

Company Registration No. 08028128 (England and Wales)

ARCC INNOVATIONS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MAY 2013

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29/11/2013

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COMPANIES HOUSE

ARCC INNOVATIONS LIMITED

COMPANY INFORMATION

Directors

E Atkin
D O'Brien
R Virciglio

Secretary

R Harris

Company number

08028128

Registered office

Branch Hill Mews
Branch Hill
London
NW3 7LT

Auditors

Haines Watts
New Derwent House
69-73 Theobalds Road
London
WC1X 8TA

ARCC INNOVATIONS LIMITED

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ARCC INNOVATIONS LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 MAY 2013

The directors present their report and financial statements for the period ended 31 May 2013

Principal activities and review of the business

The principal activity of the company during the year was that of a research and development centre, acting as an incubator for engineering and related projects

Results and dividends

The results for the period are set out on page 5

Directors

The following directors have held office since 1 June 2012

E Atkin
D O'Brien
R Virciglio

Auditors

Haines Watts were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting

Statement of directors' responsibilities

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 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,
- 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

ARCC INNOVATIONS LIMITED

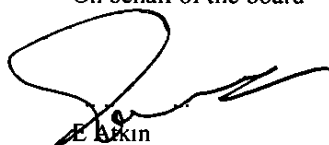
DIRECTORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2013

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors 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 auditors are aware of that information.

On behalf of the board



Director

21-11-13

ARCC INNOVATIONS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ARCC INNOVATIONS LIMITED

We have audited the financial statements of ARCC Innovations Limited for the period ended 31 May 2013 set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' 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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 May 2013 and of its loss for the period 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

ARCC INNOVATIONS LIMITED

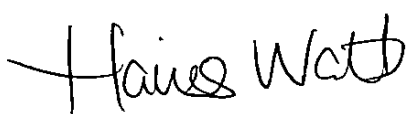
INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF ARCC INNOVATIONS LIMITED

Matters on which we are required to report by exception

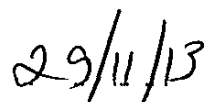
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- 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 directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or



Esther Wood (Senior Statutory Auditor)
for and on behalf of Haines Watts

Chartered Accountants
Statutory Auditor



New Derwent House
69-73 Theobalds Road
London
WC1X 8TA

ARCC INNOVATIONS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31 MAY 2013

	Notes	Period ended 31 May 2013 £
Turnover		2,000
Administrative expenses		(382,369)
Loss on ordinary activities before taxation	2	(380,369)
Tax on loss on ordinary activities	3	-
Loss for the period	9	(380,369)

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

ARCC INNOVATIONS LIMITED

BALANCE SHEET

AS AT 31 MAY 2013

	Notes	2013 £	£
Fixed assets			
Tangible assets	4		479,817
Current assets			
Debtors	5	11,250	
Cash at bank and in hand		506	
		11,756	
Creditors: amounts falling due within one year	6	(871,842)	
Net current liabilities			(860,086)
Total assets less current liabilities			(380,269)
Capital and reserves			
Called up share capital	8		100
Profit and loss account	9		(380,369)
Shareholders' funds	10		(380,269)

Approved by the Board and authorised for issue on 21-11-13



E Fitch
Director

Company Registration No. 08028128

ARCC INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 2013

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Going concern

An undertaking has been received from E Atkin and C J Atkin that they will continue to provide the necessary financial support to enable the company to continue in operational existence and meet its liabilities as they fall due for the foreseeable future being a period of at least 12 months from the date of approval of these financial statements

In addition, further undertakings have been provided by E Atkin, C J Atkin and C A Holdings Plc, the company's parent undertaking, that they will not seek repayment of any amounts owed by the company for a period of at least 12 months from the date of approval of these financial statements

On the basis of these undertakings the directors have concluded that it is appropriate to prepare the financial statements on the going concern basis

1.3 Cash flow statement

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group

1.4 Turnover

Turnover represents rents and other property income receivable for the year net of VAT

1.5 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Plant and machinery	15% straight line
Computer equipment	25% straight line
Fixtures, fittings & equipment	15% straight line

1.7 Stock

Work in progress is valued at the lower of cost and net realisable value

1.8 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the period they are payable

1.9 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted

ARCC INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2013

1 Accounting policies

(Continued)

1.10 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Operating loss

2013

£

Operating loss is stated after charging

Depreciation of tangible assets

91,099

Loss on foreign exchange transactions

99

Research and development

59,902

Auditors' remuneration (including expenses and benefits in kind)

5,000

3 Taxation

2013

Total current tax

-

Factors affecting the tax charge for the period

Loss on ordinary activities before taxation

(380,369)

Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 24.00%

(91,289)

Effects of

Depreciation add back

21,864

Capital allowances

(48,034)

Unrelieved tax losses

117,459

91,289

Current tax charge for the period

-

The company has estimated losses of £ 489,411 available for carry forward against future trading profits

The deferred tax asset which has arisen in relation to tax losses amounted to £117,459. This asset has not been provided for, as there is insufficient evidence that the asset will be recoverable in the immediate future.

ARCC INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2013

4 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 June 2012	-
Additions	570,916
	<hr/>
At 31 May 2013	570,916
	<hr/>
Depreciation	
At 1 June 2012	-
Charge for the period	91,099
	<hr/>
At 31 May 2013	91,099
	<hr/>
Net book value	
At 31 May 2013	479,817
	<hr/> <hr/>

5 Debtors

	2013 £
Prepayments and accrued income	3,963
Other debtors	7,287
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	11,250
	<hr/> <hr/>

ARCC INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2013

6 Creditors: amounts falling due within one year	2013
	£

Bank loans and overdrafts	76,994
Trade creditors	34,797
Amounts owed to group undertakings and undertakings in which the company has a participating interest	152,605
Amount owed to parent company	593,548
Taxation and social security	7,087
Accruals and deferred income	-
Other creditors	6,811
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	871,842
	<hr/>

7 Pension and other post-retirement benefit commitments	
Defined contribution	

	2013
	£
Contributions payable by the company for the period	3,413
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8 Share capital	2013
	£
Allotted, called up and fully paid	
100 Ordinary shares of £1 each	100
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9 Statement of movements on profit and loss account	
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	Profit and loss account
	£
Loss for the period	(380,369)
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ARCC INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2013

10 Reconciliation of movements in shareholders' funds	2013
	£
Loss for the financial period	(380,369)
Proceeds from issue of shares	100
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Net depletion in shareholders' funds	(380,269)
	<hr/>
Closing shareholders' funds	(380,269)
	<hr/>

11 Control

The company's immediate parent undertaking is C A Holdings Plc, a company registered in England and Wales

E Atkin and C J Atkin are the ultimate controlling parties of the parent undertaking by virtue of their shareholding of 45% and 29% respectively

12 Related party relationships and transactions

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group