

Strategic Report, Report of the Directors and
Financial Statements
for the Year Ended 28 February 2022
for
North Devon Tyres Ltd

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for the Year Ended 28 February 2022

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North Devon Tyres Ltd
Company Information
for the Year Ended 28 February 2022

DIRECTORS: T J Veysey
S T J Veysey

SECRETARY: Mrs M A Veysey

REGISTERED OFFICE: 4 Ormidale Square
Tiverton Business Park
Tiverton
Devon
EX16 6TW

REGISTERED NUMBER: 04359879 (England and Wales)

Strategic Report
for the Year Ended 28 February 2022

The directors present their strategic report for the year ended 28 February 2022.

REVIEW OF BUSINESS

North Devon Tyres has had an interesting year following lock down. We have been particularly busy and short staffed. The staffing continues to cause us most issues and this is within the whole industry. The technicians seem to keep moving from one tyre company to another so we are investing in training our own technicians in the hope we can keep them.

We buy tyres in containers to enable better prices. Tyre shortages have been an issue however not as much to North Devon Tyres as we have significant large quantities of stock. The prices are very uncertain currently due to the economic climate generally.

We have invested into equipment to continually improve our operational effectiveness. It is our intention to take on more business and employ more staff to cope with demand. Consolidating the way we look after our fleet business and eventually will make fleet work electronically recorded.

PRINCIPAL RISKS AND UNCERTAINTIES

The fluctuating price of oil and the knock-on effect this has on tyre prices is one of the largest financial risks the company faces. By implementing bulk buying this has enabled the company to supply local dealers at a competitive price.

Credit control remains increasingly difficult, as always there are some bad debts which are beyond the company's control.

ON BEHALF OF THE BOARD:

T J Veysey - Director

13 October 2022

Report of the Directors
for the Year Ended 28 February 2022

The directors present their report with the financial statements of the company for the year ended 28 February 2022.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of tyre sales and repairs.

DIVIDENDS

Interim dividends per share were paid as follows:

Ordinary A £1 shares	£9,600	-
Ordinary B £1 shares	£14,400	-

The directors recommend that no final dividends be paid.

The total distribution of dividends for the year ended 28 February 2022 will be £ 24,000 .

DIRECTORS

The directors shown below have held office during the whole of the period from 1 March 2021 to the date of this report.

T J Veysey
S T J Veysey

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the 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 of the profit or loss of the company 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;
- 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 transactions and disclose with reasonable accuracy at any time the financial position of the company 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 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 company'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 company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

T J Veysey - Director

13 October 2022

Report of the Independent Auditors to the Members of
North Devon Tyres Ltd

Opinion

We have audited the financial statements of North Devon Tyres Ltd (the 'company') for the year ended 28 February 2022 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and 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 company's affairs as at 28 February 2022 and of its 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 company 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 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 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.

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 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 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Report of the Independent Auditors to the Members of
North Devon Tyres Ltd

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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 company or to cease operations, or have no realistic alternative but to do so.

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.

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

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to health and safety, employment law and company legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements of the Company. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and taxation legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure, and management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the audit engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Understanding of management's internal controls designed to prevent and detect irregularities, and fraud;
- Reviewing the Company's legal costs to check for non-compliance with laws and regulations and fraud;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing of expenses;
- Testing transactions entered into outside of the normal course of the Company's business; and
- Identifying and testing journal entries, in particular any journal entries with fraud characteristics such as journals with round numbers.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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.

The financial statements for North Devon Tyres Ltd for the year ended 28 February 2021 were unaudited.

Report of the Independent Auditors to the Members of
North Devon Tyres Ltd

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.

Fiona Westwood FCA DChA (Senior Statutory Auditor)
for and on behalf of Monahans
Statutory Auditor
Chartered Accountants
Suite B, Blackdown House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

20 October 2022

Income Statement
for the Year Ended 28 February 2022

		2022	2021 (Unaudited)
	Notes	£	£
TURNOVER		12,476,442	10,675,814
Cost of sales		10,890,750	9,556,988
GROSS PROFIT		<u>1,585,692</u>	<u>1,118,826</u>
Administrative expenses		<u>946,084</u>	<u>860,184</u>
		639,608	258,642
Other operating income		<u>92,186</u>	<u>284,721</u>
OPERATING PROFIT	4	<u>731,794</u>	<u>543,363</u>
Interest payable and similar expenses	5	<u>4,768</u>	<u>6,524</u>
PROFIT BEFORE TAXATION		727,026	536,839
Tax on profit	6	<u>131,649</u>	<u>107,389</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>595,377</u></u>	<u><u>429,450</u></u>

The notes form part of these financial statements

North Devon Tyres Ltd (Registered number: 04359879)

**Other Comprehensive Income
for the Year Ended 28 February 2022**

	2022	2021 (Unaudited)
Notes	£	£
PROFIT FOR THE YEAR	595,377	429,450
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>595,377</u>	<u>429,450</u>

The notes form part of these financial statements

Balance Sheet
28 February 2022

		2022		2021 (Unaudited)	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	8		-		-
Tangible assets	9		<u>320,818</u>		<u>376,186</u>
			320,818		376,186
CURRENT ASSETS					
Stocks	10	2,653,503		2,316,747	
Debtors	11	2,092,728		1,838,181	
Cash at bank and in hand		<u>821,877</u>		<u>856,177</u>	
		5,568,108		5,011,105	
CREDITORS					
Amounts falling due within one year	12	<u>2,413,783</u>		<u>2,449,126</u>	
NET CURRENT ASSETS			<u>3,154,325</u>		<u>2,561,979</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,475,143		2,938,165
CREDITORS					
Amounts falling due after more than one year	13		(40,554)		(61,463)
PROVISIONS FOR LIABILITIES	16		<u>(39,680)</u>		<u>(53,170)</u>
NET ASSETS			<u>3,394,909</u>		<u>2,823,532</u>
CAPITAL AND RESERVES					
Called up share capital	17		1,000		1,000
Retained earnings	18		<u>3,393,909</u>		<u>2,822,532</u>
SHAREHOLDERS' FUNDS			<u>3,394,909</u>		<u>2,823,532</u>

The financial statements were approved by the Board of Directors and authorised for issue on 13 October 2022 and were signed on its behalf by:

T J Veysey - Director

Statement of Changes in Equity
for the Year Ended 28 February 2022

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 March 2020	1,000	2,417,082	2,418,082
Changes in equity			
Dividends	-	(24,000)	(24,000)
Total comprehensive income	-	429,450	429,450
Balance at 28 February 2021	<u>1,000</u>	<u>2,822,532</u>	<u>2,823,532</u>
Changes in equity			
Dividends	-	(24,000)	(24,000)
Total comprehensive income	-	595,377	595,377
Balance at 28 February 2022	<u>1,000</u>	<u>3,393,909</u>	<u>3,394,909</u>

Cash Flow Statement
for the Year Ended 28 February 2022

		2022	2021
		£	(Unaudited) £
Cash flows from operating activities	Notes		
Cash generated from operations	21	245,100	477,816
Interest paid		-	(509)
Interest element of hire purchase payments paid		(4,768)	(6,015)
Tax paid		(117,925)	(29,769)
Net cash from operating activities		<u>122,407</u>	<u>441,523</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(80,195)	(35,296)
Sale of tangible fixed assets		17,000	14,167
Net cash from investing activities		<u>(63,195)</u>	<u>(21,129)</u>
Cash flows from financing activities			
Capital repayments in year		(81,083)	(68,928)
Amount introduced by directors		17,008	3,519
Amount withdrawn by directors		(5,437)	(6,953)
Equity dividends paid		(24,000)	(24,000)
Net cash from financing activities		<u>(93,512)</u>	<u>(96,362)</u>
(Decrease)/increase in cash and cash equivalents		<u>(34,300)</u>	<u>324,032</u>
Cash and cash equivalents at beginning of year	22	856,177	532,145
Cash and cash equivalents at end of year	22	<u>821,877</u>	<u>856,177</u>

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 28 February 2022

1. STATUTORY INFORMATION

North Devon Tyres Ltd 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 Company Information page.

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.

Turnover

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

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2002, is being amortised evenly over its estimated useful life of seventeen 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	- 2% on straight line basis
Improvements to property	- 15% on straight line basis
Plant and machinery	- 20% on straight line basis and 10% on straight line basis
Office Equipment	- 20% on straight line basis
Motor vehicles	- 14.29% - 50% on cost
Computer equipment	- 25% on straight line basis

No depreciation is charged on land.

All fixed assets are included at cost.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the 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 balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet 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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. 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 shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals payable under operating leases are charged to the profit and loss account as they are incurred.

Notes to the Financial Statements - continued
for the Year Ended 28 February 2022

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

	2022	2021 (Unaudited)
	£	£
Wages and salaries	1,779,233	1,587,539
Social security costs	151,093	131,563
Other pension costs	48,643	37,118
	<u>1,978,969</u>	<u>1,756,220</u>

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

	2022	2021 (Unaudited)
Full time equivalent	<u>75</u>	<u>72</u>

	2022	2021 (Unaudited)
	£	£
Directors' remuneration	<u>40,707</u>	<u>37,553</u>

4. OPERATING PROFIT

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

	2022	2021 (Unaudited)
	£	£
Depreciation - owned assets	92,519	91,108
Depreciation - assets on hire purchase contracts	85,236	85,781
Profit on disposal of fixed assets	(6,567)	(9,386)
Auditors' remuneration	<u>6,770</u>	<u>-</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022	2021 (Unaudited)
	£	£
Bank interest	-	509
Hire purchase	<u>4,768</u>	<u>6,015</u>
	<u>4,768</u>	<u>6,524</u>

Notes to the Financial Statements - continued
for the Year Ended 28 February 2022

6. TAXATION

Analysis of the tax charge

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

	2022	2021 (Unaudited)
	£	£
Current tax:		
UK corporation tax	145,139	120,666
Corporation tax interest	-	(7)
Over provision in prior year	-	(13)
Total current tax	<u>145,139</u>	<u>120,646</u>
Deferred tax	(13,490)	(13,257)
Tax on profit	<u>131,649</u>	<u>107,389</u>

7. DIVIDENDS

	2022	2021 (Unaudited)
	£	£
Ordinary A shares of £1 each		
Interim	9,600	-
Ordinary B shares of £1 each		
Interim	<u>14,400</u>	<u>24,000</u>
	<u>24,000</u>	<u>24,000</u>

8. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 March 2021	
and 28 February 2022	<u>463,001</u>
AMORTISATION	
At 1 March 2021	
and 28 February 2022	<u>463,001</u>
NET BOOK VALUE	
At 28 February 2022	<u>-</u>
At 28 February 2021	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 28 February 2022

9. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Plant and machinery £
COST			
At 1 March 2021	103,320	212,003	408,353
Additions	-	-	35,828
Disposals	-	(40,617)	(107,888)
At 28 February 2022	<u>103,320</u>	<u>171,386</u>	<u>336,293</u>
DEPRECIATION			
At 1 March 2021	6,199	207,368	336,036
Charge for year	2,066	2,686	36,698
Eliminated on disposal	-	(40,128)	(102,528)
At 28 February 2022	<u>8,265</u>	<u>169,926</u>	<u>270,206</u>
NET BOOK VALUE			
At 28 February 2022	<u>95,055</u>	<u>1,460</u>	<u>66,087</u>
At 28 February 2021	<u>97,121</u>	<u>4,635</u>	<u>72,317</u>

	Office Equipment £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 March 2021	22,013	554,075	11,267	1,311,031
Additions	-	95,433	1,559	132,820
Disposals	-	(25,393)	-	(173,898)
At 28 February 2022	<u>22,013</u>	<u>624,115</u>	<u>12,826</u>	<u>1,269,953</u>
DEPRECIATION				
At 1 March 2021	10,823	366,544	7,875	934,845
Charge for year	4,097	130,190	2,018	177,755
Eliminated on disposal	-	(20,809)	-	(163,465)
At 28 February 2022	<u>14,920</u>	<u>475,925</u>	<u>9,893</u>	<u>949,135</u>
NET BOOK VALUE				
At 28 February 2022	<u>7,093</u>	<u>148,190</u>	<u>2,933</u>	<u>320,818</u>
At 28 February 2021	<u>11,190</u>	<u>187,531</u>	<u>3,392</u>	<u>376,186</u>

**Notes to the Financial Statements - continued
for the Year Ended 28 February 2022**

9. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 March 2021	253,248
Additions	56,550
Transfer to ownership	(12,995)
At 28 February 2022	<u>296,803</u>
DEPRECIATION	
At 1 March 2021	147,716
Charge for year	85,236
Transfer to ownership	(12,995)
At 28 February 2022	<u>219,957</u>
NET BOOK VALUE	
At 28 February 2022	<u>76,846</u>
At 28 February 2021	<u>105,532</u>

10. STOCKS

	2022 £	2021 (Unaudited) £
Stocks	2,653,503	2,308,402
Sale or return stock	-	8,345
	<u>2,653,503</u>	<u>2,316,747</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 (Unaudited) £
Trade debtors	1,508,819	1,264,189
Other debtors	10,010	10
TJV Trading Ltd	540,500	551,667
Prepayments and accrued income	33,399	22,315
	<u>2,092,728</u>	<u>1,838,181</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 (Unaudited) £
Hire purchase contracts (see note 14)	66,551	74,100
Trade creditors	1,400,560	1,545,365
Tax	145,139	117,925
Social security and other taxes	27,704	24,532
VAT	277,526	214,146
Other creditors	5,269	22,123
Directors' current accounts	434,182	407,777
Directors' loan accounts	-	14,834
Accrued expenses	56,852	28,324
	<u>2,413,783</u>	<u>2,449,126</u>

**Notes to the Financial Statements - continued
for the Year Ended 28 February 2022**

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

	2022	2021 (Unaudited)
	£	£
Hire purchase contracts (see note 14)	<u>40,554</u>	<u>61,463</u>

14. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	2022	2021 (Unaudited)
	£	£
Net obligations repayable:		
Within one year	66,551	74,100
Between one and five years	<u>40,554</u>	<u>61,463</u>
	<u>107,105</u>	<u>135,563</u>

15. SECURED DEBTS

The following secured debts are included within creditors:

	2022	2021 (Unaudited)
	£	£
Hire purchase contracts	<u>107,105</u>	<u>135,563</u>

Hire purchase liabilities are secured on the assets to which they relate.

16. PROVISIONS FOR LIABILITIES

	2022	2021 (Unaudited)
	£	£
Deferred tax	<u>39,680</u>	<u>53,170</u>
		Deferred tax
		£
Balance at 1 March 2021		53,170
Credit to Income Statement during year		(13,490)
Balance at 28 February 2022		<u>39,680</u>

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2022	2021
Number:	Class:		£	£
95	Ordinary A	£1	950	950
5	Ordinary B	£1	<u>50</u>	<u>50</u>
			<u>1,000</u>	<u>1,000</u>

Notes to the Financial Statements - continued
for the Year Ended 28 February 2022

18. RESERVES

	Retained earnings £
At 1 March 2021	2,822,532
Profit for the year	595,377
Dividends	(24,000)
At 28 February 2022	<u>3,393,909</u>

19. RELATED PARTY DISCLOSURES

T Veysey

A Director of the company.

The director has a loan balance due from the company of £417,464 (2021: £407,777). No interest is charged on the loan and there are no repayment terms.

During the year the company charged T J Veysey a management charge of £10,000 (2021: £10,000) in respect of maintaining the accounts of his property rental business.

The company pays rent for properties owned by T J Veysey in respect of branches at Tiverton, South Molton, Cullompton, Honiton, Launceston, Marsh Barton, Dunkeswell and also a tyre store in Loxbeare, Tiverton. The total rents paid were £145,754 (2021: £161,019).

The Trade creditor balance is £37,699 (2021: £31,080).

The company has paid for the hire of a number of vans owned by T J Veysey. The total hire charges paid were £38,445 (2021: £22,055).

S T J Veysey

A Director of the company.

The director has a loan balance due from the company of £16,720 (2021: £14,834). No interest is charged on the loan and there are no repayment terms.

TJV Trading Ltd

A company of which T Veysey is Director.

Included within other debtors is £540,500 (2021: £551,667) due from TJV Trading Ltd.

There are no other key management personnel other than the directors.

20. ULTIMATE CONTROLLING PARTY

The controlling party is T J Veysey.

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

	2022	2021 (Unaudited)
	£	£
Profit before taxation	727,026	536,839
Depreciation charges	177,755	176,890
Profit on disposal of fixed assets	(6,567)	(9,386)
Finance costs	4,768	6,524
	<u>902,982</u>	<u>710,867</u>
Increase in stocks	(336,756)	(338,024)
Increase in trade and other debtors	(254,547)	(79,041)
(Decrease)/increase in trade and other creditors	(66,579)	184,014
Cash generated from operations	<u>245,100</u>	<u>477,816</u>

Notes to the Financial Statements - continued
for the Year Ended 28 February 2022

22. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 28 February 2022

	28.2.22 £	1.3.21 £
Cash and cash equivalents	<u>821,877</u>	<u>856,177</u>

Year ended 28 February 2021

	28.2.21 (Unaudited) £	1.3.20 £
Cash and cash equivalents	<u>856,177</u>	<u>532,145</u>

23. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.3.21 £	Cash flow £	Other non-cash changes £	At 28.2.22 £
Net cash				
Cash at bank and in hand	<u>856,177</u>	<u>(34,300)</u>		<u>821,877</u>
	<u>856,177</u>	<u>(34,300)</u>		<u>821,877</u>
Debt				
Finance leases	<u>(135,563)</u>	<u>81,083</u>	-	<u>(107,105)</u>
	<u>(135,563)</u>	<u>81,083</u>	-	<u>(107,105)</u>
Total	<u>720,614</u>	<u>46,783</u>	-	<u>714,772</u>

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.