

COMPANY REGISTRATION NUMBER 01365703

PENTAGON PLASTICS LTD
ABBREVIATED ACCOUNTS
31 JANUARY 2016



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PENTAGON PLASTICS LTD
ABBREVIATED ACCOUNTS
YEAR ENDED 31 JANUARY 2016

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PENTAGON PLASTICS LTD
ABBREVIATED BALANCE SHEET
31 JANUARY 2016

	Note	2016	2015
		£	£
FIXED ASSETS	2		
Intangible assets		15,120	22,680
Tangible assets		442,753	323,520
Investments		1,323,173	1,331,958
		<u>1,781,046</u>	<u>1,678,158</u>
CURRENT ASSETS			
Stocks		180,483	177,402
Debtors		450,687	399,365
Cash at bank and in hand		1,071,918	879,469
		<u>1,703,088</u>	<u>1,456,236</u>
CREDITORS: Amounts falling due within one year		<u>922,530</u>	<u>1,106,255</u>
NET CURRENT ASSETS		<u>780,558</u>	<u>349,981</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,561,604</u>	<u>2,028,139</u>
CREDITORS: Amounts falling due after more than one year		-	3,510
PROVISIONS FOR LIABILITIES		<u>58,811</u>	<u>43,899</u>
		<u>2,502,793</u>	<u>1,980,730</u>
CAPITAL AND RESERVES			
Called up equity share capital	3	361,707	361,707
Other reserves		38,393	38,393
Profit and loss account		2,102,693	1,580,630
SHAREHOLDERS' FUNDS		<u>2,502,793</u>	<u>1,980,730</u>

The Balance sheet continues on the following page.
The notes on pages 3 to 6 form part of these abbreviated accounts.

PENTAGON PLASTICS LTD
ABBREVIATED BALANCE SHEET *(continued)*

31 JANUARY 2016

For the year ended 31 January 2016 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 abbreviated accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime.

These abbreviated accounts were approved by the directors and authorised for issue on ~~27/10/16~~ 27/10/16, and are signed on their behalf by:



Mr J B Edwards
Director

Company Registration Number: 01365703

The notes on pages 3 to 6 form part of these abbreviated accounts.

PENTAGON PLASTICS LTD
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JANUARY 2016

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Goodwill

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its useful economic life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed five years. The carrying amount at the date of revision is depreciated over the revised estimate of remaining useful economic life.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill	-	10 years straight line basis
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Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant, Mach, F & F	-	15% on written down value
Motor Vehicles	-	25% on written down value
Leasehold Impr'ts	-	10% on written down value

PENTAGON PLASTICS LTD
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JANUARY 2016

1. ACCOUNTING POLICIES *(continued)*

Stocks

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

Raw materials, consumables and goods for resale	- purchase cost on a first-in, first-out basis.
Work in progress and finished goods	- cost of direct materials and labour plus attributable overheads based on a normal level of activity.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Pension costs

The company does not operate any pension scheme. By agreement with the directors, the company makes defined contributions to personal pension arrangements chosen by the Directors. The cost of such contributions is charged against profits as they fall due.

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, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

PENTAGON PLASTICS LTD
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JANUARY 2016

1. ACCOUNTING POLICIES *(continued)*

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

2. FIXED ASSETS

	Intangible Assets £	Tangible Assets £	Investment s £	Total £
COST				
At 1 February 2015	170,933	960,429	1,331,958	2,463,320
Additions	–	190,904	–	190,904
Disposals	–	(43,000)	(8,785)	(51,785)
At 31 January 2016	<u>170,933</u>	<u>1,108,333</u>	<u>1,323,173</u>	<u>2,602,439</u>
DEPRECIATION				
At 1 February 2015	148,253	636,909	–	785,162
Charge for year	7,560	57,159	–	64,719
On disposals	–	(28,488)	–	(28,488)
At 31 January 2016	<u>155,813</u>	<u>665,580</u>	<u>–</u>	<u>821,393</u>
NET BOOK VALUE				
At 31 January 2016	<u>15,120</u>	<u>442,753</u>	<u>1,323,173</u>	<u>1,781,046</u>
At 31 January 2015	<u>22,680</u>	<u>323,520</u>	<u>1,331,958</u>	<u>1,678,158</u>

On 31st January 2003 the company bought all the assets and liabilities of its subsidiary, Small Batch Plastics Ltd (SBP Ltd) and took over its trading activity. The Goodwill had originally been bought by SBP Ltd from a partnership Small Batch Plastics on 29th May 1997, at which time it was considered to have a useful economic life of 10 years. This goodwill has now been fully amortised.

On 1st February 2008, the company bought the goodwill in a company, Jarzon Plastics Ltd, for £75,600 which is being amortised over 10 years.

PENTAGON PLASTICS LTD
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JANUARY 2016

2. FIXED ASSETS *(continued)*

The company owns 100% of the issued share capital of Small Batch Plastics Ltd, a dormant plastics manufacturing company incorporated in England & Wales.

At 31st January 2015, the aggregate of the share capital and reserves of Small Batch Plastics Ltd amounted to £400,000.

3. SHARE CAPITAL

Allotted, called up and fully paid:

	2016		2015	
	No.	£	No.	£
Ordinary "A" shares shares of £1 each	120,569	120,569	120,569	120,569
Ordinary "B" shares shares of £1 each	241,138	241,138	241,138	241,138
	<u>361,707</u>	<u>361,707</u>	<u>361,707</u>	<u>361,707</u>

4. ULTIMATE PARENT COMPANY

Pentagon Plastics (Holdings) Ltd, a company incorporated in England owns 241,138 Ordinary £1 shares in Pentagon Plastics Ltd. This represents 66.67% of the issued share capital. Pentagon Plastics (Holdings) Ltd is wholly owned by director P. Edwards.

After the year end the controlling interest increased to 95%.