

**Company Registration No. 08925637 (England and Wales)**

**R.S. AQUA HOLDINGS LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 AUGUST 2020**

**PAGES FOR FILING WITH REGISTRAR**

**The Granary  
Hones Yard  
1 Waverley Lane  
Farnham  
Surrey  
GU9 8BB**

**R.S. AQUA HOLDINGS LIMITED**

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**R.S. AQUA HOLDINGS LIMITED**

**COMPANY INFORMATION**

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**Director** Mr M. M. Stemp

**Secretary** Mrs. R Stemp

**Company number** 08925637

**Registered office** The Granary  
Hones Yard  
1 Waverley Lane  
Farnham  
Surrey  
GU9 8BB

**Accountants** TC Group  
The Granary  
Hones Yard  
1 Waverley Lane  
Farnham  
Surrey  
GU9 8BB

## **R.S. AQUA HOLDINGS LIMITED**

### **DIRECTOR'S REPORT**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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The director presents his annual report and financial statements for the year ended 31 August 2020.

#### **Principal activities**

The principal activity of the company during the year was that of a holding company.

#### **Director**

The director who held office during the year and up to the date of signature of the financial statements was as follows:

Mr M. M. Stemp

#### **Directors Report for RS Aqua Group of Companies.**

This was a momentous year for RS Aqua, with many high points and some low. Midway through our year, COVID-19 swept across the world. There were some adverse impacts on the business, thankfully limited to a short-term reduction in revenue and most importantly no serious health or wellbeing impacts on our team.

At the start of the financial year the business was relocated into Port Solent, Portsmouth, a strategically significant location providing exceptional access to customers, collaborators, and new team members across the Portsmouth and Solent region, the South coast epicentre for the Maritime Industries. The new premises were fitted out with customised, high quality office and workshop accommodation, in an envious location with ready access to the marine environment.

Five new team members joined the business during the first half of the year, bringing new skills and greater capacity across sales, finance and business operations. Our new teammates have made a tremendously positive impact on the business, with our collective skills, aptitude and culture fast becoming one of the businesses greatest strengths.

#### **Financial Performance**

Significant year on year revenue growth continued as planned through the first half of the year (to Feb 2020) at ~15% increase on the year before. However, in March 2020 the impact of the COVID-19 pandemic took hold of the global economy including the maritime and ocean technology sector. This led to a short and sharp decrease in revenue through our Q3 and partially into Q4. Across the full year, revenue contracted ~13% compared to 2018/19 (a previously record-setting year) however, gross and net margins were on target at the same percentage as the previous year. As I write this, it is satisfying to see the start of our FY 2021 yielding a return to positive revenue growth.

Net assets grew within RS Aqua Ltd by ~100% over the FY 2020 period. This increase was caused by significant positive free cash flow in the first half of the year combined with an intentionally cautious approach to liquidity across the businesses, particularly in the light of COVID-19 and it's unknown long-term potential impact on the blue economy.

**R.S. AQUA HOLDINGS LIMITED**

**DIRECTOR'S REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Strategic Goals**

Our strategic goals set at the start of the year were largely achieved, building our long-term growth plans, as follows:

- **growth and strengthening of the team:** we grew the team to 13 people, adding skills and experiences across the business from top to bottom.
- **accessing new and parallel markets:** penetration increased into strategically significant markets including aquaculture and defence, strengthening our "traditional" core markets of marine and fisheries science, offshore energy etc.
- **building technical capabilities:** whilst complex systems sales and an active R&D programme continued throughout the year, the recruitment of new technical engineering / apprentice team members was postponed due to COVID-19 pandemic and our subsequent reduction of "in-person" staff numbers in our workshops; this objective will be evolved and rolled into 2021.

**Future Objectives & Growth**

To enable our core focus of enabling ocean science and exploration by providing a breadth of innovative technology solutions to our diverse customers across the underwater technology marketplace, our Goals for the year ahead include:

- **Bring to market new technology systems** complementing our existing portfolio of products.
- **Launch our rental service business** focused on long term rental opportunities.
- **Significantly develop our brand and marketing strategy.**
- **Optimise commercial operations practices across the business.**
- **Develop engineering and in-house integrated systems capabilities.**

**Small companies exemption**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Mr M. M. Stemp  
**Director**

27 May 2021

**R.S. AQUA HOLDINGS LIMITED**

**BALANCE SHEET**

**AS AT 31 AUGUST 2020**

		2020	2019
	Notes	£	£
<b>Fixed assets</b>			
Investments	3	2,280,724	2,280,724
<b>Current assets</b>			
Debtors	4	1	1
Cash at bank and in hand		143,473	157,550
		<u>143,474</u>	<u>157,551</u>
<b>Creditors: amounts falling due within one year</b>	5	(157,600)	(128,266)
<b>Net current (liabilities)/assets</b>		<u>(14,126)</u>	<u>29,285</u>
<b>Total assets less current liabilities</b>		<u>2,266,598</u>	<u>2,310,009</u>
<b>Creditors: amounts falling due after more than one year</b>	6	(93,141)	(209,621)
<b>Net assets</b>		<u>2,173,457</u>	<u>2,100,388</u>
<b>Capital and reserves</b>			
Called up share capital		1	1
Profit and loss reserves		2,173,456	2,100,387
<b>Total equity</b>		<u>2,173,457</u>	<u>2,100,388</u>

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

For the financial year ended 31 August 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his 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.

**R.S. AQUA HOLDINGS LIMITED**

**BALANCE SHEET (CONTINUED)**

***AS AT 31 AUGUST 2020***

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The financial statements were approved and signed by the director and authorised for issue on 27 May 2021.

Mr M. M. Stemp

**Director**

**Company Registration No. 08925637**

The notes on pages 7 to 10 form part of these financial statements

**R.S. AQUA HOLDINGS LIMITED**

**STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 31 AUGUST 2020**

	Share capital	Profit and loss reserves	Total
Notes	£	£	£
<b>Balance at 1 September 2018</b>	1	1,657,248	1,657,249
<b>Year ended 31 August 2019:</b>			
Profit and total comprehensive income for the year	-	619,039	619,039
Dividends	-	(175,900)	(175,900)
<b>Balance at 31 August 2019</b>	1	2,100,387	2,100,388
<b>Year ended 31 August 2020:</b>			
Profit and total comprehensive income for the year	-	254,846	254,846
Dividends	-	(181,778)	(181,778)
<b>Balance at 31 August 2020</b>	1	2,173,456	2,173,457

The notes on pages 7 to 10 form part of these financial statements



**R.S. AQUA HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**1 Accounting policies**

**Company information**

R.S. Aqua Holdings Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Granary, Hones Yard, 1 Waverley Lane, Farnham, Surrey, GU9 8BB.

**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 Fixed asset investments**

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

**1.3 Cash and cash equivalents**

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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**1 Accounting policies** (Continued)

**1.4 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.

**Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares 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 effective interest method.

**1.5 Equity instruments**

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.

**R.S. AQUA HOLDINGS LIMITED**

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

**FOR THE YEAR ENDED 31 AUGUST 2020**

**2 Employees**

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

	2020 Number	2019 Number
Total	-	-
	<u>          </u>	<u>          </u>

**3 Fixed asset investments**

	2020 £	2019 £
Shares in group undertakings and participating interests	2,280,724	2,280,724
	<u>          </u>	<u>          </u>

**Movements in fixed asset investments**

	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 September 2019 & 31 August 2020	2,280,724
	<u>          </u>
<b>Carrying amount</b>	
At 31 August 2020	2,280,724
	<u>          </u>
At 31 August 2019	2,280,724
	<u>          </u>

**4 Debtors**

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Other debtors	1	1
	<u>          </u>	<u>          </u>

**R.S. AQUA HOLDINGS LIMITED**

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

**FOR THE YEAR ENDED 31 AUGUST 2020**

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

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank loans	156,700	127,366
Other creditors	900	900
	<hr/>	<hr/>
	<b>157,600</b>	<b>128,266</b>
	<hr/>	<hr/>

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

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	93,141	209,621
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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.