

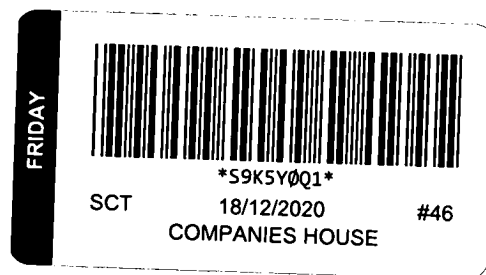


**EDESIX LIMITED**

**Company registration number SC235672**

**FILING FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**



COMPANIES HOUSE  
**18 DEC 2020**  
EDINBURGH MAILBOX

## **EDESIX LIMITED**

### **COMPANY INFORMATION**

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<b>Directors</b>	R McBride (resigned 17 October 2019) N Palle (resigned 17 October 2019) D G Pekofske (appointed 17 October 2019) O L A Henken (appointed 17 October 2019)
<b>Company secretary</b>	D J R England
<b>Registered number</b>	SC235672
<b>Registered office</b>	3 Melville Street Edinburgh EH3 7PE
<b>Independent auditors</b>	Azets Audit Services Chartered Accountants Exchange Place 3 Semple Street Edinburgh EH3 8BL
<b>Bankers</b>	Bank of Scotland 600 Gorgie Road Edinburgh

**EDESIX LIMITED**  
**REGISTERED NUMBER:SC235672**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Investments	4	74	74
		<u>74</u>	<u>74</u>
<b>Current assets</b>			
Stocks		962,053	908,932
Debtors: amounts falling due within one year	5	2,335,168	978,030
Cash at bank and in hand		1,290,623	536,327
		<u>4,587,844</u>	<u>2,423,289</u>
Creditors: amounts falling due within one year	6	(6,201,708)	(1,917,375)
<b>Net current (liabilities)/assets</b>		<u>(613,864)</u>	<u>505,914</u>
<b>Total assets less current liabilities</b>		<u>(613,790)</u>	<u>505,988</u>
Creditors: amounts falling due after more than one year	7	(40,879)	(73,623)
<b>Provisions for liabilities</b>			
Other provisions		(76,784)	-
		<u>(76,784)</u>	<u>-</u>
<b>Net (liabilities)/assets</b>		<u><u>(731,453)</u></u>	<u><u>432,365</u></u>
<b>Capital and reserves</b>			
Called up share capital	9	159	159
Share premium account		1,601,632	1,601,632
Profit and loss account		(2,333,244)	(1,169,426)
		<u>(731,453)</u>	<u>432,365</u>

The have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

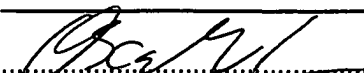
The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The were approved and authorised for issue by the board and were signed on its behalf by:

EDESIX LIMITED  
REGISTERED NUMBER: SC235672

STATEMENT OF FINANCIAL POSITION (CONTINUED)  
AS AT 31 DECEMBER 2019

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.....  
Director

Date: 17 December 2020

## **EDESIX LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **1. General information**

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which the majority of the company's transactions are denominated. They comprise the financial statements of the company drawn up for the year ended 31 December 2019.

The continuing activities of Edesix Limited ('the company') is consultancy, software development and product sales.

The company is a private company limited by shares and is incorporated in United Kingdom and registered in Scotland. Details of the registered office can be found on the company information page of these financial statements. The company's registered number is SC235672.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with applicable law and United Kingdom Accounting Standards including Section 1A 'Small Entities' of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities).

The preparation of financial statements in compliance with Section 1A 'Small Entities' of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company accounting policies.

The following principal accounting policies have been applied:

##### **2.2 Going concern**

The directors have considered a period of at least twelve months from the date on which these financial statements have been signed and having considered all relevant information available to them, believe it appropriate to prepare the financial statements on a going concern basis. In making this assessment they directors have obtained formal assurance that the company has adequate support from the wider group.

Motorola Solutions Inc is willing to provide immediate financial support to the company in case of its financial difficulties provided that the Company's Management Board has submitted a reasoned application for that purpose, and if necessary, invest additional funds essential to ensure that the company will continue as a going concern.

The company's overall ability to continue as a going concern has not been affected by the on-going COVID-19 pandemic. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. Accounting policies (continued)**

**2.3 Revenue**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

**Sale of goods**

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Rendering of services**

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.4 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Comprehensive Income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

**2.5 Interest income**

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. Accounting policies (continued)**

**2.6 Research and development**

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

**2.7 Operating leases: the company as lessee**

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

**2.8 Finance costs**

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.9 Pensions**

**Defined contribution pension plan**

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

**2.10 Foreign currency translation**

**Functional and presentation currency**

The company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

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**2. Accounting policies (continued)**

**2.11 Taxation**

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

**2.12 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.13 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.14 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.15 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.16 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.17 Financial instruments**

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. Accounting policies (continued)**

**2.17 Financial instruments (continued)**

or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

**2.18 Judgements in applying accounting policies and key sources of estimation uncertainty**

In preparing the financial statements, management is required to make estimates and assumptions which affect reporting income, expenses, assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experiences and expectations of future events that are believed to be reasonable under circumstances. Actual results in the future could differ from such estimates.

The directors are satisfied that the accounts policies are appropriate and applied consistently. Key sources of estimation have been applied to the depreciation rates which have been deemed appropriate for the class of asset.

**2.19 Provisions for liabilities**

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

**EDESIX LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019****3. Employees**

	2019 £	2018 £
Wages and salaries	2,288,230	1,792,920
Social security costs	266,483	219,234
Cost of defined contribution scheme	178,500	96,589
	<u>2,733,213</u>	<u>2,108,743</u>

The total remuneration received by key management personnel during the year was £139,754 (2018: £311,763). Key management personnel are considered to be the directors and the senior management team.

Wages are recharged from the ultimate parent company, Motorola Solutions Inc.

The average monthly number of employees, including directors, during the year was 50 (2018 - 49).

**4. Fixed asset investments**

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 January 2019	74
At 31 December 2019	<u>74</u>

**5. Debtors**

	2019 £	2018 £
Trade debtors	1,102,098	860,323
Amounts owed by group undertakings	503,745	-
Other debtors	513,051	61,414
Prepayments and accrued income	216,274	56,293
	<u>2,335,168</u>	<u>978,030</u>

# EDESIX LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 5. Debtors (continued)

### 6. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	134,960	269,584
Amounts owed to group undertakings	4,176,572	612,230
Other taxation and social security	118,221	166,867
Other creditors	175,441	42,909
Accruals and deferred income	596,514	825,785
	<u>5,201,708</u>	<u>1,917,375</u>

### 7. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Other creditors	40,879	73,623
	<u>40,879</u>	<u>73,623</u>

### 8. Provisions

	Provision against unfulfilled performance bonds £
Charged to profit or loss	76,784
At 31 December 2019	<u>76,784</u>

### 9. Share capital

	2019 £	2018 £
<b>Allotted, called up and fully paid</b>		
115,997 (2018 - 115,977) Ordinary shares shares of £0.001 each	116	116
25,250 (2018 - 25,250) Ordinary A shares shares of £0.001 each	25	25
17,535 (2018 - 17,535) Ordinary B shares shares of £0.001 each	18	18

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

<u>159</u>	<u>159</u>
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### EMI & Unapproved share options

1. the option holder's death;
2. 10 years from the date of granting the option;
3. the date upon which the holder ceases to be an employee of the company; and
4. on compulsory winding up of the company.

Details of the share options outstanding during the year are as follows:

	Weighted average exercise price (pence) 2019	Number 2019	Weighted average exercise price (pence) 2018	Number 2018
Outstanding at the beginning of the year		-	7.42	11,584
Granted during the year		-	-	-
Exercised during the year		-	(7.42)	(11,584)
<b>Outstanding at the end of the year</b>		-	-	-

At the year end, nil (2018 - nil) staff members held share options.

## EDESIX LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 11. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £166,497 (2018 - £96,168). Contributions totalling £Nil (2018 - £48,556) were payable to the fund at the reporting date and are included in creditors.

#### 12. Commitments under operating leases

At 31 December 2019 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	111,773	104,846
	<u>111,773</u>	<u>104,846</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**13. Related party transactions**

During the year the company made sales to DRN, a company under common control, totalling £8,006. This amount was outstanding at the year end (2018: £Nil).

During the year the company made sales to Motorola Germany, a company under common control, totalling £55,171. This resulted in a year end debtors of £19,883 (2018: £Nil).

During the year the company made sales to Motorola South Africa, a company under common control, totalling £20,749. This amount was outstanding at the year end (2018: £Nil).

During the year the company made sales to Motorola UK, a company under common control, totalling £473,715. This resulted in a year end debtors of £473,715 (2018: £Nil).

Included in creditors at the year end is an amount owed to Vigilant Solutions Inc, a parent company, of £3,024,607 (2018: £612,230). This is a result of purchases made by the company totalling £48,106 in the year, plus injections of working capital. Amounts are included in debtors as owed from Vigilant Solutions Inc totalling £170,878 at the year end (2018: £82,954). This is a result of sales made by the company totalling £87,924 in the year.

During the year the company made purchases from Motorola Inc, the ultimate parent company, totalling £1,568,178. This resulted in a year end debtors of £1,151,965 (2018: £Nil).

During the year amounts were paid to Martin Reynard, a member of key management, totalling £2,440 (2018: £27,962) for consultancy services provided. The company repaid a loan of £Nil (2018: £20,000) to Mr Reynard in the year. Interest accrued on this loan during the year totalling £Nil (2018: £711). An amount was owed to Mr Reynard at the year end of £Nil (2018: £600).

During the year the company made purchases from AdMargin Limited, a company under common directorship (until 17 October 2019) of £Nil (2018: £3,958). Sales were made to AdMargin Limited during the year of £18,407 (2018: £41,325).

**14. Post balance sheet events**

Coronavirus was declared a pandemic in March 2020 and since then there has been widespread disruption in the UK. As the pandemic accelerated after the year end this event has been classified as a non-adjusting post balance sheet event. As disclosed in the Directors' Report, the directors have considered the future financial impact to the Company of the Coronavirus pandemic. Although the likely full impact is unknown, it is expected to be minimal.

**15. Controlling party**

The immediate parent company is Vaas International Holdings Inc. It's registered office address is 4150 International Plaza, Tower 1, Suite 800, Fort Worth TX 76109, 925-398-2079.

The ultimate parent company is Motorola Solutions Inc. It's registered office address is 500 W. Monroe St., Chicago IL 60661, 8475765000. Copies of the group accounts can also be obtained at this address.

**16. Other professional services provided by the auditor**

In common with other small companies of this size and nature the auditor is employed to assist with the preparation of the financial statements.

**EDESIX LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**17. Auditors' information**

The auditors' report on the financial statements for the year ended 31 December 2019 was unqualified.

The audit report was signed on 17 December 2020 by (Senior Statutory Auditor) on behalf of Azets Audit Services.