

RentArc Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 28 February 2023

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

RentArc Ltd

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RentArc Ltd

Company Information

Directors	Mr D Bryant Mr RP Edwards Mr RD Edwards
Registered office	Unit 2D Hamilton Road Portchester Park Cosham Hampshire 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 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	<u>4</u>	247,273	202,184
Current assets			
Stocks	<u>5</u>	15,000	15,000
Debtors	<u>6</u>	328,236	270,943
Cash at bank and in hand		<u>205,772</u>	<u>215,155</u>
		549,008	501,098
Creditors: Amounts falling due within one year	<u>7</u>	<u>(316,365)</u>	<u>(304,191)</u>
Net current assets		<u>232,643</u>	<u>196,907</u>
Total assets less current liabilities		479,916	399,091
Provisions for liabilities		<u>(44,908)</u>	<u>-</u>
Net assets		<u>435,008</u>	<u>399,091</u>
Capital and reserves			
Called up share capital	<u>8</u>	1,000	1,000
Retained earnings		<u>434,008</u>	<u>398,091</u>
Shareholders' funds		<u>435,008</u>	<u>399,091</u>

For the financial year ending 28 February 2023 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. As permitted by section 444 (5A) of the Companies Act 2006, the directors have not delivered to the registrar a copy of the Profit and Loss Account.

Approved and authorised by the Board on 25 May 2023 and signed on its behalf by:

.....
Mr RD Edwards
Director

RentArc Ltd

Notes to the Unaudited Financial Statements for the Year Ended 28 February 2023

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
Portchester Park
Cosham
Hampshire
PO6 4QE
England

The principal place of business is:

Unit 26, Solent Industrial Estate
Hedge End
Southampton
SO30 2FY

These financial statements were authorised for issue by the Board on 25 May 2023.

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 smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

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 and deferred 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 Unaudited Financial Statements for the Year Ended 28 February 2023

Tangible assets

Tangible assets are stated in the balance sheet 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	20% Straight line
Motor vehicles	25% Straight line
Fixtures and fittings	25% Straight line
Hire fleet	25% Straight line

The depreciation rate for plant and machinery was changed from 25% straight line to 20% straight line during the year-ended 28th February 2023.

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.

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.

Notes to the Unaudited Financial Statements for the Year Ended 28 February 2023

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 8 (2022 - 7).

4 Tangible assets

	Plant, equipment & fittings £	Motor vehicles £	Hire Fleet £	Total £
Cost or valuation				
At 1 March 2022	85,211	58,657	380,206	524,074
Additions	1,028	30,098	105,732	136,858
Disposals	-	-	(34,175)	(34,175)
At 28 February 2023	86,239	88,755	451,763	626,757
Depreciation				
At 1 March 2022	80,802	29,314	211,774	321,890
Charge for the year	1,538	12,750	62,468	76,756
Eliminated on disposal	-	-	(19,162)	(19,162)
At 28 February 2023	82,340	42,064	255,080	379,484
Carrying amount				
At 28 February 2023	3,899	46,691	196,683	247,273
At 28 February 2022	4,409	29,343	168,432	202,184

5 Stocks

	2023 £	2022 £
Other inventories	15,000	15,000

RentArc Ltd

Notes to the Unaudited Financial Statements for the Year Ended 28 February 2023

6 Debtors

	2023	2022
Current	£	£
Trade debtors	323,822	267,307
Prepayments	4,412	3,634
Other debtors	2	2
	<u>328,236</u>	<u>270,943</u>

7 Creditors

Creditors: amounts falling due within one year

	2023	2022
	£	£
Due within one year		
Trade creditors	211,886	209,228
Taxation and social security	99,908	93,001
Accruals and deferred income	2,118	1,717
Other creditors	2,453	245
	<u>316,365</u>	<u>304,191</u>

8 Share capital

Allotted, called up and fully paid shares

	2023		2022	
	No.	£	No.	£
Ordinary of £1 each	1,000	1,000	1,000	1,000
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

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. RentArc Limited owed £89,905.01 (2022: £64,597.09) to its parent company at the year end.

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.

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.