376)
Purchase of fixed asset investments		-	(670,002)
Sale of tangible fixed assets		265,881	24,888
Dividend from joint venture		-	666,667
Net cash from investing activities		(487,806)	(568,823)
Cash flows from financing activities			
New loans in year		2,350,000	-
Loan repayments in year		(367,128)	(117,890)
Capital repayments in year		(12,078)	20,658
Equity dividends paid		-	(10,000)
Net cash from financing activities		1,970,794	(107,232)
Increase/(decrease) in cash and cash equivalents		3,510,870	(556,303)
Cash and cash equivalents at beginning of year	2	(1,018,985)	(462,682)
Cash and cash equivalents at end of year	2	2,491,885	(1,018,985)

The notes form part of these financial statements

B.A. BUSH & SON LIMITED
AND SUBSIDIARY COMPANIES (REGISTERED NUMBER: 00976405)

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

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

	2020	2019
	£	£
Profit before taxation	1,289,511	588,747
Depreciation charges	639,316	615,633
Profit on disposal of fixed assets	(40,209)	(2,413)
Share of joint ventures profit	(251,798)	(4,021)
Share of associates profit	(13,399)	(21,027)
Bad debt provisions	17,944	-
Government grants	(1,052,790)	-
Finance costs	97,420	86,309
	<u>685,995</u>	<u>1,263,228</u>
Increase in stocks	(489,009)	(90,313)
(Increase)/decrease in trade and other debtors	(904,370)	612,911
Increase/(decrease) in trade and other creditors	<u>1,888,787</u>	<u>(1,420,850)</u>
Cash generated from operations	<u><u>1,181,403</u></u>	<u><u>364,976</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 December 2020

	31.12.20	1.1.20
	£	£
Cash and cash equivalents	2,491,885	101,143
Bank overdrafts	-	(1,120,128)
	<u><u>2,491,885</u></u>	<u><u>(1,018,985)</u></u>

Year ended 31 December 2019

	31.12.19	1.1.19
	£	£
Cash and cash equivalents	101,143	13,793
Bank overdrafts	(1,120,128)	(476,475)
	<u><u>(1,018,985)</u></u>	<u><u>(462,682)</u></u>

The notes form part of these financial statements

B.A. BUSH & SON LIMITED
AND SUBSIDIARY COMPANIES (REGISTERED NUMBER: 00976405)

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.20 £	Cash flow £	Other non-cash changes £	At 31.12.20 £
Net cash				
Cash at bank and in hand	101,143	2,390,742		2,491,885
Bank overdrafts	(1,120,128)	1,120,128		-
	<u>(1,018,985)</u>	<u>3,510,870</u>		<u>2,491,885</u>
Debt				
Finance leases	(39,585)	9,975	(227,730)	(257,340)
Debts falling due within 1 year	(367,128)	340,577	-	(26,551)
Debts falling due after 1 year	-	(2,323,449)	-	(2,323,449)
	<u>(406,713)</u>	<u>(1,972,897)</u>	<u>(227,730)</u>	<u>(2,607,340)</u>
Total	<u>(1,425,698)</u>	<u>1,537,973</u>	<u>(227,730)</u>	<u>(115,455)</u>

The notes form part of these financial statements

**B.A. BUSH & SON LIMITED
AND SUBSIDIARY COMPANIES (REGISTERED NUMBER: 00976405)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. STATUTORY INFORMATION

B.A. Bush & Son Limited and Subsidiary Companies 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.

The presentation currency of the financial statements is the Pound Sterling (£).

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, modified to include certain items at fair value.

Financial Reporting Standard 102 - reduced disclosure exemptions

The parent company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;

The disclosure above is incorporated within these consolidated financial statements.

Basis of consolidation

The group accounts have been prepared on the basis that full disclosure has been made of subsidiary company figures. Where the company holds more than 20% of the share capital in joint ventures, the applicable percentage of the assets and liabilities have been disclosed. If the group holds less than 20% of the shares of the company only the investment in that company has been included in these accounts.

Joint ventures are stated at the financial reporting date at the group share of each joint venture net assets. No provision has been included where this figure is a negative figure as the directors consider that any such deficit will be recovered in the forthcoming year. From the date of acquisition an appropriate share of the joint venture's profit or loss for the year has been accounted for in the groups consolidated income statement.

Where a joint venture company has revalued its own assets during the year any surplus has been shown in the Group Statement of Comprehensive Income.

Associates are stated at the financial reporting date at the consideration price for the shares. The group's share of post acquisition profits has also been added onto the consideration. From the date of acquisition an appropriate share of the associate's profit or loss for the year has been accounted for in the group's Consolidated Income Statement.

Jointly controlled entities

When accounting for joint ventures the group uses equity accounting. This is done by adjusting the initial investment value by any share of the company's post acquisition profit and loss.

Associates

When accounting for associates the group uses equity accounting. This is done by adjusting the initial investment value by any share of the company's post acquisition profit and loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES - continued

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue is recognised based on the terms of the sale, either on despatch from the company or on delivery and acceptance by the customer.

Goodwill

Goodwill, being paid in connection with the acquisition of businesses in 2012 and 2018, is being amortised evenly over the estimated useful life of ten years.

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.

Development costs are being amortised evenly over their estimated useful life of ten years.

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 4% on cost and 2% on cost
Long leasehold	- Straight line over the term of the lease
Short leasehold	- Straight line over the term of the lease
Plant and machinery	- 25% on reducing balance, 20% on cost, 10% on cost and at varying rates on cost
Motor vehicles	- 25% on cost, 25% on reducing balance and 20% on cost

The cost of tangible fixed assets represents the invoice value of the asset, as well as other costs that are deemed necessary in order to bring the asset into use.

Investments in associates

The company accounts for investments in subsidiary and associate undertakings at cost.

Stocks

Stocks are stated at the lower of cost incurred in bringing each product to its present location and condition, and fair value less costs to sell, after making due allowance for obsolete and slow-moving items. Stock is accounted for on a first-in-first-out basis.

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 statement of financial position date.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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.

Foreign currencies

Transactions expressed in foreign currencies are initially recorded at the rate ruling at the of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the period end reporting date.

All differences are taken to the income statement.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the statement of financial position. 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.

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 income statement in the period to which they relate.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. ACCOUNTING POLICIES - continued

Financial instruments

The group has adopted the Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets, including trade and other debtors and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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 payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Critical accounting judgements and estimation uncertainty

In the application of the group's accounting policies, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

(i) Intangible fixed assets

It is felt that the acquisition of the company name, Endyke, in 2012 comes with a substantial offering in the Hull area due to how well it is known locally. The directors believe that at the moment they are still benefitting from it and as a result the remaining useful economic life is 5 years.

(ii) Stock provisions

All of the companies in the group trade in tyre distribution and are subject to changing customer demands and economic trends. As a result, it is necessary to consider the recoverability of the cost of stock and the associated provisioning required. See note 13 for the net carrying amount of the stock and amortised provision.

**B.A. BUSH & SON LIMITED
AND SUBSIDIARY COMPANIES (REGISTERED NUMBER: 00976405)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

3. TURNOVER

The group has chosen not to disclose their analysis of turnover as the directors have deemed it prejudicial to the group.

4. EMPLOYEES AND DIRECTORS

	2020 £	2019 £
Wages and salaries	6,973,704	6,969,716
Social security costs	631,762	628,593
Other pension costs	124,387	122,985
	<u>7,729,853</u>	<u>7,721,294</u>

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

	2020	2019
Depot staff	261	262
Representatives	9	9
Office and management	28	25
	<u>298</u>	<u>296</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 298 (2019 - 296).

	2020 £	2019 £
Directors' remuneration	<u>352,562</u>	<u>341,024</u>

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

	2020	2019
Money purchase schemes	<u>2</u>	<u>2</u>

Information regarding the highest paid director is as follows:

	2020 £	2019 £
Emoluments etc	<u>106,710</u>	<u>108,030</u>

**B.A. BUSH & SON LIMITED
AND SUBSIDIARY COMPANIES (REGISTERED NUMBER: 00976405)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

5. OPERATING PROFIT

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

	2020	2019
	£	£
Depreciation - owned assets	499,387	493,501
Depreciation - assets on hire purchase contracts	58,104	40,310
Profit on disposal of fixed assets	(40,209)	(2,413)
Goodwill amortisation	76,311	76,311
Development costs amortisation	2,748	2,748
Computer software amortisation	2,760	2,760
Auditors' remuneration	26,300	24,000
Auditors' remuneration for non audit work	6,514	5,834
	<u> </u>	<u> </u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2020	2019
	£	£
Bank interest	45,241	30,140
Bank loan interest	3,147	1,442
Other loan interest	7,561	14,630
HMRC interest	893	-
Lease interest	9,271	1,487
	<u> </u>	<u> </u>
	<u>66,113</u>	<u>47,699</u>

7. TAXATION

Analysis of the tax charge

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

	2020	2019
	£	£
Current tax:		
UK corporation tax	223,878	96,171
Deferred tax	<u>67,885</u>	<u>63,593</u>
Tax on profit	<u>291,763</u>	<u>159,764</u>

**B.A. BUSH & SON LIMITED
AND SUBSIDIARY COMPANIES (REGISTERED NUMBER: 00976405)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

7. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

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

	2020 £	2019 £
Profit before tax	<u>1,289,511</u>	<u>588,747</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	245,007	111,862
Effects of:		
Expenses not deductible for tax purposes	8,674	9,500
Capital allowances in excess of depreciation	(32,088)	(28,417)
Revenue expenditure included in fixed assets	(2,625)	-
Adjustments to JV and associate tax	5,480	3,972
Utilisation of tax losses	(2,850)	-
Losses brought forward	-	(287)
Deferred taxation	67,885	63,593
Bad debt provision	2,280	-
Profit on disposal of assets	-	(459)
Total tax charge	<u>291,763</u>	<u>159,764</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.

9. DIVIDENDS

	2020 £	2019 £
Ordinary shares of £1 each		
Interim	<u>-</u>	<u>10,000</u>

B.A. BUSH & SON LIMITED
AND SUBSIDIARY COMPANIES (REGISTERED NUMBER: 00976405)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

10. INTANGIBLE FIXED ASSETS

Group

	Goodwill £	Development costs £	Computer software £	Totals £
COST				
At 1 January 2020 and 31 December 2020	763,108	27,421	27,600	818,129
AMORTISATION				
At 1 January 2020	271,003	19,923	5,980	296,906
Amortisation for year	76,311	2,748	2,760	81,819
At 31 December 2020	347,314	22,671	8,740	378,725
NET BOOK VALUE				
At 31 December 2020	415,794	4,750	18,860	439,404
At 31 December 2019	492,105	7,498	21,620	521,223

Company

	Computer software £
COST	
At 1 January 2020 and 31 December 2020	27,600
AMORTISATION	
At 1 January 2020	5,980
Amortisation for year	2,760
At 31 December 2020	8,740
NET BOOK VALUE	
At 31 December 2020	18,860
At 31 December 2019	21,620

**B.A. BUSH & SON LIMITED
AND SUBSIDIARY COMPANIES (REGISTERED NUMBER: 00976405)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

11. TANGIBLE FIXED ASSETS

Group		Freehold property £	Long leasehold £	Short leasehold £	Improvement to property £
COST					
At 1 January 2020		2,404,481	431,033	494,850	109,377
Additions		-	-	69,067	-
Disposals		-	-	-	-
At 31 December 2020		2,404,481	431,033	563,917	109,377
DEPRECIATION					
At 1 January 2020		492,128	94,196	436,198	55,795
Charge for year		45,264	3,444	24,188	12,287
Eliminated on disposal		-	-	-	-
At 31 December 2020		537,392	97,640	460,386	68,082
NET BOOK VALUE					
At 31 December 2020		1,867,089	333,393	103,531	41,295
At 31 December 2019		1,912,353	336,837	58,652	53,582
	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 January 2020	3,808,251	2,895	2,102,840	32,651	9,386,378
Additions	423,002	-	489,348	-	981,417
Disposals	(7,447)	-	(423,645)	-	(431,092)
At 31 December 2020	4,223,806	2,895	2,168,543	32,651	9,936,703
DEPRECIATION					
At 1 January 2020	2,663,746	419	1,248,060	12,745	5,003,287
Charge for year	197,514	619	269,198	4,977	557,491
Eliminated on disposal	(6,964)	-	(198,456)	-	(205,420)
At 31 December 2020	2,854,296	1,038	1,318,802	17,722	5,355,358
NET BOOK VALUE					
At 31 December 2020	1,369,510	1,857	849,741	14,929	4,581,345
At 31 December 2019	1,144,505	2,476	854,780	19,906	4,383,091

Included in cost of land and buildings is freehold land of £140,900 (2019 - £140,900) which is not depreciated.

The net book value of tangible fixed assets includes £289,884 (2019 - £53,481) in respect of assets held under hire purchase contracts.

B.A. BUSH & SON LIMITED
AND SUBSIDIARY COMPANIES (REGISTERED NUMBER: 00976405)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

11. TANGIBLE FIXED ASSETS - continued

Company	Freehold property £	Long leasehold £	Short leasehold £
COST			
At 1 January 2020	2,404,481	431,033	494,850
Additions	-	-	69,067
Disposals	-	-	-
At 31 December 2020	2,404,481	431,033	563,917
DEPRECIATION			
At 1 January 2020	492,128	94,196	436,198
Charge for year	45,264	3,444	24,188
Eliminated on disposal	-	-	-
At 31 December 2020	537,392	97,640	460,386
NET BOOK VALUE			
At 31 December 2020	1,867,089	333,393	103,531
At 31 December 2019	1,912,353	336,837	58,652
	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 January 2020	3,123,342	1,758,180	8,211,886
Additions	399,062	489,348	957,477
Disposals	(3,572)	(370,004)	(373,576)
At 31 December 2020	3,518,832	1,877,524	8,795,787
DEPRECIATION			
At 1 January 2020	2,165,358	990,712	4,178,592
Charge for year	152,439	240,537	465,872
Eliminated on disposal	(3,571)	(165,900)	(169,471)
At 31 December 2020	2,314,226	1,065,349	4,474,993
NET BOOK VALUE			
At 31 December 2020	1,204,606	812,175	4,320,794
At 31 December 2019	957,984	767,468	4,033,294

Included in cost of land and buildings is freehold land of £140,900 (2019 - £140,900) which is not depreciated.

The net book value of tangible fixed assets includes £289,884 (2019 - £53,481) in respect of assets held under hire purchase contracts.

**B.A. BUSH & SON LIMITED
AND SUBSIDIARY COMPANIES (REGISTERED NUMBER: 00976405)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. FIXED ASSET INVESTMENTS

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Shares in group undertakings	-	-	648,229	648,229
Loans to group undertakings	-	-	781,649	1,031,649
Participating interests	1,521,050	1,303,007	1,174,857	1,174,857
Other investments not loans	8,239	8,239	8,239	8,239
	<u>1,529,289</u>	<u>1,311,246</u>	<u>2,612,974</u>	<u>2,862,974</u>

Additional information is as follows:

Group	Interest in joint venture £	Interest in associate £	Unlisted investments £	Totals £
COST				
At 1 January 2020	1,119,006	184,001	8,239	1,311,246
Share of profit/(loss)	202,252	15,791	-	218,043
At 31 December 2020	<u>1,321,258</u>	<u>199,792</u>	<u>8,239</u>	<u>1,529,289</u>
NET BOOK VALUE				
At 31 December 2020	<u>1,321,258</u>	<u>199,792</u>	<u>8,239</u>	<u>1,529,289</u>
At 31 December 2019	<u>1,119,006</u>	<u>184,001</u>	<u>8,239</u>	<u>1,311,246</u>

**B.A. BUSH & SON LIMITED
AND SUBSIDIARY COMPANIES (REGISTERED NUMBER: 00976405)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. FIXED ASSET INVESTMENTS - continued

Group

Interest in joint venture

Group Tyres Wholesale Limited

The group's share of Group Tyres Wholesale Limited is as follows:

	2020 £	2019 £
Turnover	14,988,787	14,281,255
Profit before tax	251,798	6,437
Taxation	(49,546)	1,921
Profit after tax	202,252	8,358
Share of assets		
Fixed assets	1,505,171	1,609,409
Current assets	5,375,823	5,842,307
Share of liabilities		
Liabilities due within one year	(4,897,663)	(5,962,971)
Liabilities due after one year or more	(662,071)	(369,739)
Share of net assets	1,321,260	1,119,006

**B.A. BUSH & SON LIMITED
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. FIXED ASSET INVESTMENTS - continued

Group

Interest in associate

BA Bush (Tyres) Limited

The group's share of BA Bush (Tyres) Limited is as follows:

	2020 £	2019 £
Turnover	<u>594,497</u>	<u>557,689</u>
Profit/(loss) before tax	13,405	(18,342)
Taxation	2,392	(5,048)
Profit/(loss) after tax	<u>15,797</u>	<u>(23,390)</u>
Share of assets		
Fixed assets	226,965	241,193
Current assets	294,120	419,818
Share of liabilities		
Liabilities due within one year	(115,216)	(263,386)
Liabilities due after one year or more	(104,946)	(112,499)
Share of net assets	<u>300,923</u>	<u>285,126</u>

Unlisted investments are carried at their original cost less any impairment where it is felt the original investment would not be recoverable. Unlisted investments are currently valued at £8,239 (2019: £8,239).

Interest in associates are accounted for under the equity accounting method. Interest in associates are currently valued at £198,292 (2019: £184,001).

Interest in joint ventures are accounted for under the equity accounting method. Interest in joint ventures are currently valued at £1,321,258 (2019: £1,119,006).

Company

	Shares in group undertakings £	Interest in joint venture £	Interest in associate £	Unlisted investments £	Totals £
COST					
At 1 January 2020 and 31 December 2020	<u>648,229</u>	<u>986,719</u>	<u>188,138</u>	<u>8,239</u>	<u>1,831,325</u>
NET BOOK VALUE					
At 31 December 2020	<u>648,229</u>	<u>986,719</u>	<u>188,138</u>	<u>8,239</u>	<u>1,831,325</u>
At 31 December 2019	<u>648,229</u>	<u>986,719</u>	<u>188,138</u>	<u>8,239</u>	<u>1,831,325</u>

**B.A. BUSH & SON LIMITED
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. FIXED ASSET INVESTMENTS - continued

The group or the company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiaries

Endyke Tyres Limited

Registered office: England and Wales

Nature of business: Tyre retailer

Class of shares:	% holding
Ordinary £1 shares	60.00

Abbey Tyre Co. (Cambridge) Limited

Registered office: England and Wales

Nature of business: Tyre retailer

Class of shares:	% holding
Ordinary £1 shares	100.00

ZR Tyres Limited

Registered office: England and Wales

Nature of business: Tyre retailer

Class of shares:	% holding
A ordinary £1 shares	100.00

Joint venture

Group Tyre Wholesale Limited

Registered office: England and Wales

Nature of business: Wholesale tyre distributor

Class of shares:	% holding
Ordinary £1 shares	50.00

	2020	2019
	£	£
Aggregate capital and reserves	2,642,519	2,238,013
Profit for the year	404,506	18,800

Associated company

B A Bush (Tyres) Limited

Registered office: England and Wales

Nature of business: Tyre retailer

Class of shares:	% holding
Ordinary £1 shares	34.00

	2020	2019
	£	£
Aggregate capital and reserves	884,768	838,607
Profit/(loss) for the year	39,426	(76,690)

**B.A. BUSH & SON LIMITED
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. FIXED ASSET INVESTMENTS - continued

Company

	Loans to group undertakings £
At 1 January 2020	1,031,649
Repayment in year	(250,000)
	<hr/>
At 31 December 2020	781,649
	<hr/>

Subsidiary audit exemptions

The below subsidiaries are exempt from the requirements of the Companies Act 2006 relating to the audit of accounts under section 479A of the Companies Act 2006.

Abbey Tyre Co. (Cambridge) Ltd
Z R Tyres Ltd

13. STOCKS

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Goods for resale	8,083,375	7,594,366	7,439,855	6,820,043
	<hr/>	<hr/>	<hr/>	<hr/>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

Stocks are recognised on a FIFO basis. There are no stock provisions at the year end.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	6,970,577	6,200,210	6,274,907	5,573,321
Other debtors	134,040	184,035	123,732	176,880
Current account - B A Bush (Tyres) Limited	144,193	214,507	144,193	214,507
Current account - B A Bush (Holdings) Ltd	20,592	-	20,592	-
Tax	2,943	2,943	2,943	2,943
Prepayments and accrued income	533,218	299,498	444,212	226,638
	<hr/>	<hr/>	<hr/>	<hr/>
	7,805,563	6,901,193	7,010,579	6,194,289
	<hr/>	<hr/>	<hr/>	<hr/>

The trade debtors for Endyke Tyres Ltd are subject to invoice financing. Where applicable, funds advanced for invoice financing are recorded as payments received on account within creditors.

**B.A. BUSH & SON LIMITED
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Bank loans and overdrafts (see note 17)	26,551	1,487,256	26,551	1,521,936
Hire purchase contracts (see note 18)	98,390	17,494	98,390	17,494
Trade creditors	11,059,001	8,823,890	10,542,578	8,520,230
Corporation tax	176,724	93,044	133,847	60,618
Other taxes and social security	206,424	160,030	179,719	122,874
VAT	271,108	573,117	275,326	591,358
Other creditors	664,641	596,170	636,770	579,126
Family loan	21,503	33,461	21,503	33,461
Current account - B A Bush (Tyres) Limited	-	28,116	-	-
Other loans	-	1,003	-	1,003
Accrued expenses	192,706	287,831	90,800	192,640
	<u>12,717,048</u>	<u>12,101,412</u>	<u>12,005,484</u>	<u>11,640,740</u>

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

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Bank loans (see note 17)	2,323,449	-	2,323,449	-
Hire purchase contracts (see note 18)	158,950	22,091	158,950	22,091
Family loan	-	22,978	-	22,978
	<u>2,482,399</u>	<u>45,069</u>	<u>2,482,399</u>	<u>45,069</u>

17. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	-	1,120,128	-	1,154,808
Bank loans	26,551	367,128	26,551	367,128
	<u>26,551</u>	<u>1,487,256</u>	<u>26,551</u>	<u>1,521,936</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	39,826	-	39,826	-
Amounts falling due between two and five years:				
Bank loans - 2-5 years	2,283,623	-	2,283,623	-

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

17. LOANS - continued

Bank loans consist of a Coronavirus Business Interruption Loan (£2,000,000), the repayment term for which is 36 months. Interest is charged at 2.25% over base rate.

The remaining balance relates to a loan from NatWest Bank, the repayment term for which is 60 months. Interest is charged at 1.55% over base rate.

18. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	2020	2019
	£	£
Net obligations repayable:		
Within one year	98,390	17,494
Between one and five years	158,950	22,091
	<u>257,340</u>	<u>39,585</u>

The hire purchase contracts relate to motor vehicles. At the end of the lease, title of the assets passes to the group for a nominal fee.

Company

	Hire purchase contracts	
	2020	2019
	£	£
Net obligations repayable:		
Within one year	98,390	17,494
Between one and five years	158,950	22,091
	<u>257,340</u>	<u>39,585</u>

Group

	Non-cancellable operating leases	
	2020	2019
	£	£
Within one year	534,895	411,361
Between one and five years	1,202,000	754,772
In more than five years	1,208,450	195,250
	<u>2,945,345</u>	<u>1,361,383</u>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

18. LEASING AGREEMENTS - continued

Company	Non-cancellable operating leases	
	2020 £	2019 £
Within one year	436,145	319,361
Between one and five years	912,000	470,772
In more than five years	1,081,575	-
	<u>2,429,720</u>	<u>790,133</u>

19. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Bank overdrafts	-	1,120,128	-	1,154,808
Bank loans	2,350,000	367,128	2,350,000	367,128
Hire purchase contracts	257,340	39,585	257,340	39,585
	<u>2,607,340</u>	<u>1,526,841</u>	<u>2,607,340</u>	<u>1,561,521</u>

The bank overdraft is secured by a legal charge over land and property at Brigg Road, Scunthorpe and 50 Bergen Way, Kings Lynn and a fixed and floating charge on the group's book debts and other assets.

The hire purchase contracts are secured on the assets to which they relate.

The bank loans are secured by a fixed charge over a single property and its associated assets.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

20. FINANCIAL INSTRUMENTS

The group has the following financial instruments:

	2020 £	2019 £
Financial assets that are debt instruments measured at amortised cost		
Trade debtors	6,970,577	6,200,210
Other debtors	278,233	184,035
	<u> </u>	<u> </u>
Financial liabilities measured at amortised cost		
Bank loans and overdrafts	2,350,000	1,725,635
Other loans	-	1,003
Hire purchase contracts	257,340	39,585
Trade creditors	11,059,001	8,716,541
Other creditors	1,142,173	1,302,317
Family loan	21,503	33,461
	<u> </u>	<u> </u>

The total interest income was £Nil (2019: £Nil) and interest expense was £55,949 (2019: £71,699)

21. PROVISIONS FOR LIABILITIES

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Deferred tax				
Accelerated capital allowances	<u>285,669</u>	<u>217,784</u>	<u>264,363</u>	<u>186,611</u>
Group				
				Deferred tax £
Balance at 1 January 2020				217,784
Provided during year				<u>67,885</u>
Balance at 31 December 2020				<u>285,669</u>
Company				
				Deferred tax £
Balance at 1 January 2020				186,611
Provided during year				<u>77,752</u>
Balance at 31 December 2020				<u>264,363</u>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

22. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2020	2019
Number:	Class:		£	£
10,000	Ordinary	£1	<u>10,000</u>	<u>10,000</u>

23. NON-CONTROLLING INTERESTS

The non-controlling interest of £109,819 (2019: £89,463) represents a 40% holding in the reserves of Endyke Tyres Limited. In the year dividends of £Nil (2019: £Nil) have been paid to the non-controlling shareholders in Endyke Tyres Limited.

24. CONTINGENT LIABILITIES

The group has given an unlimited guarantee in favour of B A Bush (Tyres) Limited to NatWest Bank. At the statement of financial position date B A Bush (Tyres) Limited had no bank borrowings and its net assets were £885,068 (2019: £838,607).

A health and safety incident that occurred in March 2018 is currently still subject to potential litigation. A case was originally scheduled to be heard in July 2020 but has now been deferred to 2021. The Directors are very confident that this case will be successfully defended and early indications are that no breaches have occurred that will result in the Group being liable. The potential financial affect and timing of any liability is unknown.

25. RELATED PARTY DISCLOSURES

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

	2020	2019
	£	£
Amount due to related party	<u>44,813</u>	<u>22,947</u>

Entities over which the entity has control, joint control or significant influence

	2020	2019
	£	£
Sales	5,302,836	7,760,773
Purchases	867,971	648,580
Amount due from related party	499,949	391,846
Amount due to related party	<u>131,880</u>	<u>169,235</u>

The amounts due to and from these related parties are unsecured and repayable on demand.

Key management personnel of the entity or its parent (in the aggregate)

	2020	2019
	£	£
Compensation	<u>459,063</u>	<u>479,228</u>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
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25. RELATED PARTY DISCLOSURES - continued

Other related parties

	2020	2019
	£	£
Sales	511,385	493,844
Purchases	822,493	1,120,215
Amount due from related party	130,685	60,609
Amount due to related party	<u>138,333</u>	<u>162,818</u>

One party is a limited company related through a 10% shareholding. A second party is a partnership that is owned by the directors of B A Bush & Son Limited.

The amounts due to and from these related parties are unsecured and repayable on demand.

26. ULTIMATE CONTROLLING PARTY

The group is ultimately controlled by the director, N A Bush, who owns 51% of the issued share capital.