

**COMPANY REGISTRATION NUMBER: 04102421**

**Valley Tyre Service Limited**

**Filleted Unaudited Financial Statements**

**For the year ended**

**30 November 2017**

# **Valley Tyre Service Limited**

## **Financial Statements**

**Year ended 30 November 2017**

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# Valley Tyre Service Limited

## Officers and Professional Advisers

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### The board of directors

Mr G Richards  
Mrs B Richards

### Company secretary

Mr G Richards

### Registered office

2 Oldfield Road  
Bocam Park  
Bridgend  
Bridgend County Borough  
CF35 5LJ

### Accountants

Clay Shaw Thomas Ltd  
Chartered accountant  
2 Oldfield Road  
Bocam Park  
Bridgend  
CF35 5LJ

### Bankers

Lloyds Bank Plc  
Market Square  
Pontypridd  
Rhondda Cynnon Taff  
CF37 2TF

# **Valley Tyre Service Limited**

## **Chartered Accountant's Report to the Board of Directors on the Preparation of the Unaudited Statutory Financial Statements of Valley Tyre Service Limited**

### **Year ended 30 November 2017**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Valley Tyre Service Limited for the year ended 30 November 2017, which comprise the statement of financial position and the related notes from the company's accounting records and from information and explanations you have given us. As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at [www.icaew.com/en/membership/regulations-standards-and-guidance](http://www.icaew.com/en/membership/regulations-standards-and-guidance). This report is made solely to the Board of Directors of Valley Tyre Service Limited, as a body, in accordance with the terms of our engagement letter dated 26 June 2012. Our work has been undertaken solely to prepare for your approval the financial statements of Valley Tyre Service Limited and state those matters that we have agreed to state to you, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF as detailed at [www.icaew.com/compilation](http://www.icaew.com/compilation). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Valley Tyre Service Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Valley Tyre Service Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Valley Tyre Service Limited. You consider that Valley Tyre Service Limited is exempt from the statutory audit requirement for the year. We have not been instructed to carry out an audit or a review of the financial statements of Valley Tyre Service Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Clay Shaw Thomas Ltd Chartered accountant

2 Oldfield Road Bocam Park Bridgend CF35 5LJ

31 August 2018

**Valley Tyre Service Limited**  
**Statement of Financial Position**  
**30 November 2017**

|                                                       |             | <b>2017</b>    |                | <b>2016</b> |
|-------------------------------------------------------|-------------|----------------|----------------|-------------|
|                                                       | <b>Note</b> | <b>£</b>       | <b>£</b>       | <b>£</b>    |
| <b>Fixed assets</b>                                   |             |                |                |             |
| Tangible assets                                       | <b>5</b>    |                | <b>176,211</b> | 176,850     |
| <b>Current assets</b>                                 |             |                |                |             |
| Stocks                                                |             | <b>16,800</b>  |                | 16,500      |
| Debtors                                               | <b>6</b>    | <b>87,257</b>  |                | 92,519      |
| Cash at bank and in hand                              |             | <b>244,184</b> |                | 189,692     |
|                                                       |             | -----          |                | -----       |
|                                                       |             | <b>348,241</b> |                | 298,711     |
| <b>Creditors: amounts falling due within one year</b> | <b>7</b>    | <b>168,950</b> |                | 145,859     |
|                                                       |             | -----          |                | -----       |
| <b>Net current assets</b>                             |             |                | <b>179,291</b> | 152,852     |
|                                                       |             |                | -----          | -----       |
| <b>Total assets less current liabilities</b>          |             |                | <b>355,502</b> | 329,702     |
| <b>Provisions</b>                                     |             |                |                |             |
| Taxation including deferred tax                       |             |                | <b>1,018</b>   | 1,379       |
|                                                       |             |                | -----          | -----       |
| <b>Net assets</b>                                     |             |                | <b>354,484</b> | 328,323     |
|                                                       |             |                | -----          | -----       |

# Valley Tyre Service Limited

## Statement of Financial Position (continued)

30 November 2017

|                             |      | 2017    | 2016    |
|-----------------------------|------|---------|---------|
|                             | Note | £       | £       |
| <b>Capital and reserves</b> |      |         |         |
| Called up share capital     |      | 100     | 100     |
| Profit and loss account     |      | 354,384 | 328,223 |
|                             |      | -----   | -----   |
| <b>Shareholders funds</b>   |      | 354,484 | 328,323 |
|                             |      | -----   | -----   |

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

For the year ending 30 November 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 financial statements 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 financial statements .

These financial statements were approved by the board of directors and authorised for issue on 30 August 2018 , and are signed on behalf of the board by:

Mr G Richards

Director

Company registration number: 04102421

# Valley Tyre Service Limited

## Notes to the Financial Statements

### Year ended 30 November 2017

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#### 1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 2 Oldfield Road, Bocam Park, Bridgend, Bridgend County Borough, CF35 5LJ.

#### 2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

#### 3. Accounting policies

##### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss. The financial statements are prepared in sterling, which is the functional currency of the entity.

##### Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 December 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 9.

##### Revenue recognition

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax, for the sale and fitting of tyres, exhausts, batteries and other motor parts.

##### Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

##### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

## **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

|                     |   |                      |
|---------------------|---|----------------------|
| Plant and machinery | - | 25% reducing balance |
| Motor vehicles      | - | 25% reducing balance |

## **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

## **Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

## **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

## Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities. Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability. Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

## Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

## 4. Employee numbers

The average number of persons employed by the company during the year amounted to 6 (2016: 5 ).

## 5. Tangible assets

|                            | Land and<br>buildings<br>£ | Plant and<br>machinery<br>£ | Motor vehicles<br>£ | Total<br>£     |
|----------------------------|----------------------------|-----------------------------|---------------------|----------------|
| <b>Cost</b>                |                            |                             |                     |                |
| At 1 December 2016         | 163,000                    | 11,457                      | 24,511              | <b>198,968</b> |
| Additions                  | —                          | 400                         | 2,500               | <b>2,900</b>   |
|                            | -----                      | -----                       | -----               | -----          |
| <b>At 30 November 2017</b> | <b>163,000</b>             | <b>11,857</b>               | <b>27,011</b>       | <b>201,868</b> |
|                            | -----                      | -----                       | -----               | -----          |
| <b>Depreciation</b>        |                            |                             |                     |                |
| At 1 December 2016         | —                          | 9,821                       | 12,297              | <b>22,118</b>  |
| Charge for the year        | —                          | 434                         | 3,105               | <b>3,539</b>   |
|                            | -----                      | -----                       | -----               | -----          |
| <b>At 30 November 2017</b> | <b>—</b>                   | <b>10,255</b>               | <b>15,402</b>       | <b>25,657</b>  |
|                            | -----                      | -----                       | -----               | -----          |
| <b>Carrying amount</b>     |                            |                             |                     |                |
| <b>At 30 November 2017</b> | <b>163,000</b>             | <b>1,602</b>                | <b>11,609</b>       | <b>176,211</b> |
|                            | -----                      | -----                       | -----               | -----          |
| At 30 November 2016        | 163,000                    | 1,636                       | 12,214              | 176,850        |
|                            | -----                      | -----                       | -----               | -----          |

## 6. Debtors

|               | 2017   | 2016   |
|---------------|--------|--------|
|               | £      | £      |
| Trade debtors | 67,176 | 67,167 |
| Other debtors | 20,081 | 25,352 |
|               | -----  | -----  |
|               | 87,257 | 92,519 |
|               | -----  | -----  |

## 7. Creditors: amounts falling due within one year

|                                 | 2017    | 2016    |
|---------------------------------|---------|---------|
|                                 | £       | £       |
| Trade creditors                 | 132,475 | 114,229 |
| Corporation tax                 | 13,646  | 13,108  |
| Social security and other taxes | 13,160  | 11,205  |
| Other creditors                 | 9,669   | 7,317   |
|                                 | -----   | -----   |
|                                 | 168,950 | 145,859 |
|                                 | -----   | -----   |

## 8. Directors' advances, credits and guarantees

Included in other debtors is amount owed by the directors of £13,706 (2016: 20,992)

|                                | 2017     |
|--------------------------------|----------|
|                                | £        |
| Balance as at 1 December 2016  | 20,992   |
| Monies withdrawn               | 31,981   |
| Monies introduced              | (39,267) |
|                                | -----    |
| Balance as at 30 November 2017 | 13,706   |
|                                | -----    |

There is no interest charged on this loan and there are no fixed terms of repayment.

## 9. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 December 2015.

No transitional adjustments were required in equity or profit or loss for the year.

## 10. Ultimate controlling party

The company was under the control of Mr & Mrs Richards throughout the current and previous year. Mr & Mrs Richards own 100% of the issued share capital.

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.