Registration number: 04864607

# High on Bikes Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2019

**Whitnalls**
Chartered Certified Accountants
44a Liverpool Road
Lydiate
Liverpool
Merseyside
L31 2LZ

# High on Bikes Limited

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# High on Bikes Limited

## Company Information for the Year Ended 31 March 2019

| | |
|---|---|
| **Director** | M Rumph |
| **Company secretary** | W Rumph |
| **Registered office** | 11 Hurlston Court<br>Scarsbrick Business Park<br>Smithy Lane<br>Scarsbrick<br>Lancashire<br>L40 8HN |
| **Accountants** | Whitnalls<br>Chartered Certified Accountants<br>44a Liverpool Road<br>Lydiate<br>Liverpool<br>Merseyside<br>L31 2LZ |

# High on Bikes Limited

## (Registration number: 04864607)
## Balance Sheet as at 31 March 2019

| | Note | 2019<br>£ | 2018<br>£ |
|---|---|---|---|
| **Fixed assets** | | | |
| Tangible assets | 3 | 221,603 | 132,509 |
| **Current assets** | | | |
| Stocks | 4 | 377,897 | 430,665 |
| Debtors | 5 | 10,672 | 29,425 |
| Cash at bank and in hand | | 12,755 | 15,054 |
| | | 401,324 | 475,144 |
| **Creditors**: Amounts falling due within one year | 6 | (305,176) | (302,877) |
| **Net current assets** | | 96,148 | 172,267 |
| **Total assets less current liabilities** | | 317,751 | 304,776 |
| **Creditors**: Amounts falling due after more than one year | 6 | (37,081) | (43,015) |
| **Provisions for liabilities** | | - | (3,572) |
| **Net assets** | | 280,670 | 258,189 |
| **Capital and reserves** | | | |
| Called up share capital | | 1 | 1 |
| Fair value reserve | | 91,293 | - |
| Profit and loss account | | 189,376 | 258,188 |
| **Total equity** | | 280,670 | 258,189 |

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

## High on Bikes Limited

## (Registration number: 04864607)
## Balance Sheet as at 31 March 2019

For the financial year ending 31 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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 director acknowledges his 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 director on 2 December 2019

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M Rumph

Director

## 1 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.

### 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.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.
Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used.

### Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses , with the exception of freehold property which is shown at it's fair value as advised by the director.
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 |
|---|---|
| Motor vehicles | 25% reducing balance method. |
| Fixtures and fittings | 25% reducing balance method. |

**Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.
The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

**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 in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

**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.

**Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.
Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## 2 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 6 (2018 - 6).

## 3 Tangible assets

| | Land and buildings £ | Furniture, fittings and equipment £ | Motor vehicles £ | Property improvements £ | Total £ |
|---|---|---|---|---|---|
| **Cost or valuation** | | | | | |
| At 1 April 2018 | - | 43,430 | 23,661 | - | 67,091 |
| Revaluations | 215,000 | - | - | - | 215,000 |
| At 31 March 2019 | 215,000 | 43,430 | 23,661 | - | 282,091 |
| **Depreciation** | | | | | |
| At 1 April 2018 | - | 37,786 | 20,502 | - | 58,288 |
| Charge for the year | - | 1,411 | 789 | - | 2,200 |
| At 31 March 2019 | - | 39,197 | 21,291 | - | 60,488 |
| **Carrying amount** | | | | | |
| At 31 March 2019 | 215,000 | 4,233 | 2,370 | - | 221,603 |
| At 31 March 2018 | 114,645 | 5,644 | 3,159 | 9,061 | 132,509 |

Included within the net book value of land and buildings above is £215,000 (2018 - £114,645) in respect of freehold land and buildings.

**Revaluation**

The fair value of the company's Freehold property was revalued on 31 March 2019. An independent valuer was not involved.
The director believes that the property is shown at it's fair value taking account of it's condition and the market value of similar properties in the area.
Had this class of asset been measured on a historical cost basis, the carrying amount would have been £189,355 (2018 - £189,355).

## 4 Stocks

| | 2019 £ | 2018 £ |
|---|---|---|
| Other inventories | 377,897 | 430,665 |

## 5 Debtors

| | 2019<br>£ | 2018<br>£ |
|---|---|---|
| Trade debtors | 8,362 | 25,792 |
| Prepayments | 460 | 460 |
| Other debtors | 1,850 | 3,173 |
| | 10,672 | 29,425 |

## 6 Creditors

**Creditors: amounts falling due within one year**

| | Note | 2019 £ | 2018 £ |
|---|---|---|---|
| **Due within one year** | | | |
| Loans and borrowings | 7 | 41,733 | 53,205 |
| Trade creditors | | 208,871 | 243,936 |
| Taxation and social security | | 4,659 | 3,936 |
| Accruals and deferred income | | 1,800 | 1,800 |
| Other creditors | | 48,113 | - |
| | | 305,176 | 302,877 |

**Creditors: amounts falling due after more than one year**

| | Note | 2019 £ | 2018 £ |
|---|---|---|---|
| **Due after one year** | | | |
| Loans and borrowings | 7 | 37,081 | 43,015 |

## 7 Loans and borrowings

| | 2019 £ | 2018 £ |
|---|---|---|
| **Current loans and borrowings** | | |
| Bank borrowings | 13,000 | 13,000 |
| Bank overdrafts | 11,762 | 37,192 |
| Other borrowings | 16,971 | 3,013 |
| | 41,733 | 53,205 |

| | 2019 £ | 2018 £ |
|---|---|---|
| **Non-current loans and borrowings** | | |
| Bank borrowings | 37,081 | 43,015 |

## 8 Share capital

**Allotted, called up and fully paid shares**

| | 2019 | | 2018 | |
|---|---|---|---|---|
| | No. | £ | No. | £ |
| Ordinary shares of £1 each | 1 | 1 | 1 | 1 |



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