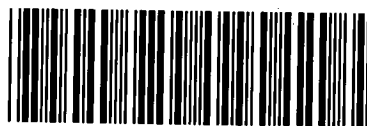


ARTO CHEMICALS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016
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ARTO CHEMICALS LIMITED

COMPANY INFORMATION

Directors	Miss S M Miklos Mrs A D Miklos Mr A M Miklos
Company number	01068577
Registered office	Arto House London Road Binfield Bracknell Berks RG42 4BU
Auditor	H W Fisher & Company Acre House 11-15 William Road London NW1 3ER United Kingdom

ARTO CHEMICALS LIMITED

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ARTO CHEMICALS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Property, plant and equipment	4	430,965		431,548	
Investment properties	5	764,156		300,000	
Investments	6	171,922		171,922	
			<u>1,367,043</u>		<u>903,470</u>
Current assets					
Inventories		2,072,428		2,396,038	
Trade and other receivables	7	1,471,769		1,106,659	
Cash at bank and in hand		3,280,115		2,389,286	
			<u>6,824,312</u>		<u>5,891,983</u>
Current liabilities	8	(800,310)		(625,624)	
Net current assets			<u>6,024,002</u>		<u>5,266,359</u>
Total assets less current liabilities			<u>7,391,045</u>		<u>6,169,829</u>
Equity					
Called up share capital	9	1,500,000		1,500,000	
Investment property revaluation reserve		229,532		124,532	
Retained earnings		5,661,513		4,545,297	
Total equity			<u>7,391,045</u>		<u>6,169,829</u>

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

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 24/5/17 and are signed on its behalf by:



Miss S M Miklos
Director

Company Registration No. 01068577

ARTO CHEMICALS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Share capital	Investment property revaluation reserve	Retained earnings	Total
Notes	£	£	£	£
Balance at 1 October 2014	1,500,000	124,532	4,360,475	5,985,007
Period ended 30 September 2015:				
Profit and total comprehensive income for the period	-	-	184,822	184,822
Balance at 30 September 2015	1,500,000	124,532	4,545,297	6,169,829
Year ended 30 September 2016:				
Profit and total comprehensive income for the year	-	-	1,346,216	1,346,216
Dividends	-	-	(125,000)	(125,000)
Transfers	-	105,000	(105,000)	-
Balance at 30 September 2016	1,500,000	229,532	5,661,513	7,391,045

ARTO CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

1 Accounting policies

Company information

Arto Chemicals Limited is a private company limited by shares incorporated in England and Wales. The registered office is Arto House, London Road, Binfield, Bracknell, Berks, RG42 4BU.

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 investment properties. The principal accounting policies adopted are set out below.

These financial statements for the year ended 30 September 2016 are the first financial statements of Arto Chemicals 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 October 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 12.

The company has taken advantage of the option not to prepare consolidated financial statements contained in section 398 of the companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

1.2 Revenue

Revenue is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.3 Property, plant and equipment

Property, plant and equipment 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:

Freehold land and buildings	2%/10% on cost
Fixtures and fittings	15%/25% on cost
Motor vehicles	25% on net book value

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.

ARTO CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

1 Accounting policies

(Continued)

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value as the reporting end date. The surplus or deficit on revaluation is recognised in the income statement.

1.5 Non-current investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.6 Impairment of non-current assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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-tax 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.

1.7 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 cost, adjusted where applicable for any loss of service potential.

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.

ARTO CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

1 Accounting policies

(Continued)

1.8 Cash and cash equivalents

Cash and cash equivalents 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.

1.9 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.

Basic financial assets

Basic financial assets, which include trade and other receivables 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.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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.

ARTO CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other payables, 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 receipts 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 payables 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments

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

1.11 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 income statement 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.

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 income statement, 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 deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 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 non-current 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 committed to terminate the employment of an employee or to provide termination benefits.

ARTO CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

1 Accounting policies

(Continued)

1.13 Retirement benefits

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

1.14 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 8 (2015 - 8).

3 Directors' remuneration

	2016 £	2015 £
Remuneration paid to directors	264,715	260,365

4 Property, plant and equipment

	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 October 2015	574,542	115,522	68,122	758,186
Additions	-	943	35,280	36,223
Disposals	-	(1,127)	(23,945)	(25,072)
At 30 September 2016	574,542	115,338	79,457	769,337
Depreciation and impairment				
At 1 October 2015	192,670	103,454	30,514	326,638
Depreciation charged in the year	7,931	4,942	16,318	29,191
Eliminated in respect of disposals	-	(1,127)	(16,330)	(17,457)
At 30 September 2016	200,601	107,269	30,502	338,372
Carrying amount				
At 30 September 2016	373,941	8,069	48,955	430,965
At 30 September 2015	381,872	12,068	37,608	431,548

Included in the cost of freehold land, buildings and improvements are buildings and improvements in the sum of £349,510 which have been depreciated in accordance with the company's policy.

ARTO CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

5 Investment properties

	2016 £
Fair value	
At 1 October 2015	300,000
Additions	359,156
Revaluations	105,000
	<hr/>
At 30 September 2016	764,156 <hr/>

Investment properties comprise freehold investment properties £405,000 and long leasehold investment properties of £359,156. The fair value of the investment properties has been arrived at on the basis of a valuation carried out at 30th September 2016 by directors' of the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

6 Fixed asset investments

	2016 £	2015 £
Investments	171,922	171,922
	<hr/>	<hr/>

Investments, which are stated at cost, represent the company's 100% holding in Arto Chemicals France SAS, a company incorporated in France.

The subsidiary undertaking has been dissolved after the year end.

7 Trade and other receivables

	2016 £	2015 £
Amounts falling due within one year:		
Trade receivables	1,398,154	1,035,454
Corporation tax recoverable	-	4,375
Other receivables	9,704	21,163
Prepayments and accrued income	63,911	45,667
	<hr/>	<hr/>
	1,471,769	1,106,659 <hr/>

ARTO CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

8 Current liabilities

	2016 £	2015 £
Trade payables	486,602	512,495
Corporation tax	85,500	-
Other taxation and social security	70,909	18,691
Other payables	119,689	54,130
Accruals and deferred income	37,610	40,308
	<u>800,310</u>	<u>625,624</u>

9 Called up share capital

	2016 £	2015 £
Ordinary share capital		
Issued and fully paid		
500,000 Ordinary A shares of £1 each	500,000	500,000
1,000,000 Ordinary B shares of £1 each	1,000,000	1,000,000
	<u>1,500,000</u>	<u>1,500,000</u>

"A" Ordinary Shares are voting shares and carry voting rights on all matters. "B" Ordinary Shares are non-voting shares and are not entitled to vote at general meetings of the company unless the business of the meeting is or includes consideration of a resolution relating to certain matters as specified in Clause 4.2 of the Articles of Association, in which case holders of "B" Ordinary Shares shall be entitled to vote on such resolution.

10 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Andrew Rich.

The auditor was H W Fisher & Company.

11 Related party transactions

The company is under the control of Mrs. A D Miklos.

Included in dividends paid are the following amounts paid to directors:

Mrs. A.D. Miklos-£65,000 (2015:£Nil)

Ms. S. M. Miklos-£20,000 (2015:£Nil)

Mr. A. M. Miklos-£20,000 (2015:£Nil)

12 Reconciliations on adoption of FRS 102

ARTO CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

12 Reconciliations on adoption of FRS 102

(Continued)

Reconciliation of equity

		At 1 October 2014			At 30 September 2015		
		Previous UK GAAP	Effect of transition	FRS 102	Previous UK GAAP	Effect of transition	FRS 102
Notes		£	£	£	£	£	£
Fixed assets							
Property, plant and equipment		423,563	-	423,563	431,548	-	431,548
Investment properties		300,000	-	300,000	300,000	-	300,000
Investments	1	1,753,421	(1,581,499)	171,922	1,313,300	(1,141,378)	171,922
		<u>2,476,984</u>	<u>(1,581,499)</u>	<u>895,485</u>	<u>2,044,848</u>	<u>(1,141,378)</u>	<u>903,470</u>
Current assets							
Inventories		2,518,974	-	2,518,974	2,396,038	-	2,396,038
Trade and other receivables		1,023,000	-	1,023,000	1,106,659	-	1,106,659
Bank and cash		2,136,162	-	2,136,162	2,389,286	-	2,389,286
		<u>5,678,136</u>	<u>-</u>	<u>5,678,136</u>	<u>5,891,983</u>	<u>-</u>	<u>5,891,983</u>
Creditors due within one year							
Taxation		(52,151)	-	(52,151)	(18,691)	-	(18,691)
Other payables		(536,463)	-	(536,463)	(606,933)	-	(606,933)
		<u>(588,614)</u>	<u>-</u>	<u>(588,614)</u>	<u>(625,624)</u>	<u>-</u>	<u>(625,624)</u>
Net current assets		<u>5,089,522</u>	<u>-</u>	<u>5,089,522</u>	<u>5,266,359</u>	<u>-</u>	<u>5,266,359</u>
Total assets less current liabilities		<u>7,566,506</u>	<u>(1,581,499)</u>	<u>5,985,007</u>	<u>7,311,207</u>	<u>(1,141,378)</u>	<u>6,169,829</u>
Net assets		<u>7,566,506</u>	<u>(1,581,499)</u>	<u>5,985,007</u>	<u>7,311,207</u>	<u>(1,141,378)</u>	<u>6,169,829</u>
Equity							
Share capital		1,500,000	-	1,500,000	1,500,000	-	1,500,000
Revaluation reserve	2	124,532	(124,532)	-	124,532	(124,532)	-
Other reserves	1,2	1,581,499	(1,456,967)	124,532	1,141,378	(1,016,846)	124,532
Profit and loss		4,360,475	-	4,360,475	4,545,297	-	4,545,297
Total equity		<u>7,566,506</u>	<u>(1,581,499)</u>	<u>5,985,007</u>	<u>7,311,207</u>	<u>(1,141,378)</u>	<u>6,169,829</u>

ARTO CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

12 Reconciliations on adoption of FRS 102

(Continued)

Notes to reconciliations on adoption of FRS 102

Restatement of investment in subsidiary at cost

The investment in the company's subsidiary, previously carried at the subsidiary's net asset value, has been restated at cost under FRS102.

Investment properties

Under FRS 102, investment properties are held at fair value with revaluations thereon passing through the profit and loss account. Any undistributable reserves attributable to the investment properties are then transferred out of the profit and loss reserve and into the investment property reserve.

Previously, property revaluations were credited directly to a revaluation reserve.