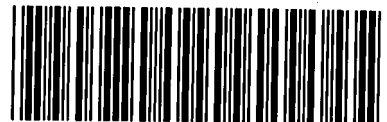


ARTO CHEMICALS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017
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ARTO CHEMICALS LIMITED

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
Accountants	H W Fisher & Company Limited 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 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Property, plant and equipment	4		404,673		430,965
Investment properties	5		764,156		764,156
Investments	6		-		171,922
			<u>1,168,829</u>		<u>1,367,043</u>
Current assets					
Inventories		1,490,863		2,072,428	
Trade and other receivables	7	1,290,476		1,471,769	
Cash and cash equivalents		4,576,464		3,280,115	
		<u>7,357,803</u>		<u>6,824,312</u>	
Current liabilities	8	(757,470)		(800,310)	
Net current assets			<u>6,600,333</u>		<u>6,024,002</u>
Total assets less current liabilities			<u>7,769,162</u>		<u>7,391,045</u>
Equity					
Called up share capital	9	1,500,000		1,500,000	
Other reserves		229,532		229,532	
Retained earnings		6,039,630		5,661,513	
Total equity			<u>7,769,162</u>		<u>7,391,045</u>

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

For the financial year ended 30 September 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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.

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

ARTO CHEMICALS LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 SEPTEMBER 2017

The financial statements were approved by the board of directors and authorised for issue on 15/2018 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 2017

	Share capital	Investment property revaluation reserve	Retained earnings	Total
Notes	£	£	£	£
Balance at 1 October 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
Year ended 30 September 2017:				
Profit and total comprehensive income for the year	-	-	498,117	498,117
Dividends	-	-	(120,000)	(120,000)
Balance at 30 September 2017	1,500,000	229,532	6,039,630	7,769,162

ARTO CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

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.

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.

1.4 Investment properties

Investment properties which are properties held to earn rentals and/or for capital appreciation, are measured using the fair value model and stated at their 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.

ARTO CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2017

1 Accounting policies

(Continued)

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.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.6 Impairment of non-current 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.

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 the lower of replacement cost and 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.

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 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 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.

ARTO CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2017

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 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.

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.

1.13 Retirement benefits

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

ARTO CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2017

1 Accounting policies

(Continued)

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 7 (2016 - 8).

3 Directors' remuneration

	2017 £	2016 £
Remuneration paid to directors	269,727	264,715

4 Property, plant and equipment

	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 October 2016	574,542	115,338	79,457	769,337
Additions	-	1,376	-	1,376
Disposals	-	(2,157)	(9,567)	(11,724)
At 30 September 2017	574,542	114,557	69,890	758,989
Depreciation and impairment				
At 1 October 2016	200,601	107,269	30,502	338,372
Depreciation charged in the year	7,931	5,039	11,482	24,452
Eliminated in respect of disposals	-	(1,968)	(6,540)	(8,508)
At 30 September 2017	208,532	110,340	35,444	354,316
Carrying amount				
At 30 September 2017	366,010	4,217	34,446	404,673
At 30 September 2016	373,941	8,069	48,955	430,965

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 2017

5 Investment properties

2017

£

Fair value

At 1 October 2016 and 30 September 2017

764,156

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 2017 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

2017

£

2016

£

Investments

-

171,922

The company's wholly owned subsidiary undertaking, Arto Chemicals France SAS, a company incorporated in France, was dissolved during the year.

7 Trade and other receivables

2017

£

2016

£

Amounts falling due within one year:

Trade receivables

1,233,624

1,398,154

Other receivables

17,219

9,704

Prepayments and accrued income

39,633

63,911

1,290,476

1,471,769

8 Current liabilities

2017

£

2016

£

Trade payables

502,892

486,602

Corporation tax

67,500

85,500

Other taxation and social security

30,467

70,909

Other payables

124,217

119,689

Accruals and deferred income

32,394

37,610

757,470

800,310

ARTO CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2017

9 Called up share capital

	2017	2016
	£	£
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.