
XSMG WORLD LTD

UNAUDITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2011

THURSDAY



A38 *A1ZRHUIW* #98
10/01/2013
COMPANIES HOUSE

XSMG WORLD LTD
REGISTERED NUMBER 06807510

ABBREVIATED BALANCE SHEET
AS AT 31 DECEMBER 2011

	Note	£	2011 £	£	2010 £
FIXED ASSETS					
Intangible assets	2		14,716		153,834
Tangible assets	3		63,309		81,446
			<u>78,025</u>		<u>235,280</u>
CURRENT ASSETS					
Stocks		35,813		36,412	
Debtors	4	383,074		480,682	
Cash at bank and in hand		143,059		60,340	
		<u>561,946</u>		<u>577,434</u>	
CREDITORS amounts falling due within one year		<u>(458,839)</u>		<u>(234,058)</u>	
NET CURRENT ASSETS			<u>103,107</u>		<u>343,376</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>181,132</u>		<u>578,656</u>
CREDITORS amounts falling due after more than one year	5		<u>(8,430,242)</u>		<u>(6,038,533)</u>
NET LIABILITIES			<u>(8,249,110)</u>		<u>(5,459,877)</u>
CAPITAL AND RESERVES					
Called up share capital	6		1		1
Profit and loss account			<u>(8,249,111)</u>		<u>(5,459,878)</u>
SHAREHOLDERS' DEFICIT			<u>(8,249,110)</u>		<u>(5,459,877)</u>

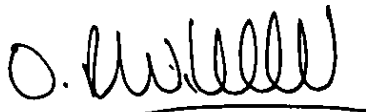
The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2011 and of its loss for the year then ended in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements so far as applicable to the company

XSMG WORLD LTD

ABBREVIATED BALANCE SHEET (continued)
AS AT 31 DECEMBER 2011

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved and authorised for issue by the board and were signed on its behalf on 19 April 2012

A handwritten signature in black ink, appearing to read 'O. Willett', with a horizontal line drawn underneath it.

O Willett
Director

The notes on pages 3 to 6 form part of these financial statements

XSMG WORLD LTD

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2011

1 ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently

1.3 Going concern

In common with many start ups, the company has, in line with its original business plan, invested a considerable amount on its infrastructure and on research and development of its key defence products. Good progress is continuing to be made in these areas and in developing an effective sales and marketing strategy, which the directors anticipate will start to yield tangible results in the future.

At the balance sheet date the company shows net liabilities of £8,249,110 (2010 £5,459,877). The directors have received assurances from its parent undertaking, XSMG Holding Limited, that for a period of 12 months from the signing of the financial statements, it is their present intention that they will maintain their financial support and provide such funds as are necessary to enable it to continue with its current and future activities and meet debts as they fall due. On this basis the directors consider it appropriate that the financial statements are drawn up on the going concern basis.

1.4 Turnover

Revenue represents sales at invoiced amounts less value added tax.

Boats under construction are assessed on a contract by contract basis and are reflected in the profit and loss account by recording revenue and related costs as contract activity progresses. Where the outcome of each contract can be assessed with reasonable certainty before its conclusion, the attributable profit is recognised in the profit and loss account as the difference between the reported revenue and the related costs for that contract.

1.5 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life.

Patents are stated at cost less provision for impairment. Patents are amortised over the period for which they are expected to generate revenue.

XSMG WORLD LTD

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2011

1 ACCOUNTING POLICIES (continued)

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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements	-	straight line over 6 years
Plant and machinery	-	straight line over 5 years
Fixtures and fittings	-	straight line over 10 years
Office equipment	-	straight line over 10 years
Computer equipment	-	straight line over 3 years
Tooling and moulds	-	straight line over 5 years

1 7 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

1 8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1 9 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1 10 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

1 11 Research and development

Research and development costs are written off to the profit and loss account in the period in which they are incurred.

XSMG WORLD LTD

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

2 INTANGIBLE FIXED ASSETS

	£
Cost	
At 1 January 2011	426,000
Additions	4,100
Adjustment in respect of deferred consideration	(43,846)
At 31 December 2011	<u>386,254</u>
Amortisation	
At 1 January 2011	272,166
Charge for the year	99,372
At 31 December 2011	<u>371,538</u>
Net book value	
At 31 December 2011	<u>14,716</u>
At 31 December 2010	<u>153,834</u>

3 TANGIBLE FIXED ASSETS

	£
Cost	
At 1 January 2011	117,992
Additions	18,741
Disposals	(18,231)
At 31 December 2011	<u>118,502</u>
Depreciation	
At 1 January 2011	36,546
Charge for the year	28,924
On disposals	(10,277)
At 31 December 2011	<u>55,193</u>
Net book value	
At 31 December 2011	<u>63,309</u>
At 31 December 2010	<u>81,446</u>

XSMG WORLD LTD

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

4 DEBTORS

Included within other debtors due within one year is a loan to I D Sanderson, a director, amounting to £11,500 (2010 £11,500) The maximum outstanding during the year was £11,500 (2010 £11,500) The interest charged on this loan during the period amounted to £173 (2010 £86) and the amount outstanding at the balance sheet date was £431 (2010 £259) Interest is charged at bank base rate + 1%

5 CREDITORS

Amounts falling due after more than one year

Creditors include amounts not wholly repayable within 5 years as follows

	2011 £	2010 £
Repayable other than by instalments	8,430,242	6,038,533

The amounts owed are not secured and are not interest bearing

6 SHARE CAPITAL

	2011 £	2010 £
Allotted, called up and fully paid		
1 Ordinary share of £1	1	1

7 CONTROLLING PARTY

The company's immediate controlling party is XSMG Holding Limited, an entity incorporated in the United Arab Emirates

XSMG WORLD LTD

ABBREVIATED BALANCE SHEET (continued)
AS AT 31 DECEMBER 2011

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 were approved and authorised for issue by the board and were signed on its behalf on 19 April 2012



O Willett
Director

The notes on pages 3 to 6 form part of these financial statements