

Western Tyres Holdings Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 30 April 2017

Western Tyres Holdings Limited

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Western Tyres Holdings Limited

Company Information

Directors M W Stephens
P T Stephens

Registered office Alloys House
St Andrews Road
Avonmouth
Bristol
BS11 9HS

Accountants Milsted Langdon LLP
Chartered Accountants
Freshford House
Redcliffe Way
Bristol
BS1 6NL

Western Tyres Holdings Limited

(Registration number: 01363365)

Balance Sheet as at 30 April 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	<u>3</u>	296,118	336,315
Investments	<u>4</u>	100	100
		<u>296,218</u>	<u>336,415</u>
Current assets			
Debtors	<u>5</u>	254,807	223,920
Cash at bank and in hand		6,509	19
		<u>261,316</u>	<u>223,939</u>
Creditors: Amounts falling due within one year	<u>6</u>	<u>(46,290)</u>	<u>(58,861)</u>
Net current assets		<u>215,026</u>	<u>165,078</u>
Total assets less current liabilities		511,244	501,493
Creditors: Amounts falling due after more than one year	<u>6</u>	<u>(41,467)</u>	<u>(14,448)</u>
Provisions for liabilities		<u>(30,784)</u>	<u>(32,362)</u>
Net assets		<u>438,993</u>	<u>454,683</u>
Capital and reserves			
Called up share capital		24,000	24,000
Capital redemption reserve		42,300	42,300
Profit and loss account		<u>372,693</u>	<u>388,383</u>
Total equity		<u>438,993</u>	<u>454,683</u>

The notes on pages 4 to 9 form an integral part of these financial statements.

Western Tyres Holdings Limited

(Registration number: 01363365)

Balance Sheet as at 30 April 2017 (continued)

For the financial year ending 30 April 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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

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

Approved and authorised by the Board on 3 November 2017 and signed on its behalf by:

P T Stephens

Director

The notes on pages 4 to 9 form an integral part of these financial statements.

Western Tyres Holdings Limited

Notes to the Financial Statements for the Year Ended 30 April 2017

1 General information

The company is a private company limited by share capital incorporated in United Kingdom.

The address of its registered office is:

Alloys House
St Andrews Road
Avonmouth
Bristol
BS11 9HS

These financial statements were authorised for issue by the Board on 3 November 2017.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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

Basis of preparation

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

Group accounts not prepared

The company is part of a small group. The company has taken advantage of the exemption provided by Section 398 of the Companies Act 2006 and has not prepared group accounts.

Revenue recognition

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

- The company recognises revenue when:
- The amount of revenue can be reliably measured;
- It is probable that future economic benefits will flow to the entity; and
- Specific criteria have been met for each of the company's activities.

Tax

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

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

Western Tyres Holdings Limited

Notes to the Financial Statements for the Year Ended 30 April 2017 (continued)

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

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

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

Depreciation

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

Asset class	Depreciation method and rate
Leasehold properties	Over 15 years
Furniture, fittings and equipment	17% and 20% straight line
Motor vehicles	20% straight line

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

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

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

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

Western Tyres Holdings Limited

Notes to the Financial Statements for the Year Ended 30 April 2017 (continued)

Trade creditors

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

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

Borrowings

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

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

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

Leases

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

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

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

Share capital

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

Dividends

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

Western Tyres Holdings Limited

Notes to the Financial Statements for the Year Ended 30 April 2017 (continued)

3 Tangible assets

	Leasehold properties £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 May 2016	171,279	163,795	716,540	1,051,614
Additions	-	-	81,000	81,000
Disposals	-	-	(9,000)	(9,000)
At 30 April 2017	171,279	163,795	788,540	1,123,614
Depreciation				
At 1 May 2016	66,578	135,418	513,303	715,299
Charge for the year	8,714	6,824	96,659	112,197
At 30 April 2017	75,292	142,242	609,962	827,496
Carrying amount				
At 30 April 2017	95,987	21,553	178,578	296,118
At 30 April 2016	104,701	28,377	203,237	336,315

Leased assets

Included within the net book value of tangible fixed assets is £90,000 (2016 - £111,739) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £31,867 (2016 - £39,340).

4 Investments

	2017 £	2016 £
Investments in subsidiaries	100	100
Subsidiaries		£
Cost or valuation		
At 1 May 2016		100
At 30 April 2017		100
Carrying amount		
At 30 April 2017		100
At 30 April 2016		100

Western Tyres Holdings Limited

Notes to the Financial Statements for the Year Ended 30 April 2017 (continued)

5 Debtors

	2017 £	2016 £
Trade debtors	4,200	-
Amounts owed by group undertakings and undertakings in which the company has a participating interest	250,607	223,920
Total current trade and other debtors	254,807	223,920

6 Creditors

	Note	2017 £	2016 £
Due within one year			
Loans and borrowings	7	35,973	28,944
Taxation and social security		4,200	-
Other creditors		3,867	3,867
Accruals and deferred income		2,250	26,050
		46,290	58,861
Due after one year			
Loans and borrowings	7	41,467	14,448

7 Loans and borrowings

	2017 £	2016 £
Current loans and borrowings		
Finance lease liabilities	35,973	28,944
Non-current loans and borrowings		
Finance lease liabilities	41,467	14,448

8 Dividends

Interim dividends paid

	2017 £	2016 £
Interim dividend of £2.49 (2016 - £5.59) per each ordinary £1 share	59,657	134,057

Western Tyres Holdings Limited

Notes to the Financial Statements for the Year Ended 30 April 2017 (continued)

9 Related party transactions

Summary of transactions with subsidiaries

Western Tyres Limited

During the year, Western Tyres Holdings Limited received management charges of £100,195 (2016 - £66,000) from Western Tyres Limited and dividends of £59,657 (2016 - £134,057). At the balance sheet date, the amount due from Western Tyres Limited was £250,607 (2016 - £223,920).

Summary of transactions with other related parties

During the year, the directors received £59,657 (2016 - £134,057) in dividends.

10 Transition to FRS 102

This is the first year that the company has presented financial statement under FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 May 2015. There were no adjustments as a result of this transition.

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.