

**Registered Number 01569429**

**FRICTION COMPONENTS AND SYSTEMS LIMITED**

**Abbreviated Accounts**

**30 June 2014**

**Abbreviated Balance Sheet as at 30 June 2014**

	<i>Notes</i>	<i>2014</i>	<i>2013</i>
		<i>£</i>	<i>£</i>
<b>Fixed assets</b>			
Tangible assets	2	8,831	7,435
Investments	3	90,000	90,000
		<u>98,831</u>	<u>97,435</u>
<b>Current assets</b>			
Stocks		18,200	16,863
Debtors		104,404	118,269
Cash at bank and in hand		5,345	134
		<u>127,949</u>	<u>135,266</u>
<b>Creditors: amounts falling due within one year</b>		<u>(130,522)</u>	<u>(151,057)</u>
<b>Net current assets (liabilities)</b>		<u>(2,573)</u>	<u>(15,791)</u>
<b>Total assets less current liabilities</b>		<u>96,258</u>	<u>81,644</u>
<b>Provisions for liabilities</b>		<u>(1,316)</u>	<u>(828)</u>
<b>Total net assets (liabilities)</b>		<u>94,942</u>	<u>80,816</u>
<b>Capital and reserves</b>			
Called up share capital		1,600	1,600
Share premium account		16,477	16,477
Other reserves		500	500
Profit and loss account		76,365	62,239
<b>Shareholders' funds</b>		<u>94,942</u>	<u>80,816</u>

- For the year ending 30 June 2014 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 26 March 2015

And signed on their behalf by:  
**Mr D Devlin, Director**

**Notes to the Abbreviated Accounts for the period ended 30 June 2014****1 Accounting Policies****Basis of measurement and preparation of accounts**

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities effective April 2008.

**Turnover policy**

The turnover shown in the profit and loss account represents the value of all goods sold during the period, less returns received, at selling price exclusive of Value Added Tax. Sales are recognised at the point at which the company has fulfilled its contractual obligations and the risks and rewards attaching to the product, such as obsolescence, have been transferred to the customer.

**Tangible assets depreciation policy**

Tangible fixed assets are stated at cost less depreciation. Cost represents purchase price together with any incidental costs of acquisition.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Plant & Machinery - 25% reducing balance

Equipment - 25% reducing balance

**Valuation information and policy****Stocks**

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

Cost is calculated using the first-in first-out method and includes the normal cost of transporting stock to its present location and condition. Cost includes material and direct labour costs together with an appropriate proportion of production overheads.

**Other accounting policies****Pension costs**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. The assets of the scheme are held separately from those of the company in an independently administered fund.

**Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed

at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax, or a right to pay less tax, or a right to receive repayments of tax.

#### Foreign currencies

Transactions denominated in foreign currencies are recorded at the rates of exchange ruling at the dates of the transactions, or at an average rate for the period if the rates do not fluctuate significantly. Monetary assets and liabilities are translated at year end exchange rates or, where appropriate, at rates of exchange fixed under the terms of the relevant transaction. The resulting exchange rate differences are charged to the profit and loss account.

#### Financial instruments

Financial instruments are classified and accounted for as financial assets, financial liabilities or equity instruments, according to the substance of the contractual arrangement.

Financial instruments which are assets are stated at cost less any provision for impairment. Financial liabilities are stated at principal capital amounts outstanding at the period end. Issue costs relating to financial liabilities are deducted from the outstanding balance and are amortised over the period to the due date for repayment of the financial liability.

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. A financial liability is any contractual arrangement for an entity to deliver cash to the holder of the associated financial instrument.

If a financial instrument contains both an equity and a liability element, then the liability element is first established with any residual value being disclosed within equity shareholders' funds. The liability element is the present value of the future payments guaranteed to be made to the holders of the financial instrument.

Non-discretionary dividends payable are disclosed within interest in the company's profit and loss account. Financial instruments are classified and accounted for as financial assets, financial liabilities or equity instruments, according to the substance of the contractual arrangement.

Non-discretionary dividends payable are disclosed within interest in the company's profit and loss account.

## 2 **Tangible fixed assets**

	£
<b>Cost</b>	
At 1 July 2013	73,629
Additions	3,032
Disposals	-
Revaluations	-
Transfers	-
At 30 June 2014	<u>76,661</u>
<b>Depreciation</b>	

At 1 July 2013	66,194
Charge for the year	1,636
On disposals	-
At 30 June 2014	<u>67,830</u>
<b>Net book values</b>	
At 30 June 2014	<u>8,831</u>
At 30 June 2013	<u>7,435</u>

### 3 **Fixed assets Investments**

The company owned 100% of the issued share capital of Newton Friction Limited (a company registered in Scotland) at 30 June 2014 and at 30 June 2013. During the year the company received dividends amounting to £50,000 from Newton Friction Limited (2013 - £75,000).

The aggregate share capital and reserves of Newton Friction Limited at 30 June 2014 was £34,606 (2013 - £65,093).

Under the provision of section 398 of the Companies Act 2006 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

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.