

Registered Number 05221959

PENCOED TYRES LIMITED

Abbreviated Accounts

30 September 2016

Abbreviated Balance Sheet as at 30 September 2016

	Notes	2016 £	2015 £
Fixed assets			
Tangible assets	2	34,575	30,548
Investments	3	40,220	40,000
		<u>74,795</u>	<u>70,548</u>
Current assets			
Stocks		2,000	1,950
Debtors		100,966	119,697
Cash at bank and in hand		187,740	121,149
		<u>290,706</u>	<u>242,796</u>
Creditors: amounts falling due within one year	4	(171,366)	(154,886)
Net current assets (liabilities)		<u>119,340</u>	<u>87,910</u>
Total assets less current liabilities		<u>194,135</u>	<u>158,458</u>
Creditors: amounts falling due after more than one year	4	-	(1,909)
Provisions for liabilities		(6,301)	(5,360)
Total net assets (liabilities)		<u>187,834</u>	<u>151,189</u>
Capital and reserves			
Called up share capital	5	1	1
Profit and loss account		187,833	151,188
Shareholders' funds		<u>187,834</u>	<u>151,189</u>

- For the year ending 30 September 2016 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.
- The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board on 27 June 2017

And signed on their behalf by:
Wayne Williams, Director

Notes to the Abbreviated Accounts for the period ended 30 September 2016**1 Accounting Policies****Basis of measurement and preparation of accounts**

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (Effective January 2015).

Turnover policy

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Tangible assets depreciation policy

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class Depreciation method and rate

Plant and machinery 25% straight line basis

Fixtures, fittings and equipment 25% straight line basis

Motor vehicles 25% straight line basis

Other accounting policies

Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution in value.

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stock. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by the FRSSE.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Hire purchase and leasing

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital

elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract and represent a constant proportion of the balance of capital repayments outstanding.

Financial instruments

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. 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 interest expense in the profit and loss account.

2 Tangible fixed assets

	£
Cost	
At 1 October 2015	111,526
Additions	22,371
Disposals	-
Revaluations	-
Transfers	-
At 30 September 2016	<u>133,897</u>
Depreciation	
At 1 October 2015	80,978
Charge for the year	18,344
On disposals	-
At 30 September 2016	<u>99,322</u>
Net book values	
At 30 September 2016	<u>34,575</u>
At 30 September 2015	<u>30,548</u>

3 Fixed assets Investments

Cost- At 1 October 2015 £40,000

Cost- Additions £220

Cost- At 30 September 2016 £40,220

Net book value- At 30 September 2016 £40,220

Net book value- At 30 September 2015 £40,000

4 Creditors

2016	2015
£	£

Secured Debts	1,909	8,048
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5 Called Up Share Capital

Allotted, called up and fully paid:

	<i>2016</i>	<i>2015</i>
	<i>£</i>	<i>£</i>
1 Ordinary shares of £1 each	1	1

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