

Pencoed Tyres Limited

Annual Report and Unaudited Abridged Financial Statements
for the Year Ended 30 September 2018

Pencoed Tyres Limited

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Pencoed Tyres Limited

Company Information

Director Mr Wayne Williams

Company secretary Jayne Williams

Registered office Bloomfield Farm
Coychurch Road
Pencoed
Mid Glamorgan
CF35 5LP

Pencoed Tyres Limited
(Registration number: 05221959)
Abridged Balance Sheet as at 30 September 2018

	Note	2018 £	(As restated) 2017 £
Fixed assets			
Tangible assets	<u>4</u>	32,375	32,113
Other financial assets	<u>5</u>	70,215	72,088
		<u>102,590</u>	<u>104,201</u>
Current assets			
Stocks	<u>6</u>	8,000	5,000
Debtors		125,323	168,467
Cash at bank and in hand		203,959	136,743
		<u>337,282</u>	<u>310,210</u>
Creditors: Amounts falling due within one year		<u>(137,438)</u>	<u>(165,948)</u>
Net current assets		<u>199,844</u>	<u>144,262</u>
Total assets less current liabilities		302,434	248,463
Provisions for liabilities		(7,964)	(8,592)
Accruals and deferred income		<u>(2,855)</u>	<u>(2,675)</u>
Net assets		<u>291,615</u>	<u>237,196</u>
Capital and reserves			
Called up share capital	<u>7</u>	1	1
Other reserves		7,731	9,248
Profit and loss account		283,883	227,947
Total equity		<u>291,615</u>	<u>237,196</u>

For the financial year ending 30 September 2018 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.

The notes on pages 4 to 8 form an integral part of these abridged financial statements.

Pencoed Tyres Limited

(Registration number: 05221959)

Abridged Balance Sheet as at 30 September 2018

All of the company's members have consented to the preparation of an Abridged Balance Sheet in accordance with Section 444(2A) of the Companies Act 2006.

Approved and authorised by the director on 26 April 2019

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Mr Wayne Williams
Director

The notes on pages 4 to 8 form an integral part of these abridged financial statements.

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Pencoed Tyres Limited

Notes to the Abridged Financial Statements for the Year Ended 30 September 2018

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Bloomfield Farm
Coychurch Road
Pencoed
Mid Glamorgan
CF35 5LP

These financial statements were authorised for issue by the director on 26 April 2019.

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 abridged 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 abridged 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.

Pencoed Tyres Limited

Notes to the Abridged Financial Statements for the Year Ended 30 September 2018

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.

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
Furniture, fittings, and equipment	25% straight line basis
Motor vehicles	25% straight line basis
Other tangible assets	25% straight line basis

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

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.

Pencoed Tyres Limited

Notes to the Abridged Financial Statements for the Year Ended 30 September 2018

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.

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.

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.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 3 (2017 - 3).

Pencoed Tyres Limited

Notes to the Abridged Financial Statements for the Year Ended 30 September 2018

4 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation				
At 1 October 2017	3,442	82,715	28,634	114,791
Additions	800	21,895	-	22,695
At 30 September 2018	4,242	104,610	28,634	137,486
Depreciation				
At 1 October 2017	3,247	53,411	26,020	82,678
Charge for the year	295	20,987	1,151	22,433
At 30 September 2018	3,542	74,398	27,171	105,111
Carrying amount				
At 30 September 2018	700	30,212	1,463	32,375
At 30 September 2017	195	29,304	2,614	32,113

5 Other financial assets (current and non-current)

	Financial assets at fair value through profit and loss £	Total £
Non-current financial assets		
Cost or valuation		
At 1 October 2017	72,088	72,088
Fair value adjustments	(1,873)	(1,873)
At 30 September 2018	70,215	70,215
Impairment		
Carrying amount		
At 30 September 2018	70,215	70,215

6 Stocks

	2018 £	2017 £
Other inventories	8,000	5,000

Pencoed Tyres Limited

Notes to the Abridged Financial Statements for the Year Ended 30 September 2018

7 Share capital

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary shares of £1 each	1	1	1	1

8 Financial instruments

Categorisation of financial instruments

	2018 £	2017 £
Financial assets measured at fair value through profit or loss	70,215	72,088
	70,215	72,088

Financial assets measured at fair value

Listed shares

Fair value is calculated with reference to listed share prices on recognised stock exchanges.

The fair value is £70,215 (2017 - £72,088) and the change in value included in profit or loss is £(1,873) (2017 - £11,417).

9 Transition to FRS 102

Financial assets

The company was not previously required to measure financial assets at fair value on the balance sheet under FRS 105, but at historic cost less a provision for impairment as appropriate. At 30 September 2017, the fair values of the financial assets were £72,088. In accordance with the accounting policy the difference between the fair value of £11,417 has been recognised in profit and loss for the year, and transferred to a non distributable reserve.

Deferred tax

The company was not previously required to provide for deferred tax on the balance sheet under FRS 105. A deferred tax provision of £8,592. has been included at 30 September 2017, a with a movement of £2,291 being recognised in profit and loss for the year, and £2,169 transferred to a non distributable reserve, in relation to the provision on the fair value adjustment on financial assets.

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.