

ARO UNDERWRITING GROUP LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

Hilden Park Accountants Limited
Hilden Park House
79 Tonbridge Road
Hildenborough
Tonbridge
Kent
TN11 9BH

CONTENTS OF THE FINANCIAL STATEMENTS
For The Year Ended 31 December 2019

	Page
Company Information	1
Abridged Balance Sheet	2
Notes to the Financial Statements	4

ARO UNDERWRITING GROUP LIMITED

COMPANY INFORMATION

For The Year Ended 31 December 2019

DIRECTORS:

R J Tee
I K Page
J M Bright

REGISTERED OFFICE:

Sackville House
55 Buckhurst Avenue
Sevenoaks
Kent
TN13 1LZ

REGISTERED NUMBER:

07491066 (England and Wales)

ACCOUNTANTS:

Hilden Park Accountants Limited
Hilden Park House
79 Tonbridge Road
Hildenborough
Tonbridge
Kent
TN11 9BH

ABRIDGED BALANCE SHEET
31 December 2019

	Notes	31/12/19 £	£	31/12/18 £	£
FIXED ASSETS					
Intangible assets	4		352,089		274,145
Tangible assets	5		9,199		17,093
Investments	6		<u>5</u>		<u>5</u>
			361,293		291,243
CURRENT ASSETS					
Debtors		434,193		460,868	
Cash at bank		<u>5,855</u>		<u>8,912</u>	
		440,048		469,780	
CREDITORS					
Amounts falling due within one year		<u>265,414</u>		<u>195,267</u>	
NET CURRENT ASSETS			174,634		274,513
TOTAL ASSETS LESS CURRENT LIABILITIES			535,927		565,756
CREDITORS					
Amounts falling due after more than one year			<u>1,022,778</u>		<u>1,022,778</u>
NET LIABILITIES			(486,851)		(457,022)
CAPITAL AND RESERVES					
Called up share capital			2,222		2,222
Retained earnings			<u>(489,073)</u>		<u>(459,244)</u>
SHAREHOLDERS' FUNDS			(486,851)		(457,022)

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2019 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

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

ABRIDGED BALANCE SHEET - continued
31 December 2019

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

All the members have consented to the preparation of an abridged Income Statement and an abridged Balance Sheet for the year ended 31 December 2019 in accordance with Section 444(2A) of the Companies Act 2006.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 16 December 2020 and were signed on its behalf by:

J M Bright - Director

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31 December 2019

1. STATUTORY INFORMATION

Aro Underwriting Group 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.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Going concern

The financial statements have been prepared on a going concern basis.

It is the directors' belief that due to the significant investment in compliance and technology, through 2018 and 2019, the Company is in a strong position for strengthened insurer relations and future growth.

It is for the above reasons that the going concern basis has been adopted in preparing the financial statements and they do not include any adjustments that would arise if the Company was unable to continue to trade.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts, rebates and value added tax, from the provision of insurance broking services during the year.

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.

Development costs are being amortised evenly over their estimated useful life of three years (there still remain some specific historical development costs which were deemed to have a useful life of four and five years also - these intangibles continue to be amortised over this period and will do so until fully amortised).

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office equipment - 33% straight line

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2019

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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 a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 6 (2018 - 6) .

4. INTANGIBLE FIXED ASSETS

	Totals
	£
COST	
At 1 January 2019	443,698
Additions	205,437
At 31 December 2019	<u>649,135</u>
AMORTISATION	
At 1 January 2019	169,553
Amortisation for year	127,493
At 31 December 2019	<u>297,046</u>
NET BOOK VALUE	
At 31 December 2019	<u>352,089</u>
At 31 December 2018	<u>274,145</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2019

5. TANGIBLE FIXED ASSETS

	Totals
	£
COST	
At 1 January 2019	24,406
Additions	289
At 31 December 2019	<u>24,695</u>
DEPRECIATION	
At 1 January 2019	7,313
Charge for year	8,183
At 31 December 2019	<u>15,496</u>
NET BOOK VALUE	
At 31 December 2019	<u>9,199</u>
At 31 December 2018	<u>17,093</u>

6. FIXED ASSET INVESTMENTS

Information on investments other than loans is as follows:

	Totals
	£
COST	
At 1 January 2019 and 31 December 2019	<u>5</u>
NET BOOK VALUE	
At 31 December 2019	<u>5</u>
At 31 December 2018	<u>5</u>

7. RELATED PARTY DISCLOSURES

During the year the company entered into the following transactions with related parties and the amounts outstanding at the year end were as shown:

Subordinated loans:

Hebrides Investments No 1 Ltd, a shareholder, was owed £578,200 (2018: £578,200).

Executive shareholders were owed £21,000 (2018: £21,000).

Heritage Management Holdings Limited, a shareholder, was owed £196,112 (2018: £196,112).

Unsubordinated loans:

Heritage Management Holdings Limited was owed £227,466 (2018: £227,466) for which no interest is accruing.

No repayments were made during 2019 and the balances shown were the maximum balances during the year.

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.