

Registration number: 05692726

Flat Free Tyres Limited

Annual Report and Unaudited Financial Statements

31 October 2022

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Flat Free Tyres Limited

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Flat Free Tyres Limited

Company Information

Directors J O'Byrne
A P M Rudzinski (Appointed 3 October 2022)

Registered Office Ability House
Nuffield Way
Abingdon
OX14 1RL

Flat Free Tyres Limited

Director's report for the year ended 31 October 2022

The Directors present their report and the financial statements for the year ended 31 October 2022

Directors of the Company

The directors who held office during the period were as follows:

J O'Byrne
N E James (resigned 03 October 2022)
S Bell (resigned 24 November 2021)
R Ferguson (resigned 24 November 2021)
D Hannett (resigned 24 November 2021)
J Lyons (resigned 24 November 2021)
M T O'Byrne (resigned 24 November 2021)
L M Moore (appointed 4 October 2022, resigned 6 October 2023)
S J Murphy (appointed 4 October 2022, resigned 22 September 2023)
A P M Rudzinski (Appointed 3 October 2022)

Principal Activity

The principal activity of the company in the period under review was that of the manufacture and distribution of wheelchairs, as well as that of puncture proof tyres for bicycles, wheelchairs and industrial applications, contract plastic moulding, specialist polyurethane part production together with design and development capabilities.

Small Companies Provision Statement

With the members agreement this report has been prepared in accordance with the Special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Prior Period Restatement

Misstatements were identified in the intercompany balances when they were reconciled. Various costs that were paid for by other group companies, primarily Ability Matters Group Limited, had not been recharged to Flat Free Tyres Limited. This resulted in a credit to the intercompany accounts of £319,381 and reduction in the value of Stock of £157,132. There was a corresponding charge to the profit and loss account of £476,513 which has been treated as an adjusting item because of its unusual and non-recurring nature (note 12).

Approved by the Board on 31 January 2024 and signed on its behalf by



Alex Rudzinski
Director

Flat Free Tyres Limited

Income Statement for the year ended 31 October 2022

	Note	2022 £	2021 Restated* £
Turnover	3	1,985,817	1,505,791
Cost of sales		(1,229,246)	(800,893)
Gross profit		756,571	704,898
Administrative expenses		(945,922)	(870,810)
Administrative expenses - Adjusting items	4	-	(476,513)
Administrative expenses			(1,347,323)
Operating Loss - before adjusting Items		(189,351)	(165,912)
Adjusting items	4	-	(476,513)
Operating loss		(189,351)	(642,425)
Interest receivable/(payable)		(74)	198
Loss before taxation		(189,425)	(642,227)
Tax (charge)/credit on Loss		(39,728)	16,515
Loss for the financial year		(229,153)	(625,712)

Company number: 05692726

The above results were derived from continuing operations.

The company has no recognised gains or losses for the period other than the results above.

The notes accompanying these accounts form an integral part of these financial statements.

*See note 12 Prior period restatement

Flat Free Tyres Limited

Balance Sheet as at 31 October 2022

	Note	£	2022 £	£	2021 £
				Restated*	Restated*
Intangible Fixed Assets	5		9,302		-
Tangible fixed assets	6		165,377		110,675
Current assets					
Stocks	7	289,597		168,784	
Debtors	8	965,135		476,303	
Cash at bank and in hand		76,728		152,809	
			1,331,460	797,896	
Creditors: Amounts falling due within one year	9	(1,801,378)		(944,242)	
Net current liabilities			(469,920)		(146,346)
Total assets less current liabilities			(295,239)		(35,671)
Provisions For Liabilities	10		(37,896)		(68,311)
Net assets			<u>(332,135)</u>		<u>(103,982)</u>
Capital and reserves					
Share Capital	11		942		942
Share Premium			4,695		4,695
Profit and loss account			(338,772)		(109,619)
Shareholders' funds			<u>(332,135)</u>		<u>(103,982)</u>

For the year ending 31st October 2022 the company was entitled to exemption under section 479A of the Companies Act 2006 ("the Act") relating to subsidiary companies. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the Board on 31 January 2024 and signed on its behalf by:



Alex Rudzinski
Director

Company number: 05692726

The accompanying notes form an integral part of these financial statements.

Flat Free Tyres Limited
Notes to the Accounts
for the year ended 31 October 2022

Company number: 05692726

1 General information

The company is a private company limited by share capital incorporated in the England and Wales. Its registered office is:

Ability House
21 Nuffield Way
Abingdon
Oxfordshire
OX14 1RL

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Basis of preparation

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Turnover

Turnover represents the value of goods provided to external customers, excluding value added tax, and is attributable to the Company's principal activity. Turnover for products is recognised when goods are dispatched.

Depreciation

All tangible fixed assets are shown at cost less accumulated depreciation and any impairment. Cost includes expenditure that is directly related to the acquisition of the assets.

Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets, evenly over their expected useful lives. It is calculated at the following rate:

Plant and machinery	10% on cost
Fixtures and fittings	20% on cost

Stock and work in progress

Stocks are valued at the lower of cost and net realisable value. Cost includes all direct expenditure. Provision is made for any foreseeable losses where appropriate.

Debtors

Short term debtors are initially measured at transaction price, less any impairment and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Flat Free Tyres Limited

Notes to the Accounts for the year ended 31 October 2022

2 Accounting policies (continued)

Research and development

Development costs are charged to the profit and loss account in the year of expenditure, unless individual projects satisfy all of the following criteria:

- The project is technical feasible, and it will be available for use;
- The Company intends to complete the asset and use it;
- The Company is able to use the asset;
- The asset will generate future economic benefits;
- Adequate technical, financial and other resources are available to complete the asset; and
- The expenditure attributable to the intangible asset during its development can be reliably measured.

In such circumstances the costs are capitalised as intangible and amortised over a useful economic life of 10 years commencing in the year the Company starts to benefit from the expenditure. The useful economic life is based on the period over which the asset will provide economic benefit to the Company without having to be replaced.

Current and deferred taxation

The tax for the period comprises deferred tax. Tax is recognised in the Income Statement, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Borrowing costs

All borrowing costs are recognised in the Income Statement in the period in which they are incurred.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Judgments and estimates

In the process of applying its accounting policies, the company is required to make certain estimates, judgements and assumptions that it believes are reasonable based on the information available. These judgements, estimates and assumptions affect the amounts of assets and liabilities at the date of the financial statements and the amounts of revenues and expenses recognised during the reporting periods presented.

On an ongoing basis, the company evaluates its estimates using historical experience, consultation with experts and other methods considered reasonable in the particular circumstances. Actual results may differ significantly from the estimates, the effect of which is recognised in the year in which the facts that give rise to the revision become known.

The directors consider that no significant judgments or estimates have been made in applying the company's accounting policies.

Flat Free Tyres Limited

Notes to the Accounts for the year ended 31 October 2022

2 Accounting policies (continued)

Summary of disclosure exemptions

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

- the requirements of Section 7 Statement of Cash Flows – Presentation of a statement of cash flow and related notes and disclosures;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c) – Basic financial instruments;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A – Other financial instrument issues – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7 – Compensation for key management personnel.

This information is included in the consolidated financial statements of Astra Topco Limited as at 31 October 2021 and these financial statements may be obtained from Companies House.

3 Staff

The average number of persons employed by the company during the year was 17 (2021: 18)

None of the directors received any remuneration during the year.

4 Profit before tax

Profit is stated after charging:

	2022 £	2021 £
Depreciation of owned assets	18,880	23,326

In 2022 the company performed a review of the intercompany positions on the balance sheet, as a result, transactions of a non-recurring nature relating to historic charges that had not been accounted for were identified. These resulted in the prior year restatement of the 2021 figures previously reported and have been treated as Adjusting Items. Further details can be found in note 12.

Flat Free Tyres Limited
Notes to the Accounts
for the year ended 31 October 2022

5 Intangible fixed assets

Intangible Fixed Assets comprise Development Costs

	£
Cost	
At 1 November 2021	-
Additions	9,359
Disposals	-
At 31 October 2022	<u>9,359</u>
Amortisation	
At 1 November 2021	-
Charge for the year	57
At 31 October 2022	<u>57</u>
Net book values	
At 31 October 2022	<u>9,302</u>
At 1 November 2021	<u>-</u>

6 Tangible fixed assets

Tangible fixed assets comprise equipment.

	£
Cost	
At 1 November 2021	370,604
Additions	73,582
Disposals	-
At 31 October 2022	<u>444,186</u>
Depreciation	
At 1 November 2021	259,929
Charge for the year	18,880
At 31 October 2022	<u>278,809</u>
Net book values	
At 31 October 2022	<u>165,377</u>
At 1 November 2021	<u>110,675</u>

Flat Free Tyres Limited
Notes to the Accounts
for the year ended 31 October 2022

7 Stocks

	2022	2021
	£	Restated £
Work in Progress	289,597	168,784

8 Debtors

	2022	2021
	£	Restated £
Trade Debtors	334,431	355,394
Prepayments and accrued income	1,339	104,295
Amounts Owed by Group Undertakings	629,365	-
Corporation tax recoverable	-	16,614
	<u>965,135</u>	<u>476,303</u>

9 Creditors

	2022	2021
	£	Restated £
Trade creditors	18,979	256,320
Amounts owed to group undertakings	1,752,522	592,393
Taxation and social security	922	37,594
Other Creditors	2,352	7,884
Accruals and deferred income	26,603	50,051
	<u>1,801,378</u>	<u>944,242</u>

10 Deferred tax

	2022	2021
	£	Restated £
At the beginning of the year	14,683	14,683
Charged to the profit and loss account	23,213	-
	<u>37,896</u>	<u>14,683</u>

The deferred tax balance represents the difference between depreciation and capital allowances and disallowable provisions.

Flat Free Tyres Limited
Notes to the Accounts
for the year ended 31 October 2022

11 Called up Share Capital

Allotted, called up and fully paid

	2022 £	2021 £
942 Ordinary shares of £1 each	<u>942</u>	<u>942</u>

12 Prior Period Restatement

Misstatements were identified in the intercompany balances when they were reconciled. Various costs that were paid for by other group companies, primarily Ability Matters Group Limited, had not been recharged to Flat Free Tyres Limited. This resulted in a credit to the intercompany accounts of £319,381 and reduction in the value of Stock of £157,132. There was a corresponding charge to the profit and loss account of £476,513 which has been treated as an adjusting item because of its unusual and non-recurring nature.

The impact of the adjustments on the previously reported amounts within the financial statements is as follows.

Year ended 31 October 2021			
	As previously reported	Impact of restatement	Restated
	£000	£000	£000
Turnover	1,505,791	-	1,505,791
Cost of sales	(800,893)	-	(800,893)
Gross profit	<u>704,898</u>	<u>-</u>	<u>704,898</u>
Administrative expenses – other	(870,810)	-	870,810)
Administrative expenses – adjusting items	-	(476,513)	(476,513)
Administrative expenses	(870,810)	(476,513)	(1,347,323)
Operating loss – before adjusting items	(165,912)	-	(165,912)
Adjusting items	-	(476,513)	(476,513)
Operating loss	<u>(165,912)</u>	<u>(476,513)</u>	<u>(642,425)</u>
Interest receivable and similar income	198	-	198
Loss before taxation	(165,714)	(476,513)	(642,227)
Tax on loss	16,515	-	16,515
Loss for the financial year	<u>(149,199)</u>	<u>(476,513)</u>	<u>(625,712)</u>

Flat Free Tyres Limited
Notes to the Accounts
for the year ended 31 October 2022

12 Prior Period Restatement (continued)

	As previously reported £ 000	Adjustment £000	Restated £ 000
Fixed assets			
Tangible fixed assets	110,675	-	110,675
	110,675	-	110,675
Current assets			
Stocks	325,916	(157,132)	168,784
Debtors	672,711	(196,408)	476,303
Cash at bank and in hand	152,809	-	152,809
	1,151,436	(353,540)	797,896
Creditors: Amounts falling due within one year	(821,269)	(122,973)	(944,242)
Net current assets	330,167	(476,513)	(146,346)
Total assets less current liabilities	440,842	(476,513)	(35,671)
Creditors: Amounts falling due after more than one year			
Provisions for liabilities	(68,311)	-	(68,311)
Net assets	372,531	(476,513)	(103,982)
Capital and reserves			
Share Capital	942	-	942
Share Premium Account	4,695	-	4,695
Profit and loss account	366,894	(476,513)	(109,619)
Shareholders' funds	372,531	(476,513)	(103,982)

There was no impact on the Balance Sheet at 1 November 2020.

Flat Free Tyres Limited

Notes to the Accounts for the year ended 31 October 2022

13 Related party transactions

The Company has taken advantage of the exemption in FRS 102 from disclosing transactions with other members of the Group.

14 Control

The Company is a wholly owned subsidiary of Ability Matters Group Limited, a Company incorporated in England and Wales. The Company's registered office is Ability House, 21 Nuffield Way, Abingdon, Oxfordshire OX14 1RL. Copies of the consolidated financial statements of the ultimate holding company Astra Topco Ltd are available from Companies House. The largest group of which the Company is a member is that headed by Astra Topco Ltd and the smallest group of which the company is a member is headed by Ability Matters Group Limited

As at 31 October 2021 the ultimate controlling party was M A O'Byrne by virtue of his shareholding in Ability Matters Group Limited. On 24 November 2021, G Square Capital (GP) IV LLP became the ultimate controlling party following their acquisition of the majority of the share capital of Ability Matters Group Limited by Astra Topco Limited.

Flat Free Tyres Limited

Notes to the Accounts for the year ended 31 October 2022

13 Related party transactions

The Company has taken advantage of the exemption in FRS 102 from disclosing transactions with other members of the Group.

14 Control

The Company is a wholly owned subsidiary of Ability Matters Group Limited, a Company incorporated in England and Wales. The Company's registered office is Ability House, 21 Nuffield Way, Abingdon, Oxfordshire OX14 1RL. Copies of the consolidated financial statements of the ultimate holding company Astra Topco Ltd are available from Companies House. The largest group of which the Company is a member is that headed by Astra Topco Ltd and the smallest group of which the company is a member is headed by Ability Matters Group Limited

As at 31 October 2021 the ultimate controlling party was M A O'Byrne by virtue of his shareholding in Ability Matters Group Limited. On 24 November 2021 G Square Capital (GP) IV LLP became the ultimate controlling party following