

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JANUARY 2021
FOR
PENTAGON PLASTICS LIMITED

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FOR THE YEAR ENDED 31ST JANUARY 2021**

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PENTAGON PLASTICS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31ST JANUARY 2021

DIRECTORS:

J B Edwards
P J Edwards

REGISTERED OFFICE:

Unit 4
Blatchford Road
Horsham
West Sussex
RH13 5QR

REGISTERED NUMBER:

01365703 (England and Wales)

ACCOUNTANTS:

Parkers
178-180 Church Road
Hove, East Sussex
BN3 2DJ

PENTAGON PLASTICS LIMITED (REGISTERED NUMBER: 01365703)

**BALANCE SHEET
31ST JANUARY 2021**

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Intangible assets	4		-		-
Tangible assets	5		359,883		414,461
Investments	6		1,278,815		1,720,749
			<u>1,638,698</u>		<u>2,135,210</u>
CURRENT ASSETS					
Stocks	7	232,998		260,209	
Debtors	8	857,580		1,202,511	
Cash at bank and in hand		961,973		1,625,020	
		<u>2,052,551</u>		<u>3,087,740</u>	
CREDITORS					
Amounts falling due within one year	9	446,621		1,199,809	
NET CURRENT ASSETS			<u>1,605,930</u>		<u>1,887,931</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,244,628</u>		<u>4,023,141</u>
PROVISIONS FOR LIABILITIES	10		50,362		53,279
NET ASSETS			<u>3,194,266</u>		<u>3,969,862</u>
CAPITAL AND RESERVES					
Called up share capital	11		253,833		253,833
Capital redemption reserve			146,267		146,267
Retained earnings			2,794,166		3,569,762
SHAREHOLDERS' FUNDS			<u>3,194,266</u>		<u>3,969,862</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st January 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st January 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

BALANCE SHEET - continued
31ST JANUARY 2021

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 25th October 2021 and were signed on its behalf by:

P J Edwards - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JANUARY 2021**

1. STATUTORY INFORMATION

Pentagon Plastics Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Preparation of consolidated financial statements

The financial statements contain information about Pentagon Plastics Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Significant judgements and estimates

No significant judgements have had to be made by the directors in preparing these financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2009, is being amortised evenly over its estimated useful life of ten years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 10% on reducing balance
Plant and machinery	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost less any provision for impairment.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JANUARY 2021

2. ACCOUNTING POLICIES - continued

Stocks

Stocks and work in progress 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 all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value, like goodwill and plant, property and equipment, are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets, which is the higher of value in use and the fair value less cost to sell, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit or loss.

Stock is also assessed for impairment at each reporting date. The carrying amount of each item of stock, or group of similar items, is compared with its selling price less costs to complete and sell. If an item of stock or group of similar items is impaired, its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognised immediately in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JANUARY 2021

2. ACCOUNTING POLICIES - continued**Financial instruments**

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 29 (2020 - 37) .

4. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1st February 2020	
and 31st January 2021	<u>170,933</u>
AMORTISATION	
At 1st February 2020	
and 31st January 2021	<u>170,933</u>
NET BOOK VALUE	
At 31st January 2021	<u>-</u>
At 31st January 2020	<u>-</u>

5. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 1st February 2020	104,633	1,141,398	77,063	1,323,094
Additions	1,865	17,298	-	19,163
Disposals	-	-	(52,665)	(52,665)
At 31st January 2021	<u>106,498</u>	<u>1,158,696</u>	<u>24,398</u>	<u>1,289,592</u>
DEPRECIATION				
At 1st February 2020	58,373	787,776	62,484	908,633
Charge for year	4,813	55,608	3,645	64,066
Eliminated on disposal	-	-	(42,990)	(42,990)
At 31st January 2021	<u>63,186</u>	<u>843,384</u>	<u>23,139</u>	<u>929,709</u>
NET BOOK VALUE				
At 31st January 2021	<u>43,312</u>	<u>315,312</u>	<u>1,259</u>	<u>359,883</u>
At 31st January 2020	<u>46,260</u>	<u>353,622</u>	<u>14,579</u>	<u>414,461</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JANUARY 2021

6. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Other investments £	Totals £
COST OR VALUATION			
At 1st February 2020	400,000	1,320,749	1,720,749
Disposals	-	(4,002)	(4,002)
Revaluations	-	(37,932)	(37,932)
At 31st January 2021	<u>400,000</u>	<u>1,278,815</u>	<u>1,678,815</u>
PROVISIONS			
Provision for year	<u>400,000</u>	-	<u>400,000</u>
At 31st January 2021	<u>400,000</u>	-	<u>400,000</u>
NET BOOK VALUE			
At 31st January 2021	<u>-</u>	<u>1,278,815</u>	<u>1,278,815</u>
At 31st January 2020	<u>400,000</u>	<u>1,320,749</u>	<u>1,720,749</u>

Cost or valuation at 31st January 2021 is represented by:

	Shares in group undertakings £	Other investments £	Totals £
Valuation in 2020	-	425,078	425,078
Valuation in 2021	-	(37,932)	(37,932)
Cost	<u>400,000</u>	<u>891,669</u>	<u>1,291,669</u>
	<u>400,000</u>	<u>1,278,815</u>	<u>1,678,815</u>

7. STOCKS

	2021 £	2020 £
Stocks	195,798	181,595
Work-in-progress	<u>37,200</u>	<u>78,614</u>
	<u>232,998</u>	<u>260,209</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	482,272	396,256
Amounts owed by group undertakings	311,248	745,983
Other debtors	<u>64,060</u>	<u>60,272</u>
	<u>857,580</u>	<u>1,202,511</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JANUARY 2021

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	133,026	172,143
Amounts owed to group undertakings	161,370	561,370
Taxation and social security	88,568	316,023
Other creditors	63,657	150,273
	<u>446,621</u>	<u>1,199,809</u>

10. PROVISIONS FOR LIABILITIES

	2021 £	2020 £
Deferred tax		
Accelerated capital allowances	<u>50,362</u>	<u>53,279</u>
		Deferred tax
		£
Balance at 1st February 2020		53,279
Provided during year		(2,917)
Balance at 31st January 2021		<u>50,362</u>

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2021 £	2020 £
Number:	Class:	Nominal value:		
12,695	Ordinary A	£1	12,695	12,695
241,138	Ordinary B	£1	<u>241,138</u>	<u>241,138</u>
			<u>253,833</u>	<u>253,833</u>

12. RELATED PARTY DISCLOSURES

The company was under the control of Pentagon Plastics Group Ltd. At the year end the company owed the holding company £161,370.

The company rents its premises from the JJR Executive Pension Scheme. The rent paid in the year was £85,000.

13. ULTIMATE CONTROLLING PARTY

The ultimate parent company is Pentagon Plastics Group Limited, whose registered address is Unit 4, Blatchford Road, Horsham, West Sussex, RH13 5QR.

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.