

Border Autocare & Tyre Services Limited

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

Deans Accountants And Business Advisors Ltd
Chartered Accountants and Business Advisors
27 North Bridge Street
Hawick
Borders
TD9 9BD

Border Autocare & Tyre Services Limited

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Border Autocare & Tyre Services Limited

Company Information

Directors	Mr Brian Steel Mrs Nicola Fiona Batchelor
Registered office	Hislop Farm Cottage Teviothead Hawick TD9 0PS
Accountants	Deans Accountants And Business Advisors Ltd Chartered Accountants and Business Advisors 27 North Bridge Street Hawick Borders TD9 9BD

Border Autocare & Tyre Services Limited**(Registration number: SC217592)****Balance Sheet as at 31 May 2019**

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	<u>4</u>	3,279	4,374
Current assets			
Stocks	<u>5</u>	4,186	8,400
Debtors	<u>6</u>	36,398	22,046
Cash at bank and in hand		429	10,582
		<u>41,013</u>	<u>41,028</u>
Creditors: Amounts falling due within one year	<u>7</u>	<u>(22,069)</u>	<u>(20,139)</u>
Net current assets		<u>18,944</u>	<u>20,889</u>
Net assets		<u>22,223</u>	<u>25,263</u>
Capital and reserves			
Called up share capital	<u>8</u>	2	2
Profit and loss account		<u>22,221</u>	<u>25,261</u>
Total equity		<u>22,223</u>	<u>25,263</u>

For the financial year ending 31 May 2019 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 17 February 2020 and signed on its behalf by:

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Mr Brian Steel
Director

.....

Mrs Nicola Fiona Batchelor
Director

The notes on pages 3 to 7 form an integral part of these financial statements.

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Border Autocare & Tyre Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2019

1 General information

The company is a private company limited by share capital, incorporated in Scotland.

The address of its registered office is:

Hislop Farm Cottage
Teviothead
Hawick
TD9 0PS
Scotland

The principal place of business is:

Carnarvon Street
Hawick
Roxburghshire
TD9 7EB
Scotland

These financial statements were authorised for issue by the Board on 17 February 2020.

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 presented in sterling (£) and rounded to the nearest £0.

Judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made included:

Useful economic lives of tangible assets – the annual depreciation charge for tangible assets is sensitive to change in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation, and the physical condition of the assets.

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.

Sales of Goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

Rendering of services

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated

reliably.

Border Autocare & Tyre Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2019

Tax

The tax expense for the period comprises 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.

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
Plant and machinery	25% reducing balance.
Office equipment	25% reducing balance.
Motor vehicles	25% reducing balance.

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.

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.

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.

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.

Border Autocare & Tyre Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2019

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.

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.

Financial instruments

Classification

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Recognition and measurement

Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as an interest expenses in the profit and loss account.

Impairment

At the end of each reporting period financial instruments measured at fair value are assessed for objective evidence of impairment. The impairment loss is recognised in the profit and loss account.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 2 (2018 - 1).

Border Autocare & Tyre Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2019

4 Tangible assets

	Office Equipment £	Motor vehicles £	Plant & Machinery £	Total £
Cost or valuation				
At 1 June 2018	742	9,550	7,863	18,155
At 31 May 2019	742	9,550	7,863	18,155
Depreciation				
At 1 June 2018	538	8,899	4,344	13,781
Charge for the year	52	163	880	1,095
At 31 May 2019	590	9,062	5,224	14,876
Carrying amount				
At 31 May 2019	152	488	2,639	3,279
At 31 May 2018	204	651	3,519	4,374

5 Stocks

	2019 £	2018 £
Finished goods and goods for resale	4,186	8,400

6 Debtors

	2019 £	2018 £
Trade debtors	24,520	16,004
Prepayments	-	400
Other debtors	11,878	5,642
	36,398	22,046

7 Creditors

Creditors: amounts falling due within one year

	2019 £	2018 £
Due within one year		
Trade creditors	20,471	14,607
Taxation and social security	40	3,883
Accruals and deferred income	1,540	1,649
Other creditors	18	-
	22,069	20,139

Border Autocare & Tyre Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2019

8 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary Shares of £1 each	2	2	2	2

9 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £4,800 (2018 - £4,800).

As at 31 May 2018 the company had annual commitments under non-cancellable operating leases of £4,800.

10 Related party transactions

Transactions with directors

	At 1 June 2018 £	Advances to directors £	Repayments by director £	At 31 May 2019 £
2019				
Mr Brian Steel				
Loans are unsecured and undated. Interest is charged on overdue loans at 2.5% per annum.	5,643	10,012	(5,643)	10,012

	At 1 June 2017 £	Advances to directors £	Repayments by director £	At 31 May 2018 £
2018				
Mr Brian Steel				
Loans are unsecured and undated. Interest is charged on overdue loans at 3% per annum.	5,405	5,643	(5,405)	5,643