

REGISTERED NUMBER: 03407927 (England and Wales)

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023

FOR

AROPLUS (UK) LIMITED

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FOR THE YEAR ENDED 28 FEBRUARY 2023**

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STATEMENT OF FINANCIAL POSITION
28 FEBRUARY 2023

| | Notes | 28.2.23 £ | 28.2.22 £ |
|--|-------|------------------|------------------|
| FIXED ASSETS | | | |
| Intangible assets | 4 | 1,021 | - |
| Tangible assets | 5 | 64,208 | 74,020 |
| | | <u>65,229</u> | <u>74,020</u> |
| CURRENT ASSETS | | | |
| Stocks | | 753,020 | 562,434 |
| Debtors | 6 | 510,315 | 475,929 |
| Cash at bank and in hand | | 116,761 | 109,163 |
| | | <u>1,380,096</u> | <u>1,147,526</u> |
| CREDITORS | | | |
| Amounts falling due within one year | 7 | (1,181,388) | (960,860) |
| NET CURRENT ASSETS | | <u>198,708</u> | <u>186,666</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 263,937 | 260,686 |
| PROVISIONS FOR LIABILITIES | | <u>(8,904)</u> | <u>(10,571)</u> |
| NET ASSETS | | <u>255,033</u> | <u>250,115</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | | 4,510 | 4,510 |
| Retained earnings | | 250,523 | 245,605 |
| | | <u>255,033</u> | <u>250,115</u> |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 28 February 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 28 February 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION - continued
28 FEBRUARY 2023

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 Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 17 August 2023 and were signed on its behalf by:

B A Ciupek - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2023**

1. STATUTORY INFORMATION

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Unit 1 Willow Road, Longton, Stoke on Trent, Staffordshire, ST3 2PU.

Aroplus (UK) Limited are a Specialist Fluid Handling Equipment Company, who's staff have many years of experience in this market sector. Our primary focus is on the sales and support of the ARO Corporation, Ingersoll-Rand Diaphragm Pumps, Piston Pumps, Peristaltic Pumps, Starters & Tools with associated installations including Pneumatic & Electronic Control Packages as well as the distribution and service of Boge Compressors.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

The financial statements have been prepared on the historical cost basis as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Stock provision

The company has a policy of holding large quantities of stock in order to offer the best service. Stock can be held for a number of years. A provision is made for slow moving stock at 10% of the cost price.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Website costs is being amortised evenly over its estimated useful life of two years.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2023

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

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

| | |
|-----------------------|------------------------------|
| Plant and machinery | - 25% on cost |
| Fixtures and fittings | - 25% on cost |
| Motor vehicles | - 25% on cost |
| Computer equipment | - straight line over 3 years |

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2023

2. ACCOUNTING POLICIES - continued

Corporation tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2023

2. ACCOUNTING POLICIES - continued

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cashgenerating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Employee benefits

The company provides a range of benefits to employees.

Short term benefits, including holiday pay, are recognised as an expense in the profit and loss account in the period in which they are incurred.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 11 (2022 - 11) .

4. INTANGIBLE FIXED ASSETS

| | Website costs £ |
|-----------------------|-----------------------|
| COST | |
| Additions | 2,042 |
| At 28 February 2023 | <u>2,042</u> |
| AMORTISATION | |
| Amortisation for year | 1,021 |
| At 28 February 2023 | <u>1,021</u> |
| NET BOOK VALUE | |
| At 28 February 2023 | <u>1,021</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2023

5. TANGIBLE FIXED ASSETS

| | Plant and machinery £ | Fixtures and fittings £ | Motor vehicles £ | Computer equipment £ | Totals £ |
|-----------------------|-----------------------------|----------------------------------|------------------------|----------------------------|----------------|
| COST | | | | | |
| At 1 March 2022 | 26,796 | 57,539 | 170,159 | 21,983 | 276,477 |
| Additions | - | - | 17,905 | - | 17,905 |
| At 28 February 2023 | <u>26,796</u> | <u>57,539</u> | <u>188,064</u> | <u>21,983</u> | <u>294,382</u> |
| DEPRECIATION | | | | | |
| At 1 March 2022 | 24,597 | 57,539 | 99,659 | 20,662 | 202,457 |
| Charge for year | 2,149 | - | 24,247 | 1,321 | 27,717 |
| At 28 February 2023 | <u>26,746</u> | <u>57,539</u> | <u>123,906</u> | <u>21,983</u> | <u>230,174</u> |
| NET BOOK VALUE | | | | | |
| At 28 February 2023 | <u>50</u> | <u>-</u> | <u>64,158</u> | <u>-</u> | <u>64,208</u> |
| At 28 February 2022 | <u>2,199</u> | <u>-</u> | <u>70,500</u> | <u>1,321</u> | <u>74,020</u> |

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 28.2.23 £ | 28.2.22 £ |
|------------------------------------|----------------|----------------|
| Trade debtors | 476,620 | 436,266 |
| Amounts owed by group undertakings | 30,201 | 35,087 |
| Other debtors | - | 1,378 |
| Prepayments | 3,494 | 3,198 |
| | <u>510,315</u> | <u>475,929</u> |

Amounts owed from group undertakings are unsecured, interest free and are repayable on demand.

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 28.2.23 £ | 28.2.22 £ |
|------------------------------------|------------------|----------------|
| Trade creditors | 406,000 | 162,972 |
| Amounts owed to group undertakings | 659,250 | 609,620 |
| Tax | 12,135 | 63,708 |
| Social security and other taxes | 9,651 | 8,641 |
| VAT | 23,936 | 49,286 |
| Other creditors | 63,023 | 61,600 |
| Accrued expenses | 7,393 | 5,033 |
| | <u>1,181,388</u> | <u>960,860</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2023

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

Amounts owed to group undertakings are unsecured, interest free and are repayable on demand.

A mortgage debenture in favour of Svenska Handelsbanken Ab (Publ) exists dated 27 August 2008 incorporating a fixed and floating charge over all current and future assets of the company.

A charge exists in favour of Nortrust Nominees Limited in respect of the rent deposit deed dated 23 December 2010.

A charge in favour of Handelsbanken Finans Ab (Publ) exists dated 8 July 2015 incorporating a fixed and floating charge over all current and future assets of the company.

8. EVENTS AFTER THE END OF THE REPORTING PERIOD

There were no significant events up to the date of approval of the financial statements by the Board.

9. CONTROLLING PARTY

The company is a wholly owned subsidiary of DPGOC Limited, a company incorporated in England and Wales.

10. GUARANTEES AND OTHER FINANCIAL COMMITMENTS

The company had total guarantees and commitments at the balance sheet date of £215,417 (2022: £242,917).

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.