

REGISTERED NUMBER: 06057526 (England and Wales)

Areco Limited
Financial Statements
for the Year Ended 30 April 2017

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



Areco Limited

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for the Year Ended 30 April 2017**

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Areco Limited

**Company Information
for the Year Ended 30 April 2017**

DIRECTORS:

R A Davies
P M Doyle
S W Keen
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

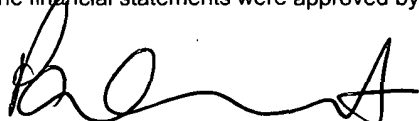
Balance Sheet
30 April 2017

	Notes	2017 £	2016 £
FIXED ASSETS			
Tangible assets	4	883,640	849,713
CURRENT ASSETS			
Stocks		267,326	241,955
Debtors	5	408,765	408,938
Cash in hand		91	135
		<u>676,182</u>	<u>651,028</u>
CREDITORS			
Amounts falling due within one year	6	<u>581,273</u>	<u>539,294</u>
NET CURRENT ASSETS		<u>94,909</u>	<u>111,734</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>978,549</u>	<u>961,447</u>
CREDITORS			
Amounts falling due after more than one year	7	<u>461,026</u>	<u>483,263</u>
NET ASSETS		<u><u>517,523</u></u>	<u><u>478,184</u></u>
CAPITAL AND RESERVES			
Called up share capital		1,000	1,000
Retained earnings		<u>516,523</u>	<u>477,184</u>
SHAREHOLDERS' FUNDS		<u><u>517,523</u></u>	<u><u>478,184</u></u>

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

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 15 August 2017 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 the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Turnover is recognised at the point at which despatch of the goods takes place.

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

No depreciation is charged on the freehold land & buildings as, in the opinion of the directors, useful life exceeds 50 years. In accordance with UK GAAP, due consideration is given each year to potential impairment.

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.

Notes to the Financial Statements - continued
for the Year Ended 30 April 2017

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

Defined contribution

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

Defined benefit

The company participated in a defined benefit pension scheme which is administered by the parent company. The scheme was closed to new members April 2009 as well as ceasing future accrual of benefit from that date. The employers contributions are affected by a deficit in the scheme and the directors are unable to separately identify the company's share of the underlying liabilities as the scheme is exposed to an actuarial risk associated with current and former employees of the group as a whole. Under those circumstances the contributions of the scheme are treated as if it were a defined contribution scheme and charged to the profit and loss account as they accrue.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 7.

4. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 May 2016	803,708	174,549	978,257
Additions	-	52,625	52,625
Disposals	-	(1)	(1)
At 30 April 2017	803,708	227,173	1,030,881
DEPRECIATION			
At 1 May 2016	-	128,544	128,544
Charge for year	-	18,697	18,697
At 30 April 2017	-	147,241	147,241
NET BOOK VALUE			
At 30 April 2017	803,708	79,932	883,640
At 30 April 2016	803,708	46,005	849,713

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade debtors	377,360	342,069
Amounts owed by group undertakings	-	3,561
Other debtors	31,405	63,308
	408,765	408,938

**Notes to the Financial Statements - continued
for the Year Ended 30 April 2017**

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Bank loans and overdrafts	104,932	204,835
Trade creditors	381,617	233,465
Amounts owed to group undertakings	39,119	47,587
Taxation and social security	14,907	22,983
Other creditors	40,698	30,424
	<u>581,273</u>	<u>539,294</u>

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

	2017 £	2016 £
Bank loans	<u>461,026</u>	<u>483,263</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>368,028</u>	<u>393,246</u>

8. SECURED DEBTS

The following secured debts are included within creditors:

	2017 £	2016 £
Bank overdrafts	83,454	184,046
Bank loans	<u>482,504</u>	<u>504,052</u>
	<u>565,958</u>	<u>688,098</u>

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

Net obligations under finance leases and hire purchase contracts are secured by fixed charges on the assets concerned.

9. 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

10. 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 £2,178,054 (2016 - £2,089,027).

11. CAPITAL COMMITMENTS

	2017 £	2016 £
Contracted but not provided for in the financial statements	<u>-</u>	<u>22,206</u>

12. RELATED PARTY DISCLOSURES

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.

13. 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.

14. FIRST YEAR ADOPTION

The company has adopted the provisions set out in FRS102 (Section 1A) for small companies. This is the first year that the company has prepared financial statements under the new regulatory framework. It is not considered that there are any transitional adjustments required to either the prior year figures nor those at the transitional date. As such, no reconciliation is provided in these financial statements.