

COMPANY REGISTRATION NO. 05889993 (England and Wales)

PENARTH MANAGEMENT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017
PAGES FOR FILING WITH REGISTRAR

PENARTH MANAGEMENT LIMITED

CONTENTS

	Page
Statement of financial position	1
Notes to the financial statements	2 - 5

PENARTH MANAGEMENT LIMITED

**STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2017**

	Notes	2017 £	£	2016 £	£
Non-current assets					
Property, plant and equipment	3		3,089		3,822
Current assets					
Inventories		13,703		13,102	
Trade and other receivables	4	75,599		64,984	
Cash and cash equivalents		154		26,713	
		89,456		104,799	
Current liabilities	5	(109,126)		(114,525)	
Net current liabilities			(19,670)		(9,726)
Total assets less current liabilities			(16,581)		(5,904)
Non-current liabilities	6		(297,072)		(292,363)
Net liabilities			(313,653)		(298,267)
Equity					
Called up share capital	7		2		2
Retained earnings			(313,655)		(298,269)
Total equity			(313,653)		(298,267)

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 October 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 30 July 2018 and are signed on its behalf by:

Mrs J T Read
Director

Company Registration No. 05889993

PENARTH MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**

1 Accounting policies

Company information

Penarth Management Limited is a private company limited by shares incorporated in England and Wales. The registered office is Alexandra Gate Business Centre, 2 Alexandra Gate, Fford Pengam, Cardiff, CF24 2SA.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 October 2017 are the first financial statements of Penarth Management Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 November 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Revenue

Turnover represents amounts receivable for services provided in the normal course of business net of VAT and trade discounts.

Revenue from the design of quality control systems is recognised when, and to the extent that, the company obtains the right to consideration in exchange for services provided.

1.4 Property, plant and equipment

Property, plant and equipment are measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	25% on reducing balance
Computer equipment	33% straight line

1.5 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost 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.

Inventories held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

PENARTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2017

1 Accounting policies

(Continued)

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of inventories over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

1.7 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.8 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 4 (2016 - 4).

PENARTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2017

3 Property, plant and equipment

	Plant and machinery £	Computer equipment £	Total £
Cost			
At 1 November 2016	35,784	-	35,784
Additions	-	267	267
	<u>35,784</u>	<u>267</u>	<u>36,051</u>
At 31 October 2017	35,784	267	36,051
Depreciation and impairment			
At 1 November 2016	31,962	-	31,962
Depreciation charged in the year	956	44	1,000
	<u>32,918</u>	<u>44</u>	<u>32,962</u>
At 31 October 2017	32,918	44	32,962
Carrying amount			
At 31 October 2017	<u>2,866</u>	<u>223</u>	<u>3,089</u>
At 31 October 2016	<u>3,822</u>	<u>-</u>	<u>3,822</u>

4 Trade and other receivables

	2017 £	2016 £
Amounts falling due within one year:		
Trade receivables	73,991	63,399
Other receivables	1,608	1,585
	<u>75,599</u>	<u>64,984</u>

5 Current liabilities

	2017 £	2016 £
Bank loans and overdrafts	30,581	18,260
Trade payables	12,665	18,231
Other taxation and social security	9,084	16,023
Other payables	56,796	62,011
	<u>109,126</u>	<u>114,525</u>

6 Non-current liabilities

	2017 £	2016 £
Other payables	<u>297,072</u>	<u>292,363</u>

PENARTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2017

7 Called up share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
2 Ordinary of £1 each	2	2
	<hr/>	<hr/>
	2	2
	<hr/> <hr/>	<hr/> <hr/>

8 Directors' transactions

The directors operate a current loan account with the company, which is debited with payments made by the company on behalf of the director and credited with funds introduced and undrawn director's fees. At the year end, the amount outstanding to the directors was £157,447 (2016 - £158,510) of which £37,447 (2016 - £38,510) is included in creditors: amounts falling due within one year and £120,000 (2016 - £120,000) is included in creditors: amounts falling due in more than one year.

The directors have provided a personal guarantee against a total amount of £193,072. £16,000 being included in creditors: amounts falling due within one year and £177,072 being included in creditors: amounts falling due in more than one year.

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.