

Arkobinks Ltd
Unaudited Financial Statements
31 December 2021



Arkobinks Ltd

Financial Statements

Year ended 31 December 2021

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Arkobinks Ltd

Chartered Accountants Report to the Director on the Preparation of the Unaudited Statutory Financial Statements of Arkobinks Ltd

Year ended 31 December 2021

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Arkobinks Ltd for the year ended 31 December 2021, which comprise the statement of financial position and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of ICAS, we are subject to its ethical and other professional requirements which are detailed at www.icas.com/accountspreparationguidance.

This report is made solely to the director of Arkobinks Ltd. Our work has been undertaken solely to prepare for your approval the financial statements of Arkobinks Ltd and state those matters that we have agreed to state to you in this report in accordance with the requirements of ICAS as detailed at www.icas.com/accountspreparationguidance. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Arkobinks Ltd and its director for our work or for this report.

It is your duty to ensure that Arkobinks Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Arkobinks Ltd. You consider that Arkobinks Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Arkobinks Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



GILLILAND & COMPANY
Chartered Accountants

216 West George Street
Glasgow
G2 2PQ

9 August 2022

Arkobinks Ltd
Statement of Financial Position
31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	5	5,049	4,678
Current assets			
Work in progress		7,500	6,300
Debtors	6	88,187	103,426
Cash at bank and in hand		64,298	39,535
		<u>159,985</u>	<u>149,261</u>
Creditors: amounts falling due within one year	7	<u>57,021</u>	<u>56,205</u>
Net current assets		102,964	93,056
Total assets less current liabilities		108,013	97,734
Provisions			
Taxation including deferred tax		667	889
Net assets		<u>107,346</u>	<u>96,845</u>
Capital and reserves			
Called up share capital		1,000	1,000
Profit and loss account		106,346	95,845
Shareholders funds		<u>107,346</u>	<u>96,845</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

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

Director's responsibilities:

- 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;
- The director acknowledges her responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The statement of financial position
continues on the following page.
The notes on pages 4 to 7 form part of these financial statements.

Arkobinks Ltd

Statement of Financial Position *(continued)*

31 December 2021

These financial statements were approved by the board of directors and authorised for issue on 9 August 2022, and are signed on behalf of the board by:

A handwritten signature in black ink, appearing to read 'C Reid', written over a horizontal line.

C Reid
Director

Company registration number: SC369886

Arkobinks Ltd

Notes to the Financial Statements

Year ended 31 December 2021

1. General information

The company is a private company limited by shares, registered in Scotland. The address of the registered office is 216 West George Street, Glasgow, G2 2PQ, Scotland.

2. Statement of compliance

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'.

3. Accounting policies

Basis of preparation

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.

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 investment 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.

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.

Revenue recognition

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

Income 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.

Arkobinks Ltd

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Income tax *(continued)*

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.

Tangible assets

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.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	- 15% straight line
Equipment	- 25% reducing balance

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 cash-generating 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.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Arkobinks Ltd

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 1 (2020: 1).

5. Tangible assets

	Fixtures and fittings £	Equipment £	Total £
Cost			
At 1 January 2021	7,092	25,968	33,060
Additions	1,643	–	1,643
At 31 December 2021	8,735	25,968	34,703
Depreciation			
At 1 January 2021	7,092	21,290	28,382
Charge for the year	103	1,169	1,272
At 31 December 2021	7,195	22,459	29,654
Carrying amount			
At 31 December 2021	1,540	3,509	5,049
At 31 December 2020	–	4,678	4,678

Arkobinks Ltd

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

6. Debtors

	2021	2020
	£	£
Trade debtors	62,001	66,370
Other debtors	26,186	37,056
	<u>88,187</u>	<u>103,426</u>

7. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	38,593	29,241
Corporation tax	17,328	25,864
Other creditors	1,100	1,100
	<u>57,021</u>	<u>56,205</u>

8. Director's advances, credits and guarantees

As at 31st December 2021 the balance due to the company from Carole Reid, director, was £13,877 (2020: £25,018). This loan is interest free and has no fixed date for repayment.

9. Controlling party

The company was under the control of Carole Reid throughout the current and previous year. Carole Reid is the managing director and majority shareholder.