

Company registration number: SC369585

Aqua Pharma Ltd

Filleted financial statements

31 December 2021

Aqua Pharma Ltd

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Directors and other information

Directors

Elvin Bugge
Hanne Mertens

Company number

SC369585

Registered office

Metropolitan House
31-33 High Street
Inverness
IV1 1HT

Business address

Aurora House
8 Inverness Campus
Inverness
IV2 5NA

Auditor

FKF Accounting Limited
Metropolitan House
31-33 High Street
Inverness
IV1 1HT

Bankers

DNB

25 Walbrook

London

EC4N 8AF

Directors' responsibilities statement

Year ended 31 December 2021

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Aqua Pharma Ltd

Statement of financial position

31 December 2021

		2021	2020
			(restated - see note 9)
	Note	£	£
Fixed assets			
Tangible assets	6	208,505	420,473
		<u>208,505</u>	<u>420,473</u>
Current assets			
Stocks		236,878	249,406
Debtors	7	593,336	909,027
Cash at bank and in hand		2,454,914	2,056,823
		<u>3,285,128</u>	<u>3,215,256</u>
Creditors: amounts falling due within one year	8	(223,614)	(702,076)
Net current assets		<u>3,061,514</u>	<u>2,513,180</u>
Total assets less current liabilities		<u>3,270,019</u>	<u>2,933,653</u>
Provisions for liabilities		-	(12,989)
Net assets		<u>3,270,019</u>	<u>2,920,664</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		3,269,919	2,920,564
Shareholders funds		<u>3,270,019</u>	<u>2,920,664</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'.

These financial statements were approved by the board of directors and authorised for issue on 05 July 2022 , and are signed on behalf of the board by:

Hanne Mertens

Director

Company registration number: SC369585

Aqua Pharma 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 Metropolitan House, 31-33 High Street, Inverness, IV1 1HT.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. There were no material departures from the standard.

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.

Turnover

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.

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 provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Taxation

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

Research and development

Research expenditure is written off in the year in which it is incurred. Development expenditure incurred is capitalised as an intangible asset only when all of the following criteria are met: - It is technically feasible to complete the intangible asset so that it will be available for use or sale; - There is the intention to complete the intangible asset and use or sell it; - There is the ability to use or sell the intangible asset; - The use or sale of the intangible asset will generate probable future economic benefits; - There are adequate technical, financial and other resources available to complete the development and to use or sell the intangible asset; and - The expenditure attributable to the intangible asset during its development can be measured reliably. Expenditure that does not meet the above criteria is expensed as incurred.

Tangible assets

tangible assets are initially recorded at cost, and are 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 capital and reserves, 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 capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves 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:

Short leasehold property	- Straight line over 8 years
Plant and machinery	- 5-33% straight line
Fittings fixtures and equipment	- 25-33% straight line
Motor vehicles	- 33% straight line

Critical spares are treated as items of plant and machinery and depreciated accordingly.

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Impairment

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. 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 are largely independent of the cash inflows from other assets or groups of assets.

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 stocks to their present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

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 in finance costs in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company 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.

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 in finance costs in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 5 (2020: 7).

5. Profit before taxation

Profit before taxation is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible assets	288,053	344,943
Interest receivable from group undertakings	(24,679)	-
Fees payable for the audit of the financial statements	22,500	-
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6. Tangible assets

	Short leasehold property	Plant and machinery (restated - see note 9)	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2021	10,028	2,381,821	35,053	27,000	2,453,902
Additions	-	76,197	1,804	-	78,001
Disposals	-	(3,832)	-	-	(3,832)
At 31 December 2021	10,028	2,454,186	36,857	27,000	2,528,071
Depreciation					
At 1 January 2021	6,265	1,984,919	33,245	9,000	2,033,429
Charge for the year	1,253	275,820	1,980	9,000	288,053
Disposals	-	(1,916)	-	-	(1,916)
At 31 December 2021	7,518	2,258,823	35,225	18,000	2,319,566
Carrying amount					
At 31 December 2021	2,510	195,363	1,632	9,000	208,505
At 31 December 2020	3,763	396,902	1,808	18,000	420,473

7. Debtors

	2021	2020
	£	£
Trade debtors	280,353	597,669
Amounts owed by group undertakings	214,457	311,358
Other debtors	98,526	-
	593,336	909,027

8. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	12,823	80,263
Amounts owed to group undertakings	28,763	78,425
Corporation tax	-	211,842
Social security and other taxes	143,595	322,269
Other creditors	38,433	9,277
	223,614	702,076

9. Prior period errors

Plant and machinery has been restated to correct for assets being depreciated using the incorrect rate. The effect of the restatement is as follows:

Year ended 31 December 2020

Plant and machinery, accumulated depreciation brought forward - increased by £323,617.

Deferred tax brought forward - decreased by £64,486.

Profit and loss account brought forward - decreased by £262,131

10. Operating leases

The company as lessee

The total future minimum lease payments under non-cancellable operating leases are as follows:

	£	£
Not later than 1 year	36,550	8,320
Later than 1 year and not later than 5 years	45,688	-
	<hr/>	<hr/>
	82,238	8,320
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11. Summary audit opinion

The auditor's report for the year dated 05 July 2022 was unqualified.

The senior statutory auditor was Colin Gray B.Com., C.A. for and on behalf of FKF Accounting Limited

12. Ethical standards

The company has taken advantage of the alternative provisions available in Section 6 (Provisions Available for the Audits of Small Entities) of the FRC Revised Ethical Standard 2019 in respect of the preparation of the financial statements and with the submission of returns to the tax authorities.

13. Consolidated financial statements

Aqua Pharma Group AS is the parent of the smallest group for which consolidated financial statements of the company are prepared. Copies of the Aqua Pharma Group AS financial statements may be requested from their registered office at Hovemovegen 1, 2624, Lillehammer, Norway.

14. Charges

DNB Bank ASA holds a floating charge over the assets of the company in respect of loans, cash pooling and other credit facilities made available to the company and other companies within the Aquatig group. The charge is limited to £1,000,000 plus all amounts due in respect of interest, default interest, fees, costs, enforcement costs, expenses and indemnities.

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.