

# Rapid Welding and Industrial Supplies Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 31 March 2019

Blue Spire Limited  
Chartered Accountants  
Cawley Priory  
South Pallant  
Chichester  
West Sussex  
PO19 1SY

# **Rapid Welding and Industrial Supplies Limited**

## **Contents**

Company Information	<u>1</u>
Balance Sheet	<u>2</u> to <u>3</u>
Notes to the Financial Statements	<u>4</u> to <u>10</u>

# **Rapid Welding and Industrial Supplies Limited**

## **Company Information**

**Directors** Mr R P Edwards  
Mr R D Edwards  
Mr A Doe  
Mr S Rogers

**Company secretary** Mr R P Edwards

**Registered office** Unit 2D  
Porchester park  
Hamilton Road  
Portsmouth  
Hampshire  
PO6 4QE

**Accountants** Blue Spire Limited  
Chartered Accountants  
Cawley Priors  
South Pallant  
Chichester  
West Sussex  
PO19 1SY

# Rapid Welding and Industrial Supplies Limited

**(Registration number: 02431802)**  
**Balance Sheet as at 31 March 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets	<u>4</u>	1,200	2,400
Tangible assets	<u>5</u>	142,924	163,867
Investments	<u>6</u>	208,782	208,782
		<u>352,906</u>	<u>375,049</u>
<b>Current assets</b>			
Stocks	<u>7</u>	219,239	187,951
Debtors	<u>8</u>	383,055	358,983
Cash at bank and in hand		<u>514,572</u>	<u>324,671</u>
		1,116,866	871,605
<b>Creditors: Amounts falling due within one year</b>	<u>9</u>	<u>(1,060,170)</u>	<u>(826,031)</u>
<b>Net current assets</b>		<u>56,696</u>	<u>45,574</u>
<b>Total assets less current liabilities</b>		409,602	420,623
<b>Creditors: Amounts falling due after more than one year</b>	<u>9</u>	(18,760)	(35,433)
<b>Provisions for liabilities</b>		<u>(10,959)</u>	<u>(10,959)</u>
<b>Net assets</b>		<u>379,883</u>	<u>374,231</u>
<b>Capital and reserves</b>			
Called up share capital	<u>10</u>	1,000	1,000
Profit and loss account		<u>378,883</u>	<u>373,231</u>
<b>Total equity</b>		<u>379,883</u>	<u>374,231</u>

For the financial year ending 31 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' 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 directors acknowledge their 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.

The notes on pages 4 to 10 form an integral part of these financial statements.

# **Rapid Welding and Industrial Supplies Limited**

**(Registration number: 02431802)**  
**Balance Sheet as at 31 March 2019**

Approved and authorised by the Board on 24 July 2019 and signed on its behalf by:

.....

Mr R P Edwards  
Director

.....

Mr R D Edwards  
Director

The notes on pages 4 to 10 form an integral part of these financial statements.

# **Rapid Welding and Industrial Supplies Limited**

## **Notes to the Financial Statements for the Year Ended 31 March 2019**

### **1 General information**

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

The address of its registered office is:

Unit 2D  
Porchester park  
Hamilton Road  
Portsmouth  
Hampshire  
PO6 4QE

These financial statements were authorised for issue by the Board on 24 July 2019.

### **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 have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **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.

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 current 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.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

#### **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.

# **Rapid Welding and Industrial Supplies Limited**

## **Notes to the Financial Statements for the Year Ended 31 March 2019**

### **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>
Leasehold improvements	Straight line over the period of lease
Plant & Machinery	25% Reducing balance
Fixtures and fittings	25% Reducing balance
Motor vehicles	25% Reducing balance

### **Business combinations**

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

### **Amortisation**

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Purchased Goodwill	Straight line over its estimated economic life
Development Costs	Straight line over its estimated economic life

### **Investments**

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

### **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.

# **Rapid Welding and Industrial Supplies Limited**

## **Notes to the Financial Statements for the Year Ended 31 March 2019**

### **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.

### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

### **Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

### **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.

### **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 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 27 (2018 - 27).



# Rapid Welding and Industrial Supplies Limited

## Notes to the Financial Statements for the Year Ended 31 March 2019

### 4 Intangible assets

	Internally generated software development costs £	Total £
<b>Cost or valuation</b>		
At 1 April 2018	6,000	6,000
At 31 March 2019	6,000	6,000
<b>Amortisation</b>		
At 1 April 2018	3,600	3,600
Amortisation charge	1,200	1,200
At 31 March 2019	4,800	4,800
<b>Carrying amount</b>		
At 31 March 2019	1,200	1,200
At 31 March 2018	2,400	2,400

The aggregate amount of research and development expenditure recognised as an expense during the period is £Nil (2018 - £Nil).

### 5 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 April 2018	7,424	344,335	249,978	601,737
Additions	-	21,716	7,850	29,566
Disposals	-	-	(42,182)	(42,182)
At 31 March 2019	7,424	366,051	215,646	589,121
<b>Depreciation</b>				
At 1 April 2018	7,424	250,668	179,778	437,870
Charge for the year	-	26,016	17,478	43,494
Eliminated on disposal	-	-	(35,167)	(35,167)
At 31 March 2019	7,424	276,684	162,089	446,197
<b>Carrying amount</b>				
At 31 March 2019	-	89,367	53,557	142,924

At 31 March 2018	-	93,667	70,200	163,867
------------------	---	--------	--------	---------

Included within the net book value of land and buildings above is £Nil (2018 - £Nil) in respect of freehold land and buildings.

# Rapid Welding and Industrial Supplies Limited

## Notes to the Financial Statements for the Year Ended 31 March 2019

### 6 Investments

	2019 £	2018 £
Investments in subsidiaries	<u>208,782</u>	<u>208,782</u>
<b>Subsidiaries</b>		£
<b>Cost or valuation</b>		
At 1 April 2018		<u>208,782</u>
<b>Provision</b>		
<b>Carrying amount</b>		
At 31 March 2019		<u>208,782</u>
At 31 March 2018		<u>208,782</u>

### Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2019	2018
<b>Subsidiary undertakings</b>				
Rentarc Limited		Ordinary	100%	100%
	England & Wales			

The principal activity of Rentarc Limited is rental of welding equipment.

### 7 Stocks

	2019 £	2018 £
Finished goods and goods for resale	<u>219,239</u>	<u>187,951</u>

### 8 Debtors

	2019 £	2018 £
Trade debtors	345,894	335,600
Prepayments	36,461	25,849
Other debtors	<u>700</u>	<u>(2,466)</u>
	<u>383,055</u>	<u>358,983</u>

# Rapid Welding and Industrial Supplies Limited

## Notes to the Financial Statements for the Year Ended 31 March 2019

### 9 Creditors

#### Creditors: amounts falling due within one year

	Note	2019 £	2018 £
<b>Due within one year</b>			
Bank loans and overdrafts	<u>11</u>	22,850	17,572
Trade creditors		869,327	670,336
Taxation and social security		92,457	102,317
Accruals and deferred income		40,597	22,727
Other creditors		34,939	13,079
		<u>1,060,170</u>	<u>826,031</u>

#### Creditors: amounts falling due after more than one year

	Note	2019 £	2018 £
<b>Due after one year</b>			
Loans and borrowings	<u>11</u>	<u>18,760</u>	<u>35,433</u>

### 10 Share capital

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

	2019		2018	
	No.	£	No.	£
Ordinary of £1 each	1,000	1,000	1,000	1,000

# Rapid Welding and Industrial Supplies Limited

## Notes to the Financial Statements for the Year Ended 31 March 2019

### 11 Loans and borrowings

	2019 £	2018 £
<b>Non-current loans and borrowings</b>		
Finance lease liabilities	18,760	35,433
	2019 £	2018 £
<b>Current loans and borrowings</b>		
Bank overdrafts	-	27
Finance lease liabilities	22,850	17,545
	22,850	17,572

### 12 Dividends

	2019 £	2018 £
Interim dividend of £139.00 (2018 - £112.00) per ordinary share	139,000	112,000

### 13 Related party transactions

#### Directors' remuneration

The directors' remuneration for the year was as follows:

	2019 £	2018 £
Remuneration	161,418	52,446
Contributions paid to money purchase schemes	907	55,000
	162,325	107,446

#### Summary of transactions with subsidiaries

Rentarc Limited

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.