

Modern Car Electronics Limited

Annual Report and Unaudited Abridged Financial Statements
for the Year Ended 31 December 2016

Rawcliffe & Co Limited
Unit 1 Barons Court
Graceways
Whitchills Business Park
Blackpool
Lancashire
FY4 5GP

Modern Car Electronics Limited

Contents

Company Information	<u>1</u>
Accountants' Report	<u>2</u>
Statement of Comprehensive Income	<u>3</u>
Abridged Balance Sheet	<u>4</u> to <u>5</u>
Statement of Changes in Equity	<u>6</u>
Notes to the Abridged Financial Statements	<u>7</u> to <u>12</u>

Modern Car Electronics Limited

Company Information

Director	Mr Charles Nash
Registered office	Unit 1 Barons Court Graceways Whitehills Business Park Blackpool Lancashire FY4 5GP
Accountants	Rawcliffe & Co Limited Unit 1 Barons Court Graceways Whitehills Business Park Blackpool Lancashire FY4 5GP

**Chartered Accountants' Report to the Director on the Preparation of the Unaudited Statutory
Accounts of
Modern Car Electronics Limited
for the Year Ended 31 December 2016**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Modern Car Electronics Limited for the year ended 31 December 2016 as set out on pages 3 to 12 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icacw.com/cn/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Modern Car Electronics Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of Modern Car Electronics Limited and state those matters that we have agreed to state to the Board of Directors of Modern Car Electronics Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Modern Car Electronics Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Modern Car Electronics Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Modern Car Electronics Limited. You consider that Modern Car Electronics Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Modern Car Electronics Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

.....
Rawcliffe & Co Limited
Unit 1 Barons Court
Graceways
Whitehills Business Park
Blackpool
Lancashire
FY4 5GP

3 May 2017

Modern Car Electronics Limited

Statement of Comprehensive Income for the Year Ended 31 December 2016

	Note	2016 £	2015 £
Profit for the year		<u>8,774</u>	<u>8,501</u>
Total comprehensive income for the year		<u><u>8,774</u></u>	<u><u>8,501</u></u>

The notes on pages 7 to 12 form an integral part of these abridged financial statements.

Modern Car Electronics Limited

(Registration number: 08332332)

Abridged Balance Sheet as at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	<u>4</u>	5,602	3,102
Current assets			
Stocks	<u>5</u>	2,500	500
Cash at bank and in hand		<u>1,704</u>	<u>3,732</u>
		4,204	4,232
Prepayments and accrued income		3,211	3,161
Creditors: Amounts falling due within one year		<u>(7,996)</u>	<u>(9,748)</u>
Net current liabilities		<u>(581)</u>	<u>(2,355)</u>
Total assets less current liabilities		5,021	747
Provisions for liabilities		<u>(1,120)</u>	<u>(620)</u>
Net assets		<u><u>3,901</u></u>	<u><u>127</u></u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		<u>3,801</u>	<u>27</u>
Total equity		<u><u>3,901</u></u>	<u><u>127</u></u>

For the financial year ending 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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 director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

All of the company's members have consented to the preparation of an Abridged Balance Sheet in accordance with Section 444(2A) of the Companies Act 2006.

The notes on pages 7 to 12 form an integral part of these abridged financial statements.

Modern Car Electronics Limited
(Registration number: 08332332)
Abridged Balance Sheet as at 31 December 2016

Approved and authorised by the director on 3 May 2017

.....

Mr Charles Nash

Director

The notes on pages 7 to 12 form an integral part of these abridged financial statements.
Page 5

Modern Car Electronics Limited

Statement of Changes in Equity for the Year Ended 31 December 2016

	Share capital £	Profit and loss account £	Total £
At 1 January 2016	100	27	127
Profit for the year	-	8,774	8,774
Total comprehensive income	-	8,774	8,774
Dividends	-	(5,000)	(5,000)
At 31 December 2016	100	3,801	3,901

	Share capital £	Profit and loss account £	Total £
At 1 January 2015	100	(1,474)	(1,374)
Profit for the year	-	8,501	8,501
Total comprehensive income	-	8,501	8,501
Dividends	-	(7,000)	(7,000)
At 31 December 2015	100	27	127

The notes on pages 7 to 12 form an integral part of these abridged financial statements.

Modern Car Electronics Limited

Notes to the Abridged Financial Statements for the Year Ended 31 December 2016

1 General information

The company is a private company limited by share capital incorporated in England & Wales.

The address of its registered office is:

Unit 1 Barons Court
Graceways
Whitehills Business Park
Blackpool
Lancashire
FY4 5GP
United Kingdom

These financial statements were authorised for issue by the director on 3 May 2017.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These abridged financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These abridged financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant & Machinery	15% Reducing Balance

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Modern Car Electronics Limited

Notes to the Abridged Financial Statements for the Year Ended 31 December 2016

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress 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. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 2 (2015 - 2).

Modern Car Electronics Limited

Notes to the Abridged Financial Statements for the Year Ended 31 December 2016

4 Tangible assets

	Total £
Cost or valuation	
At 1 January 2016	5,014
Additions	3,489
	<hr/>
At 31 December 2016	8,503
	<hr/>
Depreciation	
At 1 January 2016	1,912
Charge for the year	989
	<hr/>
At 31 December 2016	2,901
	<hr/>
Carrying amount	
At 31 December 2016	5,602
	<hr/>
At 31 December 2015	3,102
	<hr/>

5 Stocks

	2016 £	2015 £
Other inventories	2,500	500
	<hr/>	<hr/>

6 Dividends

	2016 £	2015 £
Interim dividend of £50.00 (2015 - £70.00) per ordinary share	5,000	7,000

7 Transition to FRS 102

The company has adopted FRS 102 for the first time in the accounts for the year ended 31st December 2016. The date of transition to FRS 102 is 1st January 2016. In the transition to FRS 102 from old UK GAAP the company has made no measurement and recognition adjustments.

Balance Sheet at 1 January 2015

Modern Car Electronics Limited

Notes to the Abridged Financial Statements for the Year Ended 31 December 2016

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Fixed assets				
Tangible assets	3,649	-	-	3,649
Current assets				
Stocks	1,000	-	-	1,000
Debtors	1,300	-	-	1,300
Cash at bank and in hand	862	-	-	862
	3,162	-	-	3,162
Creditors: Amounts falling due within one year	(7,326)	-	-	(7,326)
Net current liabilities	(4,164)	-	-	(4,164)
Total assets less current liabilities	(515)	-	-	(515)
Provisions for liabilities	(859)	-	-	(859)
Net liabilities	(1,374)	-	-	(1,374)
Capital and reserves				
Called up share capital	(100)	-	-	(100)
Profit and loss account	1,474	-	-	1,474
Total equity	1,374	-	-	1,374

Modern Car Electronics Limited

Notes to the Abridged Financial Statements for the Year Ended 31 December 2016

Balance Sheet at 31 December 2015

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Fixed assets				
Tangible assets	3,102	-	-	3,102
Current assets				
Stocks	500	-	-	500
Debtors	3,162	-	-	3,162
Cash at bank and in hand	3,732	-	-	3,732
	7,394	-	-	7,394
Creditors: Amounts falling due within one year	(9,749)	-	-	(9,749)
Net current liabilities	(2,355)	-	-	(2,355)
Total assets less current liabilities	747	-	-	747
Provisions for liabilities	(620)	-	-	(620)
Net assets	127	-	-	127
Capital and reserves				
Called up share capital	(100)	-	-	(100)
Profit and loss account	(27)	-	-	(27)
Total equity	(127)	-	-	(127)

Modern Car Electronics Limited

Notes to the Abridged Financial Statements for the Year Ended 31 December 2016

Profit and Loss Account for the year ended 31 December 2015

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Turnover	54,110	-	-	54,110
Cost of sales	(20,480)	-	-	(20,480)
Gross profit	33,630	-	-	33,630
Administrative expenses	(23,399)	-	-	(23,399)
Operating profit	10,231	-	-	10,231
Profit before tax	10,231	-	-	10,231
Taxation	(1,730)	-	-	(1,730)
Profit for the financial year	8,501	-	-	8,501

Page 12

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.