

Registration number: 01042547

# Renzacci (U.K.) Plc

Annual Report and Financial Statements

for the Year Ended 31 March 2017

Thomas Quinn  
Statutory Auditors  
The Station House  
15 Station Road  
St Ives  
Cambridgeshire  
PE27 5BH



## **Renzacci (U.K.) Plc**

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## **Renzacci (U.K.) Plc**

### **Company Information**

**Directors** Mr Jason George James Alexander  
Mr George Alexander

**Registered office** 9 Marlin Park  
Central Way  
Feltham  
Middlesex  
TW14 0AN

**Auditors** Thomas Quinn  
Statutory Auditors  
The Station House  
15 Station Road  
St Ives  
Cambridgeshire  
PE27 5BH

## **Renzacci (U.K.) Plc**

### **Strategic Report for the Year Ended 31 March 2017**

The Directors present their strategic report for the year ended 31 March 2017.

#### **Principal activity**

The principal activity of the company is that of marketing industrial laundry and dry cleaning equipment, conveying and packaging equipment, together with air quality monitoring equipment

#### **Fair review of the business**

The Directors are pleased to present the financial statements of the year.

Turnover has decreased in the year to £2.2m (2016 increased to £2.8m) as customers delayed projects in light of current economic uncertainty.

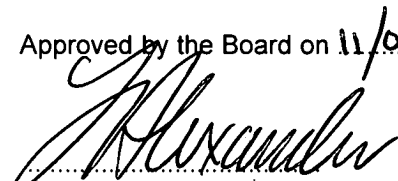
Projects are continuing to be developed and the directors are expecting their hard work to be reflected in increasing the turnover in 2017/8.

We look to the following year in a positive light, and to continue to build on our reputation for quality products, honesty and excellent customer service.

#### **Principal risks and uncertainties**

The company's principal financial instruments consists of bank balances, trade creditors and trade debtors. The main purposes of these instruments is to raise funds to finance the company's operations. Due to the nature of the financial instruments used by the company there is no exposure to price risk.

Approved by the Board on 11/09/17 and signed on its behalf by:



Mr Jason George James Alexander  
Director

## **Renzacci (U.K.) Plc**

### **Directors' Report for the Year Ended 31 March 2017**

The Directors present their report and the financial statements for the year ended 31 March 2017.

#### **Directors of the Company**

The directors who held office during the year were as follows:

Mr Jason George James Alexander

Mr George Alexander

#### **Financial instruments**

#### ***Objectives and policies***

The company's approach to managing other risks applicable to the financial instruments concerned is as follows:

#### ***Price risk, credit risk, liquidity risk and cash flow risk***

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and a return on its funds using a combination of business current and deposit accounts.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding from both time and credit limits.

Trade creditor liquidity risks are managed by ensuring sufficient funds are available to meet payments as they become due using appropriate cash flow modelling techniques.

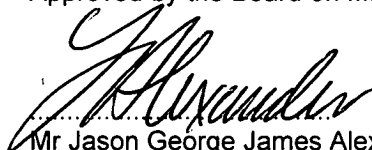
#### **Disclosure of information to the auditors**

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

#### **Reappointment of auditors**

The auditors Thomas Quinn are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 11/09/17 and signed on its behalf by:



Mr Jason George James Alexander  
Director

## **Renzacci (U.K.) Plc**

### **Statement of Directors' Responsibilities**

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Renzacci (U.K.) Plc**

### **Independent Auditor's Report**

We have audited the financial statements of Renzacci (U.K.) Plc for the year ended 31 March 2017, set out on pages 7 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of Directors and auditor**

As explained more fully in the Statement of Directors' Responsibilities (set out on page 4), the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors to the financial statements.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Renzacci (U.K.) Plc**

### **Independent Auditor's Report**

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit



.....  
Anthony Wright (Senior Statutory Auditor)  
For and on behalf of Thomas Quinn, Statutory Auditor

The Station House  
15 Station Road  
St Ives  
Cambridgeshire  
PE27 5BH

Date: 11/09/17



## Renzacci (U.K.) Plc

### Profit and Loss Account for the Year Ended 31 March 2017

	Note	2017 £	2016 £
Turnover	3	2,246,832	2,774,758
Cost of sales		<u>(1,403,596)</u>	<u>(1,810,577)</u>
Gross profit		843,236	964,181
Administrative expenses		<u>(986,971)</u>	<u>(1,008,688)</u>
Operating loss	5	<u>(143,735)</u>	<u>(44,507)</u>
Other interest receivable and similar income	6	639	544
Interest payable and similar charges	7	<u>147</u>	<u>639</u>
		<u>786</u>	<u>1,183</u>
Loss before tax		(142,949)	(43,324)
Taxation	10	<u>2,149</u>	<u>(3,985)</u>
Loss for the financial year		<u><u>(140,800)</u></u>	<u><u>(47,309)</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The notes on pages 11 to 18 form an integral part of these financial statements.

**Renzacci (U.K.) Plc**

**Statement of Comprehensive Income for the Year Ended 31 March 2017**

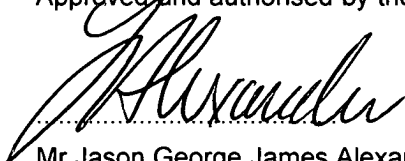
	Note	2017 £	2016 £
Loss for the year		<u>(140,800)</u>	<u>(47,309)</u>
Total comprehensive income for the year		<u><u>(140,800)</u></u>	<u><u>(47,309)</u></u>

# Renzacci (U.K.) Plc

(Registration number: 01042547)  
Balance Sheet as at 31 March 2017

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	11	56,636	74,986
<b>Current assets</b>			
Stocks	12	208,529	166,078
Debtors	13	349,356	511,113
Cash at bank and in hand		225,346	253,350
		<u>783,231</u>	<u>930,541</u>
<b>Creditors: Amounts falling due within one year</b>	15	<u>(664,104)</u>	<u>(686,815)</u>
<b>Net current assets</b>		<u>119,127</u>	<u>243,726</u>
<b>Total assets less current liabilities</b>		175,763	318,712
<b>Provisions for liabilities</b>		<u>(3,836)</u>	<u>(5,985)</u>
<b>Net assets</b>		<u>171,927</u>	<u>312,727</u>
<b>Capital and reserves</b>			
Called up share capital	16	50,555	50,555
Profit and loss account		<u>121,372</u>	<u>262,172</u>
<b>Total equity</b>		<u>171,927</u>	<u>312,727</u>

Approved and authorised by the Board on 11/09/17 and signed on its behalf by:



Mr Jason George James Alexander  
Director

# **Renzacci (U.K.) Plc**

## **Statement of Changes in Equity for the Year Ended 31 March 2017**

	<b>Share capital £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
At 1 April 2016	50,555	262,172	312,727
Loss for the year	-	(140,800)	(140,800)
Total comprehensive income	-	(140,800)	(140,800)
At 31 March 2017	50,555	121,372	171,927
	<b>Share capital £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
At 1 April 2015	50,555	309,481	360,036
Loss for the year	-	(47,309)	(47,309)
Total comprehensive income	-	(47,309)	(47,309)
At 31 March 2016	50,555	262,172	312,727

## **Renzacci (U.K.) Plc**

### **Notes to the Financial Statements for the Year Ended 31 March 2017**

#### **1 General information**

The company is a private company limited by share capital incorporated in UK.

The address of its registered office is:

9 Marlin Park  
Central Way  
Feltham  
Middlesex  
TW14 0AN  
United Kingdom

The accounts were authorised for issue on the date shown on the Director's report.

#### **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 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 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.

##### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The Company recognises revenue when:

The amount of revenue can be reliably measured;  
it is probable that future economic benefits will flow to the entity;  
and specific criteria have been met for each of the Company's activities.

##### **Tax**

The tax expense for the period comprises deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

## **Renzacci (U.K.) Plc**

### **Notes to the Financial Statements for the Year Ended 31 March 2017**

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

#### **Tangible assets**

Tangible assets is 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:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Plant and machinery	10% reducing balance
Motor vehicles	25% straight line

#### **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.

#### **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.

## Renzacci (U.K.) Plc

### Notes to the Financial Statements for the Year Ended 31 March 2017

#### 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.

#### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

### 3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2017 £	2016 £
Sale of goods	2,246,832	2,774,758

The analysis of the company's turnover for the year by class of business is as follows:

	2017 £	2016 £
Laundry equipment	2,246,832	2,774,758

The analysis of the company's turnover for the year by market is as follows:

	2017 £	2016 £
UK	2,179,752	2,741,932
Europe	54,242	19,402
Rest of world	12,838	13,424
	<u>2,246,832</u>	<u>2,774,758</u>

## Renzacci (U.K.) Plc

### Notes to the Financial Statements for the Year Ended 31 March 2017

#### 4 Other gains and losses

The analysis of the company's other gains and losses for the year is as follows:

	2017 £	2016 £
Gain (loss) on disposal of property, plant and equipment	-	(206)

#### 5 Operating loss

Arrived at after charging/(crediting)

	2017 £	2016 £
Depreciation expense	18,349	18,931
Loss on disposal of property, plant and equipment	-	206

#### 6 Other interest receivable and similar income

	2017 £	2016 £
Interest income on bank deposits	639	544

#### 7 Interest payable and similar charges

	2017 £	2016 £
Foreign exchange (gains) / losses	(147)	(639)

#### 8 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2017 £	2016 £
Wages and salaries	379,729	351,995
Social security costs	38,933	36,753
Pension costs, defined contribution scheme	1,179	2,622
Other employee expense	16,345	15,436
	<u>436,186</u>	<u>406,806</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2017 No.	2016 No.
Administration and support	6	6
Sales	7	6
	<u>13</u>	<u>12</u>



## Renzacci (U.K.) Plc

### Notes to the Financial Statements for the Year Ended 31 March 2017

#### 9 Auditors' remuneration

	2017 £	2016 £
Audit of the financial statements	<u>7,500</u>	<u>7,500</u>
<b>Other fees to auditors</b>		
All other non-audit services	<u>10,607</u>	<u>13,034</u>

#### 10 Taxation

Tax charged/(credited) in the income statement

	2017 £	2016 £
<b>Deferred taxation</b>		
Arising from origination and reversal of timing differences	<u>(2,149)</u>	<u>3,985</u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2016 - the same as the standard rate of corporation tax in the UK) of 20% (2016 - 20%).

The differences are reconciled below:

	2017 £	2016 £
Loss before tax	<u>(142,949)</u>	<u>(43,324)</u>
Corporation tax at standard rate	(28,590)	(8,665)
Effect of expense not deductible in determining taxable profit (tax loss)	2,282	3,726
Tax increase (decrease) arising from group relief	<u>24,159</u>	<u>8,924</u>
Total tax (credit)/charge	<u>(2,149)</u>	<u>3,985</u>

# Renzacci (U.K.) Plc

## Notes to the Financial Statements for the Year Ended 31 March 2017

### Deferred tax

Deferred tax assets and liabilities

	Liability £
<b>2017</b>	
Accelerated capital allowances	<u>3,836</u>
<b>2016</b>	
Accelerated capital allowances	<u>5,985</u>

### 11 Tangible assets

	Motor vehicles £	Other property, plant and equipment £	Total £
<b>Cost or valuation</b>			
At 1 April 2016	<u>52,481</u>	<u>146,040</u>	<u>198,521</u>
At 31 March 2017	<u>52,481</u>	<u>146,040</u>	<u>198,521</u>
<b>Depreciation</b>			
At 1 April 2016	29,786	93,749	123,535
Charge for the year	<u>13,120</u>	<u>5,230</u>	<u>18,350</u>
At 31 March 2017	<u>42,906</u>	<u>98,979</u>	<u>141,885</u>
<b>Carrying amount</b>			
At 31 March 2017	<u>9,575</u>	<u>47,061</u>	<u>56,636</u>
At 31 March 2016	<u>22,695</u>	<u>52,291</u>	<u>74,986</u>

### 12 Stocks

	2017 £	2016 £
Other inventories	<u>208,529</u>	<u>166,078</u>

## Renzacci (U.K.) Plc

### Notes to the Financial Statements for the Year Ended 31 March 2017

#### 13 Debtors

	Note	2017 £	2016 £
Trade debtors		133,132	330,207
Amounts owed by related parties		168,444	123,541
Other debtors		24,782	34,115
Prepayments		<u>22,998</u>	<u>23,250</u>
		349,356	511,113
Less non-current portion		<u>(10,500)</u>	<u>(18,381)</u>
Total current trade and other debtors		<u><u>338,856</u></u>	<u><u>492,732</u></u>

#### Details of non-current trade and other debtors

£10,500 (2015 - £18,381) of Finance leases is classified as non current.

#### 14 Cash and cash equivalents

	2017 £	2016 £
Cash at bank	<u><u>225,346</u></u>	<u><u>253,350</u></u>

#### 15 Creditors

	Note	2017 £	2016 £
<b>Due within one year</b>			
Trade creditors		394,780	429,357
Amounts due to related parties		170,155	134,153
Social security and other taxes		87,306	112,241
Other payables		2,072	2,064
Accrued expenses		<u>9,791</u>	<u>9,000</u>
		<u><u>664,104</u></u>	<u><u>686,815</u></u>

## **Renzacci (U.K.) Plc**

### **Notes to the Financial Statements for the Year Ended 31 March 2017**

#### **16 Share capital**

##### **Allotted, called up and fully paid shares**

	<b>2017</b>		<b>2016</b>	
	<b>No.</b>	<b>£</b>	<b>No.</b>	<b>£</b>
Ordinary shares of £1 each	50,000	50,000	50,000	50,000
A Ordinary shares of £0.10 each	5,555	555.44	5,555	555.44
	<u>55,555</u>	<u>50,555</u>	<u>55,555</u>	<u>50,555</u>

#### **17 Dividends**

The directors are proposing a final dividend of £Nil (2016 - £Nil) per share totalling £Nil (2016 - £Nil). This dividend has not been accrued in the Balance Sheet.

#### **18 Commitments**

##### **Capital commitments**

The total amount contracted for but not provided in the financial statements was £Nil (2016 - £Nil).

#### **19 Auditors limitation of liability**

The company entered into an limitation of liability agreement with the auditors for £100,000 dated 9 February 2016.

#### **20 Parent and ultimate parent undertaking**

The company's immediate parent is Renzacci (UK) Holdings Limited, incorporated in UK.

The most senior parent entity producing publicly available financial statements is Renzacci (UK) Holdings Limited. The ultimate controlling party is G Alexander.