

Registered number: 09027691

Arkle Acquisitions Limited

Unaudited

Financial statements

Information for filing with the registrar

For the Year Ended 31 December 2017

Arkle Acquisitions Limited
Registered number: 09027691

Balance Sheet
As at 31 December 2017

	Note	2017 £	As restated 2016 £
Fixed assets			
Intangible assets	4	-	-
Tangible assets	5	3,859	7,187
Investments	6	3	155,000
		<u>3,862</u>	<u>162,187</u>
Current assets			
Stocks	7	68,000	48,000
Debtors: amounts falling due within one year	8	947,298	589,278
Current asset investments	9	379,462	373,635
Cash at bank and in hand	10	175,308	798,205
		<u>1,570,068</u>	<u>1,809,118</u>
Creditors: amounts falling due within one year	11	(581,545)	(94,404)
Net current assets		<u>988,523</u>	<u>1,714,714</u>
Total assets less current liabilities		<u>992,385</u>	<u>1,876,901</u>
Net assets		<u>992,385</u>	<u>1,876,901</u>
Capital and reserves			
Called up share capital		1	1
Profit and loss account		992,384	1,876,900
		<u>992,385</u>	<u>1,876,901</u>

Arkle Acquisitions Limited
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Balance Sheet (continued)
As at 31 December 2017

The director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements 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 financial statements 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 income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

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

Mr M J Sargent
Director
Date: 5 October 2018

The notes on pages 3 to 10 form part of these financial statements.

Arkle Acquisitions Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2017**

1. General information

The company is a private limited company limited by share capital incorporated in England and Wales.
The company's registered office is:
Unit 63 Chichester Enterprise Centre
Terminus Road
Chichester
PO19 8TX

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue 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 revenue is recognised:

Sale of goods

Revenue 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 revenue 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

Revenue 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 revenue 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.

2.3 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings 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.

Arkle Acquisitions Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2017**

2. Accounting policies (continued)

2.4 Taxation

Tax is recognised in the Statement of Income and Retained Earnings, 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 balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.5 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Income and Retained Earnings over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Arkle Acquisitions Limited**Notes to the Financial Statements
For the Year Ended 31 December 2017****2. Accounting policies (continued)****2.6 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	-	33% straight line
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Current asset investments are measured at fair value with changes in fair value recognised in the Statement of Income and Retained Earnings.

2.8 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 balance sheet 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.

2.9 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.

2.10 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.

2.11 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.

2.12 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 non-puttable ordinary shares.

Arkle Acquisitions Limited**Notes to the Financial Statements
For the Year Ended 31 December 2017****2. Accounting policies (continued)****2.12 Financial instruments (continued)**

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

2.13 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 3 (2016 - 3).

4. Intangible assets

	Intellectual property	Goodwill	Total
	£	£	£
At 1 January 2017	26,000	202,000	228,000
Disposals	(26,000)	(202,000)	(228,000)
At 31 December 2017	-	-	-
At 1 January 2017	26,000	202,000	228,000
On disposals	(26,000)	(202,000)	(228,000)
At 31 December 2017	-	-	-
Net book value			
At 31 December 2017	-	-	-
At 31 December 2016	-	-	-

Arkle Acquisitions Limited**Notes to the Financial Statements
For the Year Ended 31 December 2017****5. Tangible fixed assets**

	Office equipment
	£
Cost or valuation	
At 1 January 2017	9,241
Disposals	(1,778)
At 31 December 2017	<u>7,463</u>
Depreciation	
At 1 January 2017	2,054
Charge for the year on owned assets	2,488
Disposals	(938)
At 31 December 2017	<u>3,604</u>
Net book value	
At 31 December 2017	<u>3,859</u>
At 31 December 2016	<u>7,187</u>

Arkle Acquisitions Limited

Notes to the Financial Statements
For the Year Ended 31 December 2017

6. Fixed asset investments

	Investments in subsidiary companies
	£
Cost or valuation	
Prior Year Adjustment	<u>155,000</u>
At 1 January 2017 (as restated)	155,000
Additions	<u>3</u>
At 31 December 2017	<u>155,003</u>
Impairment	
Charge for the period	<u>155,000</u>
At 31 December 2017	<u>155,000</u>
Net book value	
At 31 December 2017	<u><u>3</u></u>
At 31 December 2016 (as restated)	<u><u>155,000</u></u>

7. Stocks

	2017	As restated 2016
	£	£
Stock	<u>68,000</u>	48,000
	<u><u>68,000</u></u>	<u><u>48,000</u></u>

8. Debtors

	2017	As restated 2016
	£	£
Trade debtors	282,694	13,961
Amounts owed by group undertakings	-	250,000
Other debtors	558,397	145,500
Prepayments and accrued income	<u>106,207</u>	179,817
	<u><u>947,298</u></u>	<u><u>589,278</u></u>

Arkle Acquisitions Limited

Notes to the Financial Statements
For the Year Ended 31 December 2017

9. Current asset investments

	2017	2016
	£	£
Unlisted investments (liquid)	379,462	373,635
	<u>379,462</u>	<u>373,635</u>

10. Cash and cash equivalents

	2017	2016
	£	£
Cash at bank and in hand	175,308	798,205
	<u>175,308</u>	<u>798,205</u>

11. Creditors: Amounts falling due within one year

	2017	As restated 2016
	£	£
Trade creditors	18,104	-
Amounts owed to group undertakings	425,501	-
Corporation tax	35,718	34,666
Other taxation and social security	422	40,258
Other creditors	96,925	11,030
Accruals and deferred income	4,875	8,450
	<u>581,545</u>	<u>94,404</u>

12. Financial instruments

	2017	2016
	£	£
Financial assets		
Financial assets measured at fair value through profit or loss	<u>379,462</u>	<u>373,635</u>

Financial assets measured at fair value through profit or loss comprise of gold market bars. The fair value is based on the fix price on the London Bullion Market Association. The fair value is £379,462 (2016: £373,635) and the increase in value in the profit and loss was £5,827 (2016: decreased £39,088).

Arkle Acquisitions Limited**Notes to the Financial Statements
For the Year Ended 31 December 2017****13. Prior year adjustment**

Last year's financial statements have been restated following a change in the accounting treatment of a subsidiary. The subsidiary had previously been treated as stock and is now treated as investment. The profit and loss reserves have reduced by £211,388 as a result of this change in accounting treatment.

14. Commitments under operating leases

At 31 December 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Operating lease commitments	-	4,584
	<u>-</u>	<u>4,584</u>

15. Controlling party

The parent company is Arkle International Limited.
The registered office of Arkle International Limited is:
63 Chichester Enterprise Centre
Terminus Road
Chichester
West Sussex
PO19 8TX