

RentArc Ltd

Annual Report and Unaudited Financial Statements - Amended

for the Year Ended 28 February 2018

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

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RentArc Ltd

Company Information

Directors	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

RentArc Ltd

(Registration number: 07147183) Balance Sheet as at 28 February 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	134,595	116,761
Current assets			
Stocks	5	15,000	10,000
Debtors	6	178,862	149,131
Cash at bank and in hand		<u>52,040</u>	<u>67,137</u>
		245,902	226,268
Creditors: Amounts falling due within one year	7	<u>(144,543)</u>	<u>(113,610)</u>
Net current assets		<u>101,359</u>	<u>112,658</u>
Net assets		<u>235,954</u>	<u>229,419</u>
Capital and reserves			
Called up share capital	8	1,000	1,000
Profit and loss account		<u>234,954</u>	<u>228,419</u>
Total equity		<u>235,954</u>	<u>229,419</u>

For the financial year ending 28 February 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

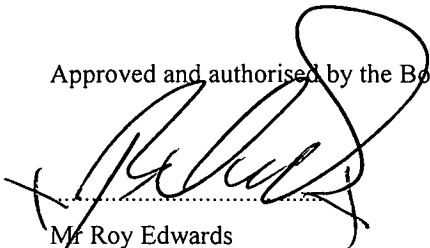
Directors' responsibilities:

- 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.

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



Mr Roy Edwards
Director

Notes to the Financial Statements for the Year Ended 28 February 2018

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 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 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.

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.

RentArc Ltd

Notes to the Financial Statements for the Year Ended 28 February 2018

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:

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.

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 Financial Statements for the Year Ended 28 February 2018

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 4 (2017 - 4).

4 Tangible assets

	Plant, equipment & fittings £	Motor vehicles £	Hire Fleet £	Total £
Cost or valuation				
At 1 March 2017	64,158	10,175	133,637	207,970
Additions	15,546	27,205	10,588	53,339
Disposals	-	(8,750)	(6,807)	(15,557)
At 28 February 2018	79,704	28,630	137,418	245,752
Depreciation				
At 1 March 2017	63,217	3,799	24,192	91,208
Charge for the year	1,752	3,741	20,357	25,850
Eliminated on disposal	-	(4,563)	(1,338)	(5,901)
At 28 February 2018	64,969	2,977	43,211	111,157
Carrying amount				
At 28 February 2018	14,735	25,653	94,207	134,595
At 28 February 2017	940	6,376	109,445	116,761

5 Stocks

	2018 £	2017 £
Other inventories	15,000	10,000

RentArc Ltd

Notes to the Financial Statements for the Year Ended 28 February 2018

6 Debtors

	2018 £	2017 £
Trade debtors	174,193	137,777
Prepayments	4,209	3,365
Other debtors	460	7,989
	<u>178,862</u>	<u>149,131</u>

7 Creditors

Creditors: amounts falling due within one year

	2018 £	2017 £
Due within one year		
Trade creditors	121,065	86,247
Taxation and social security	17,945	22,183
Accruals and deferred income	2,450	2,450
Other creditors	3,083	2,730
	<u>144,543</u>	<u>113,610</u>

8 Share capital

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

RentArc Ltd

Notes to the Financial Statements for the Year Ended 28 February 2018

9 Related party transactions

Summary of transactions with parent

The company has related party transactions with its parent company Rapid Welding & Industrial Supplies Limited (England & Wales).

The company's trade in welding supplies and management services is provided by the parent.

Income and receivables from related parties

2018

Sale of goods

Amounts receivable from related party

Parent

£

13,151

3,804

Parent

£

16,985

1,864

2017

Sale of goods

Amounts receivable from related party

Expenditure with and payables to related parties

2018

Purchase of goods

Amounts payable to related party

Parent

£

114,162

18,570

Parent

£

129,449

48,000

177,449

34,385

2017

Purchase of goods

Rendering of services

Amounts payable to related party

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.