

Alex Reid Limited

Registered number: 01025547

Financial statements

For the year ended 31 December 2016

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ALEX REID LIMITED

COMPANY INFORMATION

Directors	J Wittouck N J Garthwaite J S Roberts Christeyns NV
Company secretary	J S Roberts
Registered number	01025547
Registered office	Rutland Street Bradford West Yorkshire BD4 7EA
Trading Address	Unit 9 Ashville Way Whetstone Leicester LE8 6NU
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor Mazars House Gelderd Road Gildersome Leeds LS27 7JN
Bankers	The Royal Bank of Scotland 45-47 Bank Street Bradford BD1 1TS

ALEX REID LIMITED

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ALEX REID LIMITED
REGISTERED NUMBER: 01025547

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	5	177,298	208,623
Tangible assets	6	241,338	270,735
		<u>418,636</u>	<u>479,358</u>
Current assets			
Stocks	1,274,886	1,233,412	
Debtors	1,346,441	2,028,582	
Cash at bank and in hand	195,776	26,017	
	<u>2,817,103</u>	<u>3,288,011</u>	
Creditors: amounts falling due within one year	(1,858,188)	(2,157,740)	
Net current assets		<u>958,915</u>	<u>1,130,271</u>
Total assets less current liabilities		<u>1,377,551</u>	<u>1,609,629</u>
Creditors: amounts falling due after more than one year		(910,483)	(1,170,256)
Provisions for liabilities			
Other provisions		(49,617)	(48,000)
Net assets		<u><u>417,451</u></u>	<u><u>391,373</u></u>
Capital and reserves			
Called up share capital		191,803	191,803
Capital redemption reserve		63,000	63,000
Profit and loss account		162,648	136,570
		<u><u>417,451</u></u>	<u><u>391,373</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.


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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

ALEX REID LIMITED
REGISTERED NUMBER: 01025547

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2016

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

24th March 2017


N J Garthwaite
Director

The notes on pages 4 to 13 form part of these financial statements.

ALEX REID LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2016	191,803	63,000	136,570	391,373
Comprehensive income for the year				
Profit for the year	-	-	26,078	26,078
At 31 December 2016	<u>191,803</u>	<u>63,000</u>	<u>162,648</u>	<u>417,451</u>

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2015

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2015	191,803	63,000	1,419,732	1,674,535
Comprehensive income for the year				
Loss for the year	-	-	(1,283,162)	(1,283,162)
At 31 December 2015	<u>191,803</u>	<u>63,000</u>	<u>136,570</u>	<u>391,373</u>

The notes on pages 4 to 13 form part of these financial statements.

ALEX REID LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. General information

Alex Reid Limited is a private company which is limited by shares. It is incorporated in England and Wales.

Registered office:
Rutland Street
Bradford
West Yorkshire
BD4 7EA

The principal activity is the supply of machines and machine servicing to the dry cleaning industry.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Algimo NV as at 31 December 2016 and these financial statements may be obtained from Algimo NV, Coupure 10, 9000, Gent, Belgium.

2.3 Going concern

The company is dependent on the support from its ultimate holding company, Christeyns UK Ltd, for its day to day working capital requirements. The directors of Christeyns UK Ltd have confirmed that this support will be maintained for a period of at least twelve months from the date of approval of these financial statements.

ALEX REID LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and;
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed five years.

The estimated useful lives range as follows:

Software	-	5	years
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2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

ALEX REID LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.6 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method. The estimated useful lives range as follows:

Depreciation is provided on the following basis:

Leasehold Improvements	-	10% straight line
Plant & machinery	-	50% straight line
Fixtures & fittings	-	28% straight line
IT hardware	-	33% straight line
Other fixed assets	-	50% straight line

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is 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.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

ALEX REID LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.10 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

ALEX REID LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.12 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

2.13 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.14 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.15 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.16 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

ALEX REID LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.18 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.19 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

ALEX REID LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The critical judgements that the directors have made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

(i) Assessing indicators of impairment

In assessing whether there have been any indicators of impairment assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability and where applicable, the ability of the asset to be operated as planned. There have been no indicators of impairments identified during the current financial year.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Estimating value in use

Where an indication of impairment exists, the directors have carried out an impairment review to determine the recoverable amount of the asset, which is the higher of fair value less cost to sell and value in use. The value in use calculation has required the directors to estimate the future cash flows expected to arise from the asset or the cash generating unit and determine a suitable discount rate in order to calculate present value.

(ii) Recoverability of receivables

The Company establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the directors have considered factors such as the aging of the receivables, past experience of recoverability, and the credit profile of individual or groups of customers.

(iii) Determining residual values and useful economic lives of tangible and intangible assets

The Company depreciates tangible assets, and amortises intangible assets, over their estimated useful lives. The estimation of the useful lives of tangible assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied. The estimation of useful lives of intangible assets is based on any contractual or legal rights associated with the asset, or the period in which the Company expects to use the asset if shorter. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Judgement is also applied, when determining the residual values for fixed assets. When determining the residual value, the directors have assessed the amount that the Company would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful life. Where possible this is done with reference to external market prices.

4. Employees

The average monthly number of employees, including the directors, during the year was 48 (2015 - 64).

ALEX REID LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

5. Intangible assets

	Software £
Cost	
At 1 January 2016	307,865
Additions	31,642
At 31 December 2016	<u>339,507</u>
Amortisation	
At 1 January 2016	99,242
Charge for the year	62,967
At 31 December 2016	<u>162,209</u>
Net book value	
At 31 December 2016	<u>177,298</u>
At 31 December 2015	<u>208,623</u>

ALEX REID LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

6. Tangible fixed assets

	Plant & machinery £	Fixtures & fittings £	Other fixed assets £	Total £
Cost or valuation				
At 1 January 2016	263,617	348,678	-	612,295
Additions	40,556	13,338	84,237	138,131
Disposals	(55,844)	-	-	(55,844)
At 31 December 2016	248,329	362,016	84,237	694,582
Depreciation				
At 1 January 2016	144,569	196,991	-	341,560
Charge for the period on owned assets	62,671	62,816	2,485	127,972
Disposals	(16,288)	-	-	(16,288)
At 31 December 2016	190,952	259,807	2,485	453,244
Net book value				
At 31 December 2016	57,377	102,209	81,752	241,338
At 31 December 2015	119,048	151,687	-	270,735

7. Commitments under operating leases

At 31 December 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Not later than 1 year	131,325	131,325
Later than 1 year and not later than 5 years	236,546	367,871
	367,871	499,196

ALEX REID LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

8. Related party transactions

The company has taken advantage of the exemption available in section 33 of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" related party disclosures from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company. The consolidated financial statements of Algimo NV can be obtained from Algimo NV, Coupure 10, 9000, Gent, Belgium.

9. Controlling party

The ultimate parent company is Algimo NV, a company registered in Belgium. The registered office is: Algimo NV, Coupure 10, 9000, Gent, Belgium.

The immediate parent company is Christeyns UK Limited, a company registered in England and Wales.

10. Auditor's information

The independent Auditors' Report was unqualified. The auditors were Mazars LLP and John Holroyd (Senior Statutory Auditor) signed the auditor's report for and on behalf of Mazars LLP.