

RentArc Ltd

Annual Report and Unaudited Financial Statements - Amended

for the Year Ended 29 February 2020

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



RentArc Ltd

Company Information

Directors	Mr Damien Joed Bryant
	Mr Roy Edwards
	Mr Robert Edwards
Registered office	Unit 2d Hamilton Road Cosham Portsmouth Hants PO6 4QE
Accountants	Blue Spire Limited Chartered Accountants Cawley Priory South Pallant Chichester West Sussex PO19 1SY

**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited
Statutory Accounts of
RentArc Ltd
for the Year Ended 29 February 2020**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of RentArc Ltd for the year ended 29 February 2020 as set out on pages 3 to 8 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 RentArc Ltd, 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 RentArc Ltd and state those matters that we have agreed to state to the Board of Directors of RentArc Ltd, 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 RentArc Ltd and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that RentArc Ltd 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 RentArc Ltd. You consider that RentArc Ltd 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 RentArc Ltd. 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
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19 November 2020

RentArc Ltd**(Registration number: 07147183)
Balance Sheet as at 29 February 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	3	142,887	167,535
Current assets			
Stocks	4	15,000	15,000
Debtors	5	219,151	167,246
Cash at bank and in hand		133,814	86,675
		367,965	268,921
Creditors: Amounts falling due within one year	6	(201,263)	(141,559)
Net current assets		166,702	127,362
Net assets		309,589	294,897
Capital and reserves			
Called up share capital	7	1,000	1,000
Profit and loss account		308,589	293,897
Total equity		309,589	294,897

For the financial year ending 29 February 2020 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.

Approved and authorised by the Board on 19 November 2020 and signed on its behalf by:

Roy Edwards

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Mr Roy Edwards
Director

RentArc Ltd

Notes to the Unaudited Financial Statements for the Year Ended 29 February 2020

1 General information

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

The address of its registered office is:

Unit 2d Hamilton Road

Cosham

Portsmouth

Hants

PO6 4QE

The principal place of business is:

12 Mortimers Estate

Ower

Hants

SO51 6AL

These financial statements were authorised for issue by the Board on 19 November 2020.

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.

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:

RentArc Ltd

Notes to the Unaudited Financial Statements for the Year Ended 29 February 2020

Asset class	Depreciation method and rate
Plant and machinery	25% Straight line
Motor vehicles	25% Straight line
Fixtures and fittings	25% Straight line
Hire fleet	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.

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 in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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.

RentArc Ltd**Notes to the Unaudited Financial Statements for the Year Ended 29 February 2020****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 Tangible assets

	Plant, equipment & fittings £	Motor vehicles £	Hire Fleet £	Total £
Cost or valuation				
At 1 March 2019	79,704	38,630	197,850	316,184
Additions	-	-	49,694	49,694
Disposals	-	-	(24,566)	(24,566)
At 29 February 2020	<u>79,704</u>	<u>38,630</u>	<u>222,978</u>	<u>341,312</u>
Depreciation				
At 1 March 2019	68,955	9,778	69,916	148,649
Charge for the year	3,886	9,302	48,781	61,969
Eliminated on disposal	-	-	(12,193)	(12,193)
At 29 February 2020	<u>72,841</u>	<u>19,080</u>	<u>106,504</u>	<u>198,425</u>
Carrying amount				
At 29 February 2020	<u>6,863</u>	<u>19,550</u>	<u>116,474</u>	<u>142,887</u>
At 28 February 2019	<u>10,749</u>	<u>28,852</u>	<u>127,934</u>	<u>167,535</u>

4 Stocks

	2020 £	2019 £
Other inventories	<u>15,000</u>	<u>15,000</u>

RentArc Ltd**Notes to the Unaudited Financial Statements for the Year Ended 29 February 2020****5 Debtors**

	2020 £	2019 £
Trade debtors	215,503	163,751
Prepayments	3,563	3,035
Other debtors	85	460
	<u>219,151</u>	<u>167,246</u>

6 Creditors**Creditors: amounts falling due within one year**

	Note	2020 £	2019 £
Due within one year			
Loans and borrowings	8	10	-
Trade creditors		148,034	95,328
Taxation and social security		50,769	40,684
Accruals and deferred income		2,450	2,450
Other creditors		-	3,097
		<u>201,263</u>	<u>141,559</u>

7 Share capital**Allotted, called up and fully paid shares**

	2020		2019	
	No.	£	No.	£
Ordinary of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

8 Loans and borrowings

	2020 £	2019 £
Current loans and borrowings		
Bank overdrafts	<u>10</u>	<u>-</u>

RentArc Ltd**Notes to the Unaudited Financial Statements for the Year Ended 29 February 2020****9 Related party transactions****Directors' remuneration**

The directors' remuneration for the year was as follows:

	2020 £	2019 £
Remuneration	52,647	9,049
Contributions paid to money purchase schemes	1,167	133
	<u>53,814</u>	<u>9,182</u>

10 Parent and ultimate parent undertaking

The company's immediate parent is Rapid Welding & Industrial Supplies Limited, incorporated in UK.

The ultimate controlling party is Roy Edwards & Rob Edwards.