Company Registration Number: 2596469

PENDOWER LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST JANUARY 2020

PAGES FOR FILING WITH REGISTRAR

PENDOWER LIMITED

CONTENTS

PENDOWER LIMITED

REPORT OF THE DIRECTOR

For the year ended 31st January 2020

The director presents his report and financial statements for the year ended 31st January 2020.

Principal activities

The principal activity of the company continued to be that of development and letting of property.

Directors

The director who held office during the year and up to the date of the signature of the financial statements was as follows:

M J Liddicoat

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

By order of the board

M J Liddicoat
Director
15 July 2020

PENDOWER LIMITED

BALANCE SHEET

As at 31st January 2020

	Notes	2020	2020	2019	2019
		£	£	£	£
Fixed assets					
Tangible assets	3		1,463,512		1,467,269
Current assets					
Debtors		11,413		7,980	
Cash at bank and in hand		405,100		323,519	
		416,513		331,499	
Creditors: amounts falling due within one year	4	117,667		112,906	
Net current assets			298,846		218,593
Total assets less current liabilities			1,762,358		1,685,862
Provisions for liabilities	5		1,575		2,289
Net assets			1,760,783		1,683,573
Capital and reserves					
Called up share capital	6		2,508		2,508
Share premium account			263,129		263,129
Revaluation reserve			355,370		355,370
Profit and loss account			1,139,776		1,062,566
Total equity			1,760,783		1,683,573

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 January 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 of the Companies Act 2006.

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

The director acknowledges his resposibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the board of directors and authorised for issue on 15 July 2020 and are signed on its behalf by:

M J Liddicoat
Director

1. Accounting policies

Company Information

Pendower Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Globe House, Eclipse Park, Sittingbourne Road, Maidstone, Kent, ME14 3EN. Registered number 2596469.

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 that 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 as modified to include investment properties at fair value. The principal accounting policies adopted are set out below.

1.2. Going concern

The director has assessed whether the going concern basis of preparation continues to be appropriate given the pervasive disruption caused by the Covid-19 virus and the subsequent measures taken by the government. At the time of approving the financial statements the full extent of the government measures are not yet known but the director believes that all appropriate measures have been or will be taken to ensure the company will be able to continue its operations in the next 12 months and thus concludes that the going concern basis remains appropriate.

1.3. Turnover

Turnover is recognised at the fair value of the consideration received or receivable from the letting of property.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

1.4. Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, 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:

Fixtures, fittings and equipment. 3 to 5 years straight line

Land and buildings. No depreciation is recognised on land and buildings as these are held as long term investments. Land and buildings are measured at fair value at each reporting period end date and the aggregate surplus or deficit on revaluation is transferred to the revaluation reserve.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1. Accounting policies **(Continued)**

1.5. Impairment of fixed assets
At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase

1.6. Cash at bank and in hand
Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7. 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 its financial instruments.

Financial instruments are recognised in the company's balance sheet 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.

Basic financial assets
Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1. Accounting policies (Continued)

Classification of financial liabilities
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 company after deducting all of its liabilities.

Basic financial liabilities
Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8. Equity instruments
Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9. Taxation
The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax
Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1. Accounting policies **(Continued)**

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the tax assets and liabilities relate to taxes levied by the same tax authority.

1.10. Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

Termination benefits are recognised immediately as an expense when the company is demonstrably commited to terminate the employment of an employee or to provide termination benefits.

1.11. Retirement benefits

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

2. Employees

The average number of persons (including the director) employed by the company during the year was 2 (2019: 2).

3. Tangible fixed assets

	Land and buildings £	Fixtures fittings & equipment £	Total £
Cost			
At 1st February 2019	1,455,223	30,112	1,485,335
Additions	-	3,397	3,397
Disposals	-	-	-
At 31st January 2020	1,455,223	33,509	1,488,732
Depreciation			
At 1st February 2019	-	18,066	18,066
Charge for the year	-	7,154	7,154
Eliminated on disposal	-	-	-
At 31st January 2020	-	25,220	25,220
Net book value			
At 31st January 2020	1,455,223	8,289	1,463,512
At 31st January 2019	1,455,223	12,046	1,467,269

The cost at 31 January 2020 of land and buildings in accordance with the historical cost accounting rules was £956,740.

4. Creditors: amounts falling due within one year

	2020 £	2019 £
Other creditors	32,157	34,366
Taxation and social security	18,820	14,794
Unsecured loans	66,690	63,746
	117,667	112,906

5. Provisions for liabilities

	2020 £	2019 £
Deferred taxation	1,575	2,289

6. Called up share capital

	2020 £	2019 £
Authorised:		
50,000 ordinary shares of £1 each	50,000	50,000
Allotted, issued and fully paid:		
2,508 ordinary shares of £1 each	2,508	2,508

PENDOWER LIMITED

BALANCE SHEET

As at 31st January 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	3		1,463,512		1,467,269
Current assets					
Debtors		11,413		7,980	
Cash at bank and in hand		405,100		323,519	
		416,513		331,499	
Creditors: amounts falling due within one year	4	117,667		112,906	
Net current assets			298,846		218,593
Total assets less current liabilities			1,762,358		1,685,862
Provisions for liabilities	5		1,575		2,289
Net assets			1,760,783		1,683,573
Capital and reserves					
Called up share capital	6		2,508		2,508
Share premium account			263,129		263,129
Revaluation reserve			355,370		355,370
Profit and loss account			1,139,776		1,062,566
Total equity			1,760,783		1,683,573

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 January 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 of the Companies Act 2006.

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

The director acknowledges his resposibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the board of directors and authorised for issue on 15 July 2020 and are signed on its behalf by:

....

M J Liddicoat
Director