

REGISTERED NUMBER: 06057526 (England and Wales)

Areco Limited
Financial Statements
for the Year Ended 30 April 2019

Haines Watts
Chartered Accountants and Statutory Auditors
Sterling House
97 Lichfield Street
Tamworth
Staffordshire
B79 7QF

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DIRECTORS:

R A Davies
P M Doyle
Ms S M Ursell
E B Watts

SECRETARY:

P B Burns

REGISTERED OFFICE:

Westgate
Aldridge
West Midlands
WS9 8DJ

REGISTERED NUMBER:

06057526 (England and Wales)

AUDITORS:

Haines Watts
Chartered Accountants and Statutory Auditors
Sterling House
97 Lichfield Street
Tamworth
Staffordshire
B79 7QF

Balance Sheet
30 April 2019

		2019	2018
	Notes	£	£
FIXED ASSETS			
Tangible assets	4	877,252	881,277
CURRENT ASSETS			
Stocks		290,677	334,049
Debtors	5	403,801	475,200
Cash at bank and in hand		70,867	112
		<u>765,345</u>	<u>809,361</u>
CREDITORS			
Amounts falling due within one year	6	<u>488,931</u>	<u>670,664</u>
NET CURRENT ASSETS		<u>276,414</u>	<u>138,697</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,153,666</u>	<u>1,019,974</u>
CREDITORS			
Amounts falling due after more than one year	7	<u>413,449</u>	<u>438,035</u>
NET ASSETS		<u><u>740,217</u></u>	<u><u>581,939</u></u>
CAPITAL AND RESERVES			
Called up share capital	9	1,000	1,000
Retained earnings		<u>739,217</u>	<u>580,939</u>
SHAREHOLDERS' FUNDS		<u><u>740,217</u></u>	<u><u>581,939</u></u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 18 October 2019 and were signed on its behalf by:



P M Doyle - Director

1. **STATUTORY INFORMATION**

Areco Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and buildings	- not provided
Plant and machinery etc	- 20% on cost and 10% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Notes to the Financial Statements - continued
for the Year Ended 30 April 2019**

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 11 (2018 - 10).

4. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 May 2018	803,708	244,080	1,047,788
Additions	-	29,406	29,406
Disposals	-	(43,808)	(43,808)
At 30 April 2019	803,708	229,678	1,033,386
DEPRECIATION			
At 1 May 2018	-	166,511	166,511
Charge for year	-	21,906	21,906
Eliminated on disposal	-	(32,283)	(32,283)
At 30 April 2019	-	156,134	156,134
NET BOOK VALUE			
At 30 April 2019	803,708	73,544	877,252
At 30 April 2018	803,708	77,569	881,277

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	369,439	437,854
Amounts owed by group undertakings	1,779	-
Other debtors	32,583	37,346
	<u>403,801</u>	<u>475,200</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Bank loans and overdrafts	22,164	73,169
Trade creditors	390,285	450,114
Amounts owed to group undertakings	29,760	28,096
Taxation and social security	23,914	25,188
Other creditors	22,808	94,097
	<u>488,931</u>	<u>670,664</u>

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019 £	2018 £
Bank loans	<u>413,449</u>	<u>438,035</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>317,478</u>	<u>342,064</u>

**Notes to the Financial Statements - continued
for the Year Ended 30 April 2019**

8. SECURED DEBTS

The following secured debts are included within creditors:

	2019	2018
	£	£
Bank overdraft	-	51,005
Bank loans	435,613	460,199
	<u>435,613</u>	<u>511,204</u>

Bank loans and overdrafts are secured by a fixed and floating charge over all assets of the company both past, present and future.

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019	2018
			£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

10. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Darren Barlow (Senior Statutory Auditor)
for and on behalf of Haines Watts

11. CONTINGENT LIABILITIES

The company has given cross guarantees to National Westminster Bank PLC in respect of amounts outstanding with fellow group and connected companies. At the balance sheet date these amounted to £2,721,672 (2018:£2,523,164).

During the year the company gave a full cross group guarantee to Lombard Technology Services Limited in respect of amounts outstanding with fellow group companies. At the balance sheet date these amounted to £27,101.

12. ULTIMATE CONTROLLING PARTY

The company is a wholly owned subsidiary of Watts Clift Holdings Ltd, a company incorporated in England & Wales. Group financial statements are prepared by the parent company and copies may be obtained from the Registrar of Companies, Companies House, Crown Way, Cardiff, CF4 3UZ.