

Company Registration No. SC474233 (Scotland)

**ARX DEFENCE LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2017**  
**PAGES FOR FILING WITH REGISTRAR**

# ARX DEFENCE LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr Stephen Regis Mr Joshua Hutchison Mr Stephen Castree	(Appointed 28 April 2017)
<b>Company number</b>	SC474233	
<b>Registered office</b>	The Corn Exchange 29 Constitution Street Leith Edinburgh EH6 7BS	
<b>Accountants</b>	David Marshall Associates CBC House 24 Canning Street Edinburgh EH3 8EG	

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# ARX DEFENCE LIMITED

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# ARX DEFENCE LIMITED

## BALANCE SHEET

AS AT 30 APRIL 2017

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Intangible assets	3		2,835		3,544
Tangible assets	4		10,168		10,623
<b>Current assets</b>					
Debtors		160,455		2,005	
Cash at bank and in hand		96,067		13,927	
		<u>256,522</u>		<u>15,932</u>	
<b>Creditors: amounts falling due within one year</b>		<u>(130,871)</u>		<u>(46,445)</u>	
<b>Net current assets/(liabilities)</b>			125,651		(30,513)
<b>Total assets less current liabilities</b>			138,654		(16,346)
<b>Creditors: amounts falling due after more than one year</b>			(120,101)		-
<b>Provisions for liabilities</b>			(1,932)		-
<b>Net assets/(liabilities)</b>			<u>16,621</u>		<u>(16,346)</u>
<b>Capital and reserves</b>					
Called up share capital	5		1,492		1,333
Share premium account			127,253		24,669
Profit and loss reserves			<u>(112,124)</u>		<u>(42,348)</u>
<b>Total equity</b>			<u>16,621</u>		<u>(16,346)</u>

## **ARX DEFENCE LIMITED**

### **BALANCE SHEET (CONTINUED)**

**AS AT 30 APRIL 2017**

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In accordance with section 444 of the Companies Act 2006 all of the members of the company have consented to the preparation of abridged financial statements pursuant to paragraph 1A of Schedule 1 to the Small Companies and Groups (Accounts and Directors' Report) Regulations (S.I. 2008/409)(b).

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 April 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 31 January 2018 and are signed on its behalf by:

Mr Stephen Regis  
**Director**

**Company Registration No. SC474233**

# ARX DEFENCE LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2017

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
<b>Balance at 1 May 2015</b>		1,268	19,854	(14,020)	7,102
<b>Year ended 30 April 2016:</b>					
Loss and total comprehensive income for the year		-	-	(28,328)	(28,328)
Issue of share capital	5	65	4,815	-	4,880
<b>Balance at 30 April 2016</b>		1,333	24,669	(42,348)	(16,346)
<b>Year ended 30 April 2017:</b>					
Loss and total comprehensive income for the year		-	-	(69,776)	(69,776)
Issue of share capital	5	159	102,584	-	102,743
<b>Balance at 30 April 2017</b>		1,492	127,253	(112,124)	16,621

# ARX DEFENCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 APRIL 2017**

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### **1 Accounting policies**

#### **Company information**

ARX Defence Limited is a private company limited by shares incorporated in Scotland. The registered office is The Corn Exchange, 29 Constitution Street, Leith, Edinburgh, EH6 7BS.

#### **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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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.

#### **1.2 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

#### **1.3 Intangible fixed assets other than goodwill**

Intangible assets acquired separately from a business are recognised at cost.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Patents	5 years
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#### **1.4 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

# ARX DEFENCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

### 1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% Straight line
Computer equipment	33% Straight line

#### 1.5 Cash at bank and in hand

Cash at bank and in hand 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 balance sheet 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 and cash and bank balances, are initially measured at transaction price including transaction costs unless the arrangement constitutes a financing transaction.

##### **Classification of financial liabilities**

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank overdrafts are initially recognised at transaction price unless the arrangement constitutes a financing transaction

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 at transaction price.

#### 1.7 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 profit and loss account 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.

# ARX DEFENCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

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### 1 Accounting policies

(Continued)

#### **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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.8 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### 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 are included in the profit and loss account for the period.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 5 (2016 - Nil).

# ARX DEFENCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

### 3 Intangible fixed assets

	Total £
<b>Cost</b>	
At 1 May 2016 and 30 April 2017	3,544
<b>Amortisation and impairment</b>	
At 1 May 2016	-
Amortisation charged for the year	709
At 30 April 2017	709
<b>Carrying amount</b>	
At 30 April 2017	2,835
At 30 April 2016	3,544

### 4 Tangible fixed assets

	Total £
<b>Cost</b>	
At 1 May 2016	14,164
Additions	4,620
At 30 April 2017	18,784
<b>Depreciation and impairment</b>	
At 1 May 2016	3,541
Depreciation charged in the year	5,075
At 30 April 2017	8,616
<b>Carrying amount</b>	
At 30 April 2017	10,168
At 30 April 2016	10,623

### 5 Called up share capital

	2017 £	2016 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
1,117 Ordinary shares of £1 each	1,117	1,333
375 Ordinary B of £1 each	375	-
	1,492	1,333

### 6 Reconciliations on adoption of FRS 102

## ARX DEFENCE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

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<b>6</b>	<b>Reconciliations on adoption of FRS 102</b>	<b>(Continued)</b>	
	<b>Reconciliation of equity</b>	<b>1 May 2015 £</b>	<b>30 April 2016 £</b>
	Equity as reported under previous UK GAAP and under FRS 102	7,102 <u>          </u>	(16,346) <u>          </u>
	<b>Reconciliation of loss for the financial period</b>		<b>2016 £</b>
	Loss as reported under previous UK GAAP and under FRS 102		(28,328) <u>          </u>
	<b>Notes to reconciliations on adoption of FRS 102</b>		

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.