

Rapid Welding and Industrial Supplies Limited

Annual Report and Unaudited Abridged Financial Statements
for the Year Ended 31 March 2018

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

Rapid Welding and Industrial Supplies Limited

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Rapid Welding and Industrial Supplies Limited

Company Information

Directors Mr R P Edwards
Mr R D Edwards

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 Priory
South Pallant
Chichester
West Sussex
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**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited
Statutory Accounts of
Rapid Welding and Industrial Supplies Limited
for the Year Ended 31 March 2018**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Rapid Welding and Industrial Supplies Limited for the year ended 31 March 2018 as set out on pages 3 to 10 from the company's accounting records and from information and explanations you have given us.

As a practising 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 <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Rapid Welding and Industrial Supplies Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of Rapid Welding and Industrial Supplies Limited and state those matters that we have agreed to state to the Board of Directors of Rapid Welding and Industrial Supplies Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Rapid Welding and Industrial Supplies Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Rapid Welding and Industrial Supplies Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Rapid Welding and Industrial Supplies Limited. You consider that Rapid Welding and Industrial Supplies Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Rapid Welding and Industrial Supplies 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 accounts.

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

19 June 2018

Rapid Welding and Industrial Supplies Limited

(Registration number: 02431802)

Abridged Balance Sheet as at 31 March 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	<u>4</u>	2,400	3,600
Tangible assets	<u>5</u>	163,867	128,044
Investments	<u>6</u>	208,782	208,782
		<u>375,049</u>	<u>340,426</u>
Current assets			
Stocks	<u>7</u>	187,951	195,675
Debtors		333,134	442,872
Cash at bank and in hand		324,671	374,536
		845,756	1,013,083
Prepayments and accrued income		25,850	25,282
Creditors: Amounts falling due within one year		<u>(803,305)</u>	<u>(905,961)</u>
Net current assets		<u>68,301</u>	<u>132,404</u>
Total assets less current liabilities		443,350	472,830
Creditors: Amounts falling due after more than one year		(35,433)	(35,907)
Provisions for liabilities		(10,959)	(10,960)
Accruals and deferred income		<u>(22,727)</u>	<u>(26,225)</u>
Net assets		<u>374,231</u>	<u>399,738</u>
Capital and reserves			
Called up share capital	<u>8</u>	1,000	1,000
Profit and loss account		373,231	398,738
Total equity		<u>374,231</u>	<u>399,738</u>

For the financial year ending 31 March 2018 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.

All of the company's members have consented to the preparation of an Abridged Balance Sheet in accordance with Section

444(2A) of the Companies Act 2006.

The notes on pages 5 to 10 form an integral part of these abridged financial statements.

Rapid Welding and Industrial Supplies Limited

(Registration number: 02431802)

Abridged Balance Sheet as at 31 March 2018

Approved and authorised by the Board on 19 June 2018 and signed on its behalf by:

.....

Mr R P Edwards
Director

.....

Mr R D Edwards
Director

The notes on pages 5 to 10 form an integral part of these abridged financial statements.

Rapid Welding and Industrial Supplies Limited

Notes to the Abridged Financial Statements for the Year Ended 31 March 2018

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 19 June 2018.

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 abridged 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 abridged 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.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

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 Abridged Financial Statements for the Year Ended 31 March 2018

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:

Asset class	Depreciation method and rate
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:

Asset class	Amortisation method and rate
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 Abridged Financial Statements for the Year Ended 31 March 2018

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 (2017 - 26).

Rapid Welding and Industrial Supplies Limited

Notes to the Abridged Financial Statements for the Year Ended 31 March 2018

4 Intangible assets

	Total £
Cost or valuation	
At 1 April 2017	6,000
At 31 March 2018	6,000
Amortisation	
At 1 April 2017	2,400
Amortisation charge	1,200
At 31 March 2018	3,600
Carrying amount	
At 31 March 2018	2,400
At 31 March 2017	3,600

The aggregate amount of research and development expenditure recognised as an expense during the period is £Nil (2017 - £Nil).

5 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2017	7,424	274,759	251,540	533,723
Additions	-	69,576	4,188	73,764
Disposals	-	-	(5,750)	(5,750)
At 31 March 2018	7,424	344,335	249,978	601,737
Depreciation				
At 1 April 2017	7,424	238,622	159,633	405,679
Charge for the year	-	12,046	22,986	35,032
Eliminated on disposal	-	-	(2,841)	(2,841)
At 31 March 2018	7,424	250,668	179,778	437,870
Carrying amount				
At 31 March 2018	-	93,667	70,200	163,867
At 31 March 2017	-	36,137	91,907	128,044

Included within the net book value of land and buildings above is £Nil (2017 - £Nil) in respect of freehold land and buildings.

Rapid Welding and Industrial Supplies Limited

Notes to the Abridged Financial Statements for the Year Ended 31 March 2018

	Total £
Cost or valuation	
At 1 April 2017	208,782
Provision	
Carrying amount	
At 31 March 2018	208,782
At 31 March 2017	208,782

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	
			2018	2017
Subsidiary undertakings				
Rentarc Limited		Ordinary	100%	100%
	England & Wales			

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

7 Stocks

	2018 £	2017 £
Finished goods and goods for resale	187,951	195,675

8 Share capital

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary of £1 each	1,000	1,000	1,000	1,000

9 Dividends

	2018 £	2017 £
Interim dividend of £112.00 (2017 - £116.00) per ordinary share	112,000	116,000

Rapid Welding and Industrial Supplies Limited

Notes to the Abridged Financial Statements for the Year Ended 31 March 2018

10 Related party transactions

Directors' remuneration

The directors' remuneration for the year was as follows:

	2018 £	2017 £
Remuneration	52,446	52,446
Contributions paid to money purchase schemes	55,000	-
	<u>107,446</u>	<u>52,446</u>

Summary of transactions with subsidiaries

Rentarc Limited

Income and receivables from related parties

2018

	Subsidiary £
2017	
Sale of goods	<u>178,172</u>

Expenditure with and payables to related parties

2018

	Subsidiary £
2017	
Purchase of goods	<u>20,316</u>
Amounts payable to related party	<u>2,321</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.