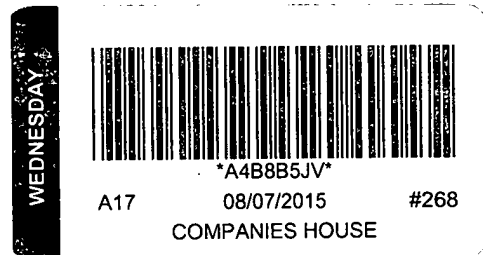


REGISTERED NUMBER: 08088104 (England and Wales)

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014
FOR
ARMOUR INTELLIGENCE LIMITED**



ARMOUR INTELLIGENCE LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

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ARMOUR INTELLIGENCE LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2014

Directors: S M Ryland
S J Dalton
Brigadier D W Montgomery

Secretary: K J Bingham

Registered Office 4th Floor
20 Old Broad Street
LONDON
EC2N 1DP

Registered Number: 08088104 (England and Wales)

Registered Auditors: Mazars LLP
Tower Bridge House
St Katharine's Way
London
E1W 1DD

ARMOUR INTELLIGENCE LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present their strategic report for the year ended 31 December 2014.

Review of business

The company continues to grow its turnover securing its largest annual service contract from a blue chip client. However, the company has incurred significant administrative costs which have contributed to the loss for the year of £76,450 (2013: loss £186,081)

Principal risks and uncertainties

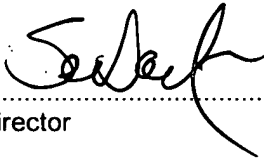
The company's operations expose it to a variety of risks. The directors have examined the major risks to the business and have concluded the main risk to be the provision of finance to fund the company's operations.

The company's ultimate parent company has stated that it will continue to provide the funds to allow the company to meet its liabilities as they fall due.

Key performance indicators

In the opinion of the directors the key financial performance indicators of the business are turnover and operating profit. Turnover increased by 112% to £764,989 (2013: £361,045). Operating loss reduced by 59% to £76,450 (2013: £186,081).

On behalf of the Board:



.....
S J Dalton - Director

Date: 24.6.15
.....

ARMOUR INTELLIGENCE LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2014**

The directors present their report with the financial statements of the company for the year ended 31 December 2014.

The registered number of the company is 08088104 (England and Wales).

Principal Activity

The principal activity of the company in the year under review was that of an investigative company detecting and deterring fraudulent activity.

Dividends

No dividends will be distributed for the year ended 31 December 2014.

Directors

The directors shown below have held office during the whole of the period from 1 January 2014 to the date of this report.

S M Ryland
S J Dalton
Brigadier D W Montgomery

Mrs A J Montgomery ceased to be a director on 14 May 2014.

Statement of Directors' responsibilities

The directors are responsible for preparing the Strategic Report, Report of the Directors 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:

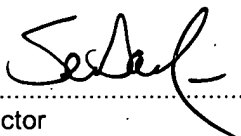
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- 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.

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the Board:



.....
S J Dalton - Director

Date:

24.6.15

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ARMOUR INTELLIGENCE LIMITED**

We have audited the financial statements of Armour Intelligence Limited for the year ended 31 December 2014 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. 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).

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, 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. 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

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 December 2014 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.


Opinion on other matter prescribed by the Companies Act 2006

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

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.


Markham J. Grice (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Tower Bridge House
St Katharine's Way
London
E1W 1DD

Date: 26 June 2015

ARMOUR INTELLIGENCE LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £'000	2013 £
Turnover		764,989	361,045
Administrative expenses		841,439	547,126
Operating profit	3	<u>(76,450)</u>	<u>(186,081)</u>
Loss on ordinary activities before taxation		<u>(76,450)</u>	<u>(186,081)</u>
Tax on loss on ordinary activities	4	-	-
Retained loss for the financial year		<u><u>(76,450)</u></u>	<u><u>(186,081)</u></u>

All amounts relate to continuing operations.

There were no recognised gains or losses other than those included in the profit and loss account for the current and prior years and therefore no separate statement of total recognised gains and losses has been presented.

The notes also form an integral part of these financial statements.

ARMOUR INTELLIGENCE LIMITED

**BALANCE SHEET
AS AT 31 DECEMBER 2014**

	Notes	2014 £	2013 £
Fixed assets			
Tangible assets	5	1,263	2,105
Current assets			
Debtors – amounts falling due within one year	6	216,055	96,918
Cash at bank and in hand		22,774	734
		<u>238,829</u>	<u>97,652</u>
Current liabilities			
Creditors - amounts falling due within one year	7	569,262	352,477
Net current liabilities		<u>(330,433)</u>	<u>(254,825)</u>
Total assets less current liabilities		<u>(329,170)</u>	<u>(252,720)</u>
Capital and reserves			
Called up share capital	8	1,000	1,000
Profit and loss account	9	(330,170)	(253,720)
Shareholders' funds	13	<u>(329,170)</u>	<u>(252,720)</u>

The financial statements were approved by the Board of Directors on *24.6.15* and were signed on its behalf by:

.....
S J Dalton - Director

ARMOUR INTELLIGENCE LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2013 £
Net cash outflow from operating activities	1	(214,481)	(163,190)
Capital expenditure	2	-	(2,526)
		<u>(214,481)</u>	<u>(165,716)</u>
Financing	2	236,521	127,376
Increase/(Decrease) in cash in the period		<u>22,040</u>	<u>(38,340)</u>
Reconciliation of net cash flow to movement in net funds	3		
Increase/(Decrease) in cash in the period		22,040	(38,340)
Change in net funds resulting from cash flows		<u>22,040</u>	<u>(38,340)</u>
Movement in net funds in the period		22,040	(38,340)
Net funds at 1 January		734	39,074
Net funds at 31 December		<u>22,774</u>	<u>734</u>

ARMOUR INTELLIGENCE LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014**

1. Reconciliation of operating loss to net cash outflow from operating activities

	2014	2013
	£	£
Operating loss	(76,450)	(186,081)
Depreciation charges	842	421
Increase in debtors	(119,137)	(58,215)
(Decrease)/Increase in creditors	(19,736)	80,685
Net cash outflow from operating activities	<u>(214,481)</u>	<u>(163,190)</u>

2. Analysis of cash flows for headings netted in the cash flow statement

	2014	2013
	£	£
Capital expenditure		
Purchase of tangible fixed assets	-	(2,526)
Net cash outflow for capital expenditure and financial investment	<u>-</u>	<u>(2,526)</u>
Financing		
New loans in year	236,521	127,376
Net cash inflow from financing	<u>236,521</u>	<u>127,376</u>

3. Analysis of changes in net funds

	At 1.1.14	Cash flow	At 31.12.14
	£	£	£
Net cash:			
Cash at bank and in hand	734	22,040	22,774
	<u>734</u>	<u>22,040</u>	<u>22,774</u>
Total	<u>734</u>	<u>22,040</u>	<u>22,774</u>

ARMOUR INTELLIGENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

1. Accounting policies

Accounting convention

The financial statements have been prepared under the historical cost convention.

Going Concern

The financial statements have been prepared on a going concern basis. The company's ultimate parent company has given an undertaking that it will continue to provide the funds to allow the company to meet its liabilities as they fall due.

Turnover

Turnover represents net invoiced sales of services, excluding value added tax and adjusted for accrued income.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 33.33% on cost

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

2. Staff costs

	2014	2013
	£	£
Wages and salaries	259,124	139,651
Social security costs	28,742	15,644
Other pension costs	18,070	9,025
	<u>305,936</u>	<u>164,320</u>

The average monthly number of employees during the period was as follows:

	2014	2013
Administrative	6	3
Directors	3	4
	<u>9</u>	<u>7</u>

3. Operating loss

The operating loss is stated after charging:

	2014	2013
	£	£
Depreciation – owned assets	842	421
Auditors' remuneration	3,000	3,000
	<u>3,842</u>	<u>3,421</u>

ARMOUR INTELLIGENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2014**

3. Operating loss - continued

	2014	2013
	£	£
Directors' remuneration	50,000	50,000
Directors' pension contributions to money purchase schemes	<u>5,000</u>	<u>5,000</u>
Number of directors who accrued benefits under money purchase schemes	<u>1</u>	<u>1</u>

4. Taxation

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2014 or for the period ended 31 December 2013.

5. Tangible fixed assets

	Computer equipment £
Cost	
At 1 January 2014	2,526
Additions	-
At 31 December 2014	<u>2,526</u>
Depreciation	
At 1 January 2014	421
Charge for year	842
At 31 December 2014	<u>1,263</u>
Net book value	
At 31 December 2014	<u>1,263</u>
At 31 December 2013	<u>2,105</u>

6. Debtors: amounts falling due within one year

	2014	2013
	£	£
Other debtors	4,490	490
Prepayments and accrued income	<u>211,565</u>	<u>96,428</u>
	<u>216,055</u>	<u>96,918</u>

ARMOUR INTELLIGENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2014**

7. Creditors: amounts falling due within one year

	2014	2013
	£	£
Social security and other taxes	44,309	55,984
Amounts owed to group undertakings	485,792	249,271
Accruals	39,161	47,222
	<u>569,262</u>	<u>352,477</u>

8. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal Value	2014	2013
			£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

9. Reserves

	Profit and loss account
	£
At 1 January 2014	(253,720)
Profit for the year	(76,450)
At 31 December 2014	<u>(330,170)</u>

10. Related party disclosures

As at 31 December 2014 the company owed £485,792 (2013: £249,271) to Armour Risk Management Limited, its parent company. During the year the company was advanced £169,216 (2013: £264,517) by Armour Risk Management Limited and repaid £167,761 (2013: £137,141) to Armour Risk Management Limited. During the year Armour Risk Management Limited charged £30,000 (2013: £30,000) in respect of rent, rates and service charges. During the year Armour Risk Management Limited provided human resources, IT and finance support, included in group recharges of £19,560 (2013: £15,180).

11. Ultimate parent company

The company is a 75.5% (2013: 51%) subsidiary of Armour Risk Management Limited which is considered to be its parent company. Armour Risk Management Limited is ultimately controlled by Armour Group Holdings Limited, a company incorporated in Bermuda and the directors consider this company to be the ultimate parent company.

12. Ultimate controlling party

B S Huntington is the ultimate controlling party by virtue of his shareholding in the ultimate parent company.

ARMOUR INTELLIGENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2014

13. Reconciliation of movement in shareholders' funds

	2014	2013
	£	£
Loss for the financial year	(76,450)	(186,081)
Net reduction to shareholders' funds	(76,450)	(186,081)
Opening shareholders' funds	(252,720)	(66,639)
Closing shareholders' funds	(329,170)	(252,720)

14. Going concern

The financial statements have been prepared on a going concern basis. This basis is considered to be appropriate as the company continues to receive the support of its ultimate parent company.