

Arralis Technologies Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2021

Arralis Technologies Ltd

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Arralis Technologies Ltd

Company Information

Directors	Michael Terence Gleaves Gillian Yeung Fan Nannan
Registered office	10d Clarendon Road Clarendon Quay Belfast Northern Ireland BT1 3BG
Accountants	RiverView Portfolio Limited 1 Market Hill Calne Wiltshire SN11 0BT

Arralis Technologies Ltd

(Registration number: NI621496) Balance Sheet as at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	<u>5</u>	1,857,599	1,713,505
Current assets			
Stocks	<u>6</u>	4,575	418
Debtors	<u>7</u>	3,827,091	432,021
Cash at bank and in hand		29,935	51,001
		<u>3,861,601</u>	<u>483,440</u>
Creditors: Amounts falling due within one year	<u>8</u>	<u>(2,787,320)</u>	<u>(1,889,808)</u>
Net current assets/(liabilities)		<u>1,074,281</u>	<u>(1,406,368)</u>
Total assets less current liabilities		2,931,880	307,137
Creditors: Amounts falling due after more than one year	<u>8</u>	<u>(6,700,238)</u>	<u>(5,139,878)</u>
Net liabilities		<u>(3,768,358)</u>	<u>(4,832,741)</u>
Capital and reserves			
Called up share capital		(1)	(1)
Retained earnings		<u>(3,768,357)</u>	<u>(4,832,740)</u>
Shareholders' deficit		<u>(3,768,358)</u>	<u>(4,832,741)</u>

For the financial year ending 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements 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.

Approved and authorised by the Board on 9 December 2022 and signed on its behalf by:

.....
Michael Terence Gleaves
Director

Arralis Technologies Ltd

(Registration number: NI621496)

Balance Sheet as at 31 December 2021 (continued)

.....
Gillian Yeung
Director

.....
Fan Nannan
Director

Arralis Technologies Ltd

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

10d Clarendon Road
Clarendon Quay
Belfast
Northern Ireland
BT1 3BG

These financial statements were authorised for issue by the Board on 9 December 2022.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured. Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Arralis Technologies Ltd

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

2 Accounting policies (continued)

Asset class	Depreciation method and rate
Plant & Machinery - Test Equipment	12.5% Straightline
Motor Vehicles	33.33% Straightline
Office/Computer Equipment	33.33% Straightline

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

2 Accounting policies (continued)

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 20 (2020 - 0).

4 Profit/loss before tax

Arrived at after charging/(crediting)

	2021	2020
	£	£
Depreciation expense	325,956	199,508

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

5 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 January 2021	274,821	1,704,090	17,345	1,996,256
Additions	-	785,387	-	785,387
Disposals	(274,821)	(40,517)	-	(315,338)
At 31 December 2021	-	2,448,960	17,345	2,466,305
Depreciation				
At 1 January 2021	-	273,187	9,564	282,751
Charge for the year	-	318,174	7,781	325,955
At 31 December 2021	-	591,361	17,345	608,706
Carrying amount				
At 31 December 2021	-	1,857,599	-	1,857,599
At 31 December 2020	274,821	1,430,903	7,781	1,713,505

Included within the net book value of land and buildings above is £Nil (2020 - £274,821) in respect of short leasehold land and buildings.

6 Stocks

	2021 £	2020 £
Other inventories	4,575	418

7 Debtors

	2021 £	2020 £
Current		
Trade debtors	3,595,032	-
Prepayments	94,470	37,473
Other debtors	137,589	394,548
	3,827,091	432,021

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

8 Creditors

Creditors: amounts falling due within one year

	Note	2021 £	2020 £
Due within one year			
Loans and borrowings	9	274,821	274,821
Trade creditors		2,435,791	1,566,594
Taxation and social security		60,223	48,393
Accruals and deferred income		16,485	-
		2,787,320	1,889,808

Creditors: amounts falling due after more than one year

	Note	2021 £	2020 £
Due after one year			
Loans and borrowings	9	6,700,238	5,139,878

9 Loans and borrowings

		2021 £	2020 £
Non-current loans and borrowings			
Other borrowings		6,700,238	5,139,878

		2021 £	2020 £
Current loans and borrowings			
Hire purchase contracts		274,821	274,821

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.