

Company Registration No. 09935484 (England and Wales)

**ARINA (MIDLANDS) LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MAY 2021**

PAGES FOR FILING WITH REGISTRAR

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99 Chapel Street  
Ibstock  
Leicestershire  
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LE67 6HF

**ARINA (MIDLANDS) LIMITED**

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**ARINA (MIDLANDS) LIMITED**

**COMPANY INFORMATION**

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<b>Directors</b>	Mr A Badiani Mr N B Badiani
<b>Secretary</b>	Mrs R Badiani
<b>Company number</b>	09935484
<b>Registered office</b>	Pera Business Park Nottingham Road Melton Mowbray Leicestershire United Kingdom LE13 0PB
<b>Accountants</b>	TC Group 99 Chapel Street Ibstock Leicestershire England LE67 6HF
<b>Business address</b>	4 Ellis Fields Oadby Leicestershire United Kingdom LE2 4UY

## ARINA (MIDLANDS) LIMITED

## BALANCE SHEET

AS AT 31 MAY 2021

	Notes	2021		2020	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	3	539,074		557,577	
Investment properties	4	252,320		252,320	
		<u>791,394</u>		<u>809,897</u>	
<b>Current assets</b>					
Stocks		14,293		78,104	
Debtors	5	43,899		32,454	
Cash at bank and in hand		166,015		82,160	
		<u>224,207</u>		<u>192,718</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(151,474)</u>		<u>(116,898)</u>	
<b>Net current assets</b>			<u>72,733</u>		<u>75,820</u>
<b>Total assets less current liabilities</b>			864,127		885,717
<b>Creditors: amounts falling due after more than one year</b>	7		(667,532)		(741,462)
<b>Provisions for liabilities</b>			<u>(7,898)</u>		<u>(9,313)</u>
<b>Net assets</b>			<u>188,697</u>		<u>134,942</u>
<b>Capital and reserves</b>					
Called up share capital			20		20
Profit and loss reserves			188,677		134,922
<b>Total equity</b>			<u>188,697</u>		<u>134,942</u>

**ARINA (MIDLANDS) LIMITED**

**BALANCE SHEET (CONTINUED)**

**AS AT 31 MAY 2021**

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The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 May 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 30 September 2021 and are signed on its behalf by:

Mr A Badiani  
**Director**

**Company Registration No. 09935484**

The notes on pages 4 to 10 form part of these financial statements

**ARINA (MIDLANDS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MAY 2021**

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**1 Accounting policies**

**Company information**

Arina (Midlands) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Pera Business Park, Nottingham Road, Melton Mowbray, Leicestershire, United Kingdom, LE13 0PB.

**1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

**1.2 Going concern**

At the time of approving the financial statements, the economy was affected by the pandemic of COVID-19. The board have reviewed the ongoing trade of the business affected by the pandemic and have reasonable expectation that the company has sufficient resources to continue in operational existence for the foreseeable future.

Thus, the board continues to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

**1.4 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line
Plant and equipment	15% reducing balance
Computers	33% straight line

**ARINA (MIDLANDS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MAY 2021**

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**1 Accounting policies**

**(Continued)**

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

**1.5 Investment properties**

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

**1.6 Stocks**

Stocks are stated at the lower of cost and estimated selling price less any selling costs.

**1.7 Cash at bank and in hand**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.8 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**ARINA (MIDLANDS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MAY 2021**

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**1 Accounting policies**

**(Continued)**

***Basic financial liabilities***

Basic financial liabilities, including creditors, bank and other loans that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the

**1.9 ~~Equity instruments~~ *Equity instruments***

method. Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

**1.10 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.



**ARINA (MIDLANDS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MAY 2021**

**1 Accounting policies**

**(Continued)**

**1.11 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.12 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

**2 Employees**

The average monthly number of persons (including directors) employed by the company during the year was:

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
Total	4	4
	==	==

## ARINA (MIDLANDS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

**3 Tangible fixed assets**

	Freehold land and buildings	Plant and equipment	Computers	Total
	£	£	£	£
<b>Cost</b>				
At 1 June 2020 and 31 May 2021	552,821	91,851	5,293	649,965
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation and impairment</b>				
At 1 June 2020	44,258	42,948	5,182	92,388
Depreciation charged in the year	11,056	7,336	111	18,503
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 May 2021	55,314	50,284	5,293	110,891
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Carrying amount</b>				
At 31 May 2021	497,507	41,567	-	539,074
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 May 2020	508,563	48,903	111	557,577
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**4 Investment property**

	<b>2021</b>
	<b>£</b>
<b>Fair value</b>	
At 1 June 2020 and 31 May 2021	252,320
	<u>          </u>

Investment property comprises 7, Wolseley Street, Rugeley, Staffordshire. The fair value of the investment property has been arrived at on the basis of a valuation provided by the directors. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

**5 Debtors**

	2021	2020
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	25,414	11,636
Other debtors	18,485	20,818
	<u>          </u>	<u>          </u>
	43,899	32,454
	<u>          </u>	<u>          </u>

## ARINA (MIDLANDS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

**6 Creditors: amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	£	£
Bank loans	42,641	40,215
Trade creditors	53,077	40,097
Corporation tax	16,618	10,442
Other taxation and social security	5,314	4,103
Other creditors	33,824	22,041
	<u>151,474</u>	<u>116,898</u>

**7 Creditors: amounts falling due after more than one year**

	<b>2021</b>	<b>2020</b>
	£	£
Bank loans and overdrafts	267,532	341,462
Other creditors	400,000	400,000
	<u>667,532</u>	<u>741,462</u>

**8 Loans and overdrafts**

	<b>2021</b>	<b>2020</b>
	£	£
Bank loans	310,173	381,677
Other loans	400,000	400,000
	<u>710,173</u>	<u>781,677</u>
Payable within one year	42,641	40,215
Payable after one year	667,532	741,462

The bank loans are secured by fixed and floating charges over all company assets including property at 5 & 7 Wolseley Road, Rugeley.

Other loans are interest free and unsecured.

## ARINA (MIDLANDS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

**9 Directors' transactions**

Dividends totalling £0 (2020 - £0) were paid in the year in respect of shares held by the company's directors.

<b>Description</b>	<b>% Rate</b>	<b>Opening balance £</b>	<b>Amounts advanced £</b>	<b>Closing balance £</b>
Directors Loan Account	-	(7,425)	12,564	5,139
		<u>(7,425)</u>	<u>12,564</u>	<u>5,139</u>
		<u><u>(7,425)</u></u>	<u><u>12,564</u></u>	<u><u>5,139</u></u>

