

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
SCORPION OCEANICS LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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SCORPION OCEANICS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020

DIRECTOR: A C Page

REGISTERED OFFICE: 10 Jesus Lane
Cambridge
Cambridgeshire
CB5 8BA

REGISTERED NUMBER: 03097009 (England and Wales)

AUDITORS: Thompson Taraz Rand Audit and Assurance Limited
Chartered Accountants and Statutory Auditors
10 Jesus Lane
Cambridge
Cambridgeshire
CB5 8BA

BALANCE SHEET
31 DECEMBER 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Intangible assets	5	2,250	-
Tangible assets	6	<u>27,995</u>	<u>8,421</u>
		<u>30,245</u>	<u>8,421</u>
CURRENT ASSETS			
Stocks		1,733,070	1,475,890
Debtors	7	1,307,685	835,798
Cash at bank		<u>1,584,167</u>	<u>2,463,980</u>
		<u>4,624,922</u>	<u>4,775,668</u>
CREDITORS			
Amounts falling due within one year	8	<u>(1,596,613)</u>	<u>(1,362,599)</u>
NET CURRENT ASSETS		<u>3,028,309</u>	<u>3,413,069</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,058,554</u>	<u>3,421,490</u>
CAPITAL AND RESERVES			
Called up share capital	10	753	753
Retained earnings	11	<u>3,057,801</u>	<u>3,420,737</u>
SHAREHOLDERS' FUNDS		<u>3,058,554</u>	<u>3,421,490</u>

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 Profit and loss account has not been delivered.

The financial statements were approved by the director and authorised for issue on 15 October 2021 and were signed by:

A C Page - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. **STATUTORY INFORMATION**

Scorpion Oceanics Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. **STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006.

3. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

Critical accounting judgements and key sources of estimation uncertainty

Tangible fixed assets:

assets are depreciated over their expected useful lives taking into consideration residual values, where appropriate. The actual lives of the assets and residual values are assessed and amended when necessary to reflect the current estimates based on economic utilization and physical condition of the assets.

Doubtful debts:

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade debtors, management considers factors including the current credit rating of the debtor, the ageing of the debtor and historical experience regarding payment history.

Stock obsolescence:

An estimate is made by management relating to stock that may have become obsolete. This is based on stock items that have been included in stock for a period greater than 24 months and where appropriate items that have not moved within the last 6 months.

Turnover

Turnover represents the fair value of consideration received or receivable in relation to the sale of underwater cable and connectors for the offshore and nuclear industries excluding, trade discounts and value added tax.

Revenue is usually recognised on dispatch unless the goods are manufactured and remain on site until required by the customer in which instance revenue is recognised once the right to consideration has been earned through fulfilment of contractual obligations.

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 development costs are being amortised evenly over their estimated useful life of four years.

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 etc - 33.33% on cost, 25% on reducing balance and 20% on cost

The asset's residual values and useful lives are reviewed, and adjusted, if appropriate at the end of each reporting period. The changes are accounted for prospectively.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

3. ACCOUNTING POLICIES - continued

Stocks

Stocks consist of finished goods and goods held for resale, and are stated at the lower of cost and net realisable value. Net realisable value is based on estimated normal selling price, less further costs expected to be incurred to disposal. Provision is made for slow moving or defective items where appropriate.

Work in progress is valued at selling price less an estimated gross margin.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates an Employer-Financed Retirement Benefits Scheme for key employees, which provides benefits on a money purchase basis. The assets of the scheme are held separately from those of the company. The contributions payable are charged to the profit and loss account.

Going concern

The company has access to considerable financial resources together with long standing relationships with its key suppliers and customers. The Company's business activities, together with the factors likely to affect its future development and financial position, including the impact of Covid 19 are set out in the report of the directors.

As a consequence the directors believe the Company is well placed to manage its business risk successfully. After making enquiries, the directors have a more than reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 22 (2019 - 22) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

5. INTANGIBLE FIXED ASSETS

	Other intangible assets £
COST	
Additions	3,000
At 31 December 2020	<u>3,000</u>
AMORTISATION	
Charge for year	750
At 31 December 2020	<u>750</u>
NET BOOK VALUE	
At 31 December 2020	<u><u>2,250</u></u>

6. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 January 2020	185,344
Additions	35,029
At 31 December 2020	<u>220,373</u>
DEPRECIATION	
At 1 January 2020	176,923
Charge for year	15,455
At 31 December 2020	<u>192,378</u>
NET BOOK VALUE	
At 31 December 2020	<u><u>27,995</u></u>
At 31 December 2019	<u>8,421</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	346,656	522,252
Other debtors	<u>961,029</u>	<u>313,546</u>
	<u><u>1,307,685</u></u>	<u><u>835,798</u></u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Payments on account	48,291	-
Trade creditors	273,530	875,615
Amounts owed to group undertakings	-	250,284
Taxation and social security	253,425	149,720
Other creditors	1,021,367	86,980
	<u>1,596,613</u>	<u>1,362,599</u>

9. LEASING AGREEMENTS

The following operating lease payments are committed to be paid:	2020	2019
	£	£
Land and buildings	43,400	43,400
Other operating leases	4,820	8,995

Amounts payable in connection with land and buildings are payable on a rolling 12 month basis.

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020	2019
			£	£
750	Ordinary	£1	750	750
1	Ordinary 'A'	£1	1	1
1	Ordinary 'B'	£1	1	1
1	Ordinary 'C'	£1	1	1
			<u>753</u>	<u>753</u>

11. RESERVES

	Retained earnings
	£
At 1 January 2020	3,420,737
Profit for the year	881,238
Dividends	(1,244,174)
At 31 December 2020	<u>3,057,801</u>

12. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Andrew Rand (Senior Statutory Auditor)
for and on behalf of Thompson Taraz Rand Audit and Assurance Limited

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

13. **RELATED PARTY DISCLOSURES**

Scorpion Oceanics Ltd was charged £472,329 (2019: £421,500) in relation to management fees by a company which holds a participating interest. The balance of £472,329 (2019: £50,000) is disclosed in accruals and is due in less than one year.

Shown within other creditors is a balance of £530,398 (2019: £250,284 Creditor balance) due to a company which holds a participating interest in the share capital of Scorpion Oceanics Ltd. The amount bears no interest and is repayable on demand.

Shown within other debtors is a balance of £819,551 (2019: Nil) due to a company which holds a participating interest in the share capital of Scorpion Oceanics Ltd. The amount bears no interest and is repayable on demand.

Key Management Personal:

The amount of remuneration paid to key management personnel during the year amounted to £113,223 (2019: £114,737).

14. **POST BALANCE SHEET EVENTS**

Scorpion Oceanics (Saffron Walden) Ltd, a company which has 33% holding in Scorpion Oceanics Ltd acquired a further 9% interest in the share capital of the company.

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.