

NEWTON FRICTION LIMITED

UNAUDITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2015

PM+M Solutions for Business LLP
Chartered Accountants
Greenbank Technology Park
Challenge Way
Blackburn
Lancashire

NEWTON FRICTION LIMITED

The following reproduces the text of the Chartered accountants' report in respect of the company's annual financial statements, from which the abbreviated accounts (set out on pages 2 to 6) have been prepared.

CHARTERED ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF NEWTON FRICTION LIMITED FOR THE YEAR ENDED 30 JUNE 2015

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Newton Friction Limited for the year ended 30 June 2015 which comprise the Profit and loss account, the Balance sheet and the related notes from the company's accounting records and from information and explanations you have given to us.

As a 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 icaew.com/regulations.

This report is made solely to the director of Newton Friction Limited in accordance with the terms of our engagement letter dated 10 September 2015. Our work has been undertaken solely to prepare for your approval the financial statements of Newton Friction Limited and state those matters that we have agreed to state to the director of Newton Friction Limited in this report in accordance with AAF 2/10 as detailed at icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Newton Friction Limited and its director for our work or for this report.

It is your duty to ensure that Newton Friction Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the company's assets, liabilities, financial position and profit. You consider that Newton Friction Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Newton Friction 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 financial statements.

PM+M Solutions for Business LLP

Chartered Accountants

Greenbank Technology Park
Challenge Way
Blackburn
Lancashire
BB1 5QB

30 March 2016

NEWTON FRICTION LIMITED
REGISTERED NUMBER: SC080299

ABBREVIATED BALANCE SHEET
AS AT 30 JUNE 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	2		81,029		101,287
CURRENT ASSETS					
Stocks		11,150		8,750	
Debtors		89,004		42,889	
Cash at bank		5,106		6,815	
		105,260		58,454	
CREDITORS: amounts falling due within one year	3	(122,954)		(81,373)	
NET CURRENT LIABILITIES			(17,694)		(22,919)
TOTAL ASSETS LESS CURRENT LIABILITIES			63,335		78,368
CREDITORS: amounts falling due after more than one year	4		(10,749)		(26,352)
PROVISIONS FOR LIABILITIES					
Deferred tax			(16,026)		(17,399)
NET ASSETS			36,560		34,617
CAPITAL AND RESERVES					
Called up share capital	5		10		10
Profit and loss account			36,550		34,607
SHAREHOLDERS' FUNDS			36,560		34,617

NEWTON FRICTION LIMITED

ABBREVIATED BALANCE SHEET (continued)
AS AT 30 JUNE 2015

The director considers that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 30 June 2015 and of its profit for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The abbreviated accounts, which 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, were approved and authorised for issue by the board and were signed on its behalf on 30 March 2016.

Mr D Devlin

Director

The notes on pages 4 to 6 form part of these financial statements.

NEWTON FRICTION LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2015**

1. ACCOUNTING POLICIES**1.1 Basis of preparation of financial statements**

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	-	20% reducing balance
Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	20% reducing balance
Office equipment	-	20% reducing balance

1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.5 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

NEWTON FRICTION LIMITED
**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2015**
1. ACCOUNTING POLICIES (continued)
1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

2. TANGIBLE FIXED ASSETS

	£
Cost	
At 1 July 2014 and 30 June 2015	<u>162,292</u>
Depreciation	
At 1 July 2014	61,005
Charge for the year	<u>20,258</u>
At 30 June 2015	<u>81,263</u>
Net book value	
At 30 June 2015	<u><u>81,029</u></u>
At 30 June 2014	<u><u>101,287</u></u>

**3. CREDITORS:
Amounts falling due within one year**

Net obligations under finance leases and hire purchases are secured on items to which they relate.

The bank loan has been secured on floating charge over the company assets. In addition, the director has also provided personal guarantee upto a limit of £30,000

**4. CREDITORS:
Amounts falling due after more than one year**

Net obligations under finance leases and hire purchases are secured on items to which they relate.

NEWTON FRICTION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2015

5. SHARE CAPITAL

	2015	2014
	£	£
Allotted, called up and fully paid		
10 Ordinary shares of £1 each	<u>10</u>	<u>10</u>

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.