

Company Registration No. 08422296 (England and Wales)

Arpo Global Limited

**Annual report and financial statements
for the year ended 31 December 2022**

Arpo Global Limited

Company information

Directors	Alan Jamieson Daniel Brasier Gracme Barnes Iain Lennard	(Appointed 6 March 2023) (Appointed 17 July 2023) (Appointed 11 September 2023)
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Company number	08422296
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Registered office	Sterling House Hamlin Way Hardwick Narrows Industrial Estate Kings Lynn Norfolk PE30 4NG
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Independent auditor	Saffery LLP Westpoint Peterborough Business Park Lynch Wood Peterborough PE2 6FZ
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Arpo Global Limited

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Arpo Global Limited

Strategic report

For the year ended 31 December 2022

The Directors present their Strategic Report for the year ended 31 December 2021 to provide a review of the Company's business, principal risks and uncertainties and performance and position alongside key performance indicators.

Business review

The principal activity of the Company was that of a holding company.

The company made a loss for the year of £686k (2021 profit: £1,020k).

At the balance sheet date the Company had net assets of £5,562k (2021: £6,249k).

Principal activities and strategy

The principal risks facing the company can broadly be classified as financial. The directors have measures in place in order to mitigate such risks, which have proven to be effective.

Liquidity risk – Liquidity needs to be maintained in order to assist the Groups working capital. In the group's main trading entity, the time lag between the purchase of stock, sale of goods and services, and receipt of cash from customers could potentially pose a threat to the continued trade. A stock and invoice financing facility are in place in the Group in order to mitigate risk in this area.

Key performance indicators

The financial results of the Company are reported within the financial statements.

The directors do not believe there are any key performance indicators for the Company as an investment holdings company that only generates revenue from its Group.

Section 172 disclosures

Under the Companies Act 2006 directors have a duty to "promote the success of the Group and Company." The directors must do this "for the benefit of its members as a whole" and in doing so have regard for the following 6 factors;

Shareholders

The primary shareholder, Rutland holds seats on the Board of Directors, and as such enables regular, direct liaison between shareholders and the Executive Management team.

Minority shareholders are represented at Board meetings by a Board observer, again giving full access to all Board level discussions and information from the Executive Management team and the company.

Employees

The Company must have regard for the interests of its employees. The Company has no direct employees.

Customers

The Company has no external customers.

The Group recognises the importance of fostering business relationships with Customers. Senior business development managers and key sales employees are in regular contact with our principal customers, including regular strategic reviews on a quarterly basis.

Arpo Global Limited

Strategic report (continued)

For the year ended 31 December 2022

Suppliers

The Company has no external suppliers.

The Group recognises the importance of fostering business relationships with Suppliers. Key members of the Procurement and Supply Chain teams are in regular contact with our principal suppliers to develop and maintain relationships with the companies in our supply chain.

Community and Environment

The Company's directors are the same as those of the Group.

The Board recognises the importance of leading a business that not only generates value for the shareholder but also contributes to the wider society. We recognise that environmental and climate risks could impact us directly, and we are committed to reducing the environmental impact of our operations and our customers' operations by giving customers the option to purchase environmentally sustainable products and minimising our own environmental footprint where possible.

In addition, the business has two nominate charity partners which it supports on an ongoing basis, raising funds both through activities from the company's employees, and via initiatives with customers and suppliers.

Culture

The long-standing philosophy of Southgate Global is a commitment to carrying out business with the utmost integrity and to the highest ethical standards. The core values of the Group: Quality, Expertise, Collaborative, Dynamic and Integrity are the guiding principles for how we conduct our business, how we interact with each other, our partners and with our customers. These values are built into all employees' performance reviews and expectations, and there is a quarterly values award process which is designed to recognise specific instances of employees demonstrating the company values.

On behalf of the board

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Graeme Barnes

Director

Date:

Arpo Global Limited

Directors' report

For the year ended 31 December 2022

The directors present their annual report and financial statements for the year ended 31 December 2022.

Strategic report

The directors present the strategic report of the group in the annual report of Southgate Global Holdings Limited for the period ended 31 December 2022, which is available from Companies House.

Principal activities

The principal activity of the company is that of a holding company.

Results and dividends

The results for the year are set out on page 9.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Alan Jamieson	
Philip Ellis	(Appointed 3 February 2022 and resigned 31 March 2023)
Luke Haggett	(Appointed 14 September 2022 and resigned 3 August 2023)
Daniel Brasier	(Appointed 6 March 2023)
Graeme Barnes	(Appointed 17 July 2023)
Iain Lennard	(Appointed 11 September 2023)

Auditor

Saffery LLP have expressed their willingness to continue in office.

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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 of 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

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Directors' report (continued)

For the year ended 31 December 2022

Matters set out in strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Graeme Barnes

Director

18 March 2024

Arpo Global Limited

Independent auditor's report To the members of Arpo Global Limited

Opinion

We have audited the financial statements of Arpo Global Limited (the 'company') for the year ended 31 December 2022 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Arpo Global Limited

Independent auditor's report (continued)

To the members of Arpo Global Limited

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Arpo Global Limited

Independent auditor's report (continued)
To the members of Arpo Global Limited

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the company by discussions with directors and by updating our understanding of the sector in which the company operates.

Laws and regulations of direct significance in the context of the company include The Companies Act 2006 and UK Tax legislation.

Audit response to risks identified

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Arpo Global Limited

Independent auditor's report (continued)
To the members of Arpo Global Limited

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Simon Hall

Senior Statutory Auditor
For and on behalf of Saffery LLP

18 March 2024

Chartered Accountants
Statutory Auditors

Westpoint
Peterborough Business Park
Lynch Wood
Peterborough
PE2 6FZ

Arpo Global Limited**Statement of comprehensive income
For the year ended 31 December 2022**

		2022	2021
	Notes	£	£
Administrative expenses		-	(312,759)
Interest receivable and similar income	5	-	388,830
Interest payable and similar expenses	6	-	(283)
Other gains and losses		(647,082)	943,956
(Loss)/profit before taxation		(647,082)	1,019,744
Tax on (loss)/profit	7	(39,150)	179,984
(Loss)/profit for the financial year		(686,232)	1,199,728

The income statement has been prepared on the basis that all operations are continuing operations.

Arpo Global Limited**Statement of financial position
As at 31 December 2022**

			2022		2021
	Notes	£	£	£	£
Fixed assets					
Goodwill	10		-		611,981
Investments	11		50,004		697,086
			<u>50,004</u>		<u>1,309,067</u>
Current assets					
Debtors	13	5,512,656		5,139,504	
Cash at bank and in hand		-		541	
		<u>5,512,656</u>		<u>5,140,045</u>	
Creditors: amounts falling due within one year	14	-		(200,220)	
Net current assets			<u>5,512,656</u>		<u>4,939,825</u>
Net assets			<u><u>5,562,660</u></u>		<u><u>6,248,892</u></u>
Capital and reserves					
Called up share capital	17		50,106		50,106
Profit and loss reserves			5,512,554		6,198,786
Total equity			<u><u>5,562,660</u></u>		<u><u>6,248,892</u></u>

The financial statements were approved by the board of directors and authorised for issue on 18 March 2024 and are signed on its behalf by:

Graeme Barnes
Director

Company Registration No. 08422296 (England and Wales)

Arpo Global Limited

**Statement of changes in equity
For the year ended 31 December 2022**

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
Balance at 1 January 2021		50,106	5,397,888	5,447,994
Year ended 31 December 2021:				
Profit and total comprehensive income for the year		-	1,199,728	1,199,728
Dividends	8	-	(398,830)	(398,830)
Balance at 31 December 2021		50,106	6,198,786	6,248,892
Year ended 31 December 2022:				
Loss and total comprehensive income for the year		-	(686,232)	(686,232)
Balance at 31 December 2022		50,106	5,512,554	5,562,660

Arpo Global Limited

Notes to the financial statements For the year ended 31 December 2022

1 Accounting policies

Company information

Arpo Global Limited is a private company limited by shares incorporated in England and Wales. The registered office is Sterling House, Hamlin Way, Hardwick Narrows Industrial Estate, Kings Lynn, Norfolk, PE30 4NG.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

The financial statements of the company are consolidated in the financial statements of Southgate Global Holdings Limited. These consolidated financial statements are available from Companies House.

1.2 Going concern

Since the acquisition of the company in August 2021, the slowdown in global trading conditions led to a series of quarterly breaches of the original banking covenants with lenders of the companies subsidiary, Southgate Global Limited.

The lenders have remained fully supportive and, following an internal business review, agreed in January 2024 to reset the covenants to a level that reflects current trading and future growth prospects. The company is actively managing its principal risks as identified above and continues to work very closely with the Group's Shareholders and Bank Lenders, who remain supportive.

Consequently, the Directors believe that the company is well placed to manage its business risks successfully and continues to adopt the going concern basis of accounting in preparing the annual Accounts.

1.3 Intangible fixed assets - goodwill

Goodwill represents the excess of the fair value of the consideration over the fair value of the identifiable assets and liabilities acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

1 Accounting policies (continued)

1.4 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1 Accounting policies (continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1.9 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

Notes to the financial statements (continued)
For the year ended 31 December 2022

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Recoverability of amounts due from group undertakings

Due to the materiality of the relevant balances, the directors highlight that recoverability of inter-company balances is a significant judgement. However, the directors have considered whether any indicators of impairment exist and have no concerns in this regard.

The directors consider that there are no key sources of estimation uncertainty.

3 Operating profit/(loss)

	2022	2021
	£	£
Operating profit/(loss) for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	-	3,000
Depreciation of owned tangible fixed assets	-	59,445
Amortisation of intangible assets	-	76,858
	=====	=====

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022	2021
	Number	Number
Directors	2	2
	=====	=====

5 Interest receivable and similar income

	2022	2021
	£	£
Income from fixed asset investments		
Income from shares in group undertakings	-	388,830
	=====	=====

Arpo Global Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

6 Interest payable and similar expenses

	2022	2021
	£	£
Other interest	-	283
	=====	=====

7 Taxation

	2022	2021
	£	£
Current tax		
Adjustments in respect of prior periods	-	13,583
	=====	=====
Deferred tax		
Origination and reversal of timing differences	39,150	(242,331)
Changes in tax rates	-	48,764
	=====	=====
Total deferred tax	39,150	(193,567)
	=====	=====
Total tax charge/(credit)	39,150	(179,984)
	=====	=====

The actual charge/(credit) for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022	2021
	£	£
(Loss)/profit before taxation	(647,082)	1,019,744
	=====	=====
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	(122,946)	193,751
Tax effect of income not taxable in determining taxable profit	-	(73,878)
Adjustments in respect of prior years	-	13,583
Effect of change in corporation tax rate	2,797	(2,798)
Group relief	-	30,477
Permanent capital allowances in excess of depreciation	(20,894)	(222,548)
Deferred tax adjustments in respect of prior years	27,493	-
Other differences leading to an decrease in the tax charge	29,754	(118,571)
	=====	=====
Taxation credit for the year	(83,796)	(179,984)
	=====	=====

8 Dividends

	2022	2021
	£	£
Final paid	-	398,830
	=====	=====

Arpo Global Limited**Notes to the financial statements (continued)****For the year ended 31 December 2022****9 Impairments**

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	Notes	2022 £	2021 £
In respect of:			
Fixed asset investments	11	647,082	-
		<u>647,082</u>	<u>-</u>
Recognised in:			
Other gains and losses		647,082	-
		<u>647,082</u>	<u>-</u>

The impairment losses in respect of financial assets are recognised in other gains and losses in the income statement.

10 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2022	768,580
Transfers to fellow group undertakings	(768,580)
	<u>-</u>
At 31 December 2022	-
Amortisation and impairment	
At 1 January 2022	156,599
Transfers to fellow group undertakings	(156,599)
	<u>-</u>
At 31 December 2022	-
Carrying amount	
At 31 December 2022	-
	<u>-</u>
At 31 December 2021	<u>611,981</u>

Arpo Global Limited**Notes to the financial statements (continued)****For the year ended 31 December 2022****11 Fixed asset investments**

	Notes	2022 £	2021 £
Investments in subsidiaries	12	50,004	697,086

Movements in fixed asset investments

	Shares in subsidiaries £
Cost or valuation	
At 1 January 2022 & 31 December 2022	697,086
Impairment	
At 1 January 2022	-
Impairment losses	647,082
At 31 December 2022	647,082
Carrying amount	
At 31 December 2022	50,004
At 31 December 2021	697,086

Arpo Global Limited**Notes to the financial statements (continued)****For the year ended 31 December 2022****12 Subsidiaries**

Details of the company's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Address	Class of shares held	% Held	
			Direct	Indirect
Southgate Global Limited	1	Ordinary	100.00	-
Southgate Fulfilment EU Limited	2	Ordinary	100.00	-
Southgate Packaging Limited	1	Ordinary	0	100.00
Packer Industrial Limited	1	Ordinary	0	100.00
Penguin Hygiene Limited	1	Ordinary	0	100.00
TPI Packaging and Industrial	1	Ordinary	100.00	-
Packaging Aids Limited	1	Ordinary	100.00	-

Registered office addresses (all UK unless otherwise indicated):

- 1 Sterling House, Hamlin Way, Hardwick Narrows Industrial Estate, Kings Lynn, Norfolk, PE30 4NG
- 2 10 Earlsfort Terrace, 662881, Ireland

13 Debtors

	2022	2021
Amounts falling due within one year:	£	£
Trade debtors	-	6,268
Amounts owed by group undertakings	5,512,656	5,045,298
Other debtors	-	48,788
	<u>5,512,656</u>	<u>5,100,354</u>
Deferred tax asset (note 16)	-	39,150
	<u>5,512,656</u>	<u>5,139,504</u>

14 Creditors: amounts falling due within one year

	Notes	2022	2021
		£	£
Bank loans and overdrafts	15	-	19,616
Trade creditors		-	154,889
Taxation and social security		-	14,475
Other creditors		-	281
Accruals and deferred income		-	10,959
		<u>-</u>	<u>200,220</u>

Arpo Global Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

15 Loans and overdrafts

	2022	2021
	£	£
Bank overdrafts	-	19,616
	<u> </u>	<u> </u>
Payable within one year	-	19,616
	<u> </u>	<u> </u>

The long-term borrowings of group entities are secured by fixed and floating charges over the assets of the company.

16 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Assets	Assets
	2022	2021
	£	£
Balances:		
Other timing differences	-	39,150
	<u> </u>	<u> </u>
Movements in the year:		2022
		£
Asset at 1 January 2022		(39,150)
Charge to profit or loss		39,150
		<u> </u>
Liability at 31 December 2022		-
		<u> </u>

17 Share capital

	2022	2021	2022	2021
	Number	Number	£	£
Issued and fully paid				
Ordinary shares of £1 each	50,106	50,106	50,106	50,106
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Arpo Global Limited

Notes to the financial statements (continued)
For the year ended 31 December 2022

18 Ultimate controlling party

The immediate parent company of Arpo Global Limited is Southgate Global Group Limited. The parent undertaking of the largest and smallest group for which consolidated financial statements are prepared is Southgate Global Holdings Limited. The address of Southgate Global Holdings Limited is Sterling House, Hamlin Way, Hardwick Narrows Industrial Estate, King's Lynn, United Kingdom, PE30 4NG. Copies of group financial statements can be obtained at Companies House, Cardiff.

The entity is controlled by Rutland Fund III. There is no one ultimate controlling party.

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.