

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

FOR

AROPLUS (SCT) LIMITED

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FOR THE YEAR ENDED 28 FEBRUARY 2021**

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STATEMENT OF FINANCIAL POSITION
28 FEBRUARY 2021

		28.2.21	29.2.20
	Notes	£	as restated £
FIXED ASSETS			
Tangible assets	4	809	1,486
CURRENT ASSETS			
Stocks		135,563	70,270
Debtors	5	16,479	36,274
Cash at bank		576	576
		<u>152,618</u>	<u>107,120</u>
CREDITORS			
Amounts falling due within one year	6	<u>(695,509)</u>	<u>(664,672)</u>
NET CURRENT LIABILITIES		<u>(542,891)</u>	<u>(557,552)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(542,082)</u>	<u>(556,066)</u>
CAPITAL AND RESERVES			
Called up share capital		100	100
Retained earnings		<u>(542,182)</u>	<u>(556,166)</u>
		<u>(542,082)</u>	<u>(556,066)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 28 February 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 28 February 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) 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.

STATEMENT OF FINANCIAL POSITION - continued
28 FEBRUARY 2021

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 4 November 2021 and were signed on its behalf by:

B A Ciupek - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2021**

1. STATUTORY INFORMATION

The company is a private company limited by shares, registered in Scotland. The address of the registered office is Exchange Place, 3 Semple Street, Edinburgh, Midlothian, EH3 8BL.

Aroplus (SCT) Limited are a Specialist Fluid Handling Equipment Company, our 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. Aroplus (SCT) Ltd based in Aberdeen was created specifically to support the Offshore Oil & Gas and marine markets.

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.

Going concern

The accounts have been prepared on the going concern basis. The directors believe this to be appropriate due to the continued financial support of fellow subsidiaries via an intercompany composite guarantee over the company's overdraft.

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.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2021**

2. ACCOUNTING POLICIES - continued

Revenue recognition

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

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods 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.

When the outcome of a transaction involving the rendering of services can be reliably estimated, revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period.

When the outcome of a transaction involving the rendering of services cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

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% straight line
Fixtures and fittings	- straight line over 3 years
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.

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.

Government grants

Due to the Covid-19 pandemic, the company has claimed various government backed grants. Grants are recognised as other income when received other than the Coronavirus Job Retention Scheme grants which are recognised in the month to which the payroll costs relate.

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2021

2. ACCOUNTING POLICIES - continued

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.

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2021

2. ACCOUNTING POLICIES - continued

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.

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.

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 1 (2020 - 1) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2021

4. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 March 2020 and 28 February 2021	<u>3,500</u>	<u>400</u>	<u>2,355</u>	<u>6,255</u>
DEPRECIATION				
At 1 March 2020	3,500	133	1,136	4,769
Charge for year	-	134	543	677
At 28 February 2021	<u>3,500</u>	<u>267</u>	<u>1,679</u>	<u>5,446</u>
NET BOOK VALUE				
At 28 February 2021	-	133	676	809
At 29 February 2020	-	267	1,219	1,486

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	28.2.21	29.2.20 as restated
	£	£
Trade debtors	12,288	22,737
Other debtors	-	7,268
VAT	-	2,010
Prepayments	4,191	4,259
	<u>16,479</u>	<u>36,274</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	28.2.21	29.2.20 as restated
	£	£
Bank loans and overdrafts	53,641	32,004
Trade creditors	18,997	5,997
Amounts owed to group undertakings	620,463	624,178
Social security and other taxes	695	713
VAT	69	-
Other creditors	90	191
Accrued expenses	1,554	1,589
	<u>695,509</u>	<u>664,672</u>

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

A charge in favour of Svenska Handelsbanken Ab (Publ) exists dated 23 December 2014 incorporating a fixed and floating charge over all current and future assets of the company.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2021

7. 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.

8. CONTROLLING PARTY

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

9. GUARANTEES AND OTHER FINANCIAL COMMITMENTS

The company had total guarantees and commitments at the balance sheet date of £26,000 (2020: £39,000).

10. GOING CONCERN

The accounts have been prepared on the going concern basis. The directors believe this to be appropriate due to the continued financial support of fellow subsidiaries via an intercompany composite guarantee over the company's overdraft.

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.