

Company registration number 09691535 (England and Wales)

DRONE AG LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
PAGES FOR FILING WITH REGISTRAR

DRONE AG LIMITED

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DRONE AG LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2024

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	4		691,149		661,287
Tangible assets	5		53,165		91,502
			<u>744,314</u>		<u>752,789</u>
Current assets					
Stocks		9,300		3,250	
Debtors	6	281,053		159,018	
Cash at bank and in hand		75,489		90,325	
		<u>365,842</u>		<u>252,593</u>	
Creditors: amounts falling due within one year	7	<u>(343,840)</u>		<u>(320,194)</u>	
Net current assets/(liabilities)			<u>22,002</u>		<u>(67,601)</u>
Total assets less current liabilities			<u>766,316</u>		<u>685,188</u>
Creditors: amounts falling due after more than one year	8		<u>(146,427)</u>		<u>(7,083)</u>
Provisions for liabilities			<u>-</u>		<u>67,686</u>
Net assets			<u>619,889</u>		<u>745,791</u>
Capital and reserves					
Called up share capital	9		22		22
Share premium account			2,087,542		2,087,543
Profit and loss reserves			<u>(1,467,675)</u>		<u>(1,341,774)</u>
Total equity			<u>619,889</u>		<u>745,791</u>

DRONE AG LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2024

For the financial year ended 31 December 2024 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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

The financial statements were approved by the board of directors and authorised for issue on 13 May 2025 and are signed on its behalf by:

J Wrangham
Director

Company registration number 09691535 (England and Wales)

DRONE AG LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Company information

Drone AG Limited (09691535) is a private company limited by shares incorporated in England and Wales. The registered office is The Steadings, East Lilburn, Alnwick, Northumberland, NE66 4ED.

1.1 Accounting convention

These financial statements have been prepared under the historical cost convention and 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 principal accounting policies adopted are set out below.

1.2 Going concern

These accounts have been prepared on the going concern basis, as additional funding has been raised in the year to support the general working capital of the company. Additional funding has been raised via Advance Subscription Funds and investments from Agrii, Winfornton and CrowdCube. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 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.

1.4 Research and development expenditure

General research and development expenditure is written off in the period in which it is incurred. Specific development costs are capitalised where permitted by FRS102.

1.5 Intangible fixed assets other than goodwill

Intangible assets are initially recorded at cost and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses. Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Development costs	10% straight line
Brand	Fully amortised

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

DRONE AG LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies (Continued)

1.6 Tangible fixed assets

Tangible assets are recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and equipment	20% straight line
Fixtures and fittings	20% reducing balance
Computers	20% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand.

1.9 Financial instruments

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors are measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

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.

1.10 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.

DRONE AG LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

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.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 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.

1.14 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 in the period are included in profit or loss.

1.15 Operating Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

DRONE AG LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2024 Number	2023 Number
Total	9	12

4 Intangible fixed assets

	Development costs £	Brand £	Total £
Cost			
At 1 January 2024	727,334	5,000	732,334
Additions	107,346	-	107,346
At 31 December 2024	834,680	5,000	839,680
Amortisation and impairment			
At 1 January 2024	66,047	5,000	71,047
Amortisation charged for the year	77,484	-	77,484
At 31 December 2024	143,531	5,000	148,531
Carrying amount			
At 31 December 2024	691,149	-	691,149
At 31 December 2023	661,287	-	661,287

DRONE AG LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

5 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 January 2024	174,400
Additions	7,912
Disposals	(31,948)
	<hr/>
At 31 December 2024	150,364
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Depreciation and impairment	
At 1 January 2024	82,898
Depreciation charged in the year	29,238
Eliminated in respect of disposals	(14,937)
	<hr/>
At 31 December 2024	97,199
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Carrying amount	
At 31 December 2024	53,165
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At 31 December 2023	91,502
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6 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	120,385	70,649
Corporation tax recoverable	42,086	76,601
Deferred tax	96,642	-
Other debtors	14,671	4,111
Prepayments and accrued income	7,269	7,657
	<hr/>	<hr/>
	281,053	159,018
	<hr/> <hr/>	<hr/> <hr/>

7 Creditors: amounts falling due within one year

	2024	2023
	£	£
Bank loans	17,420	5,000
Trade creditors	59,564	71,732
Taxation and social security	90,578	86,787
Other creditors	2,047	2,125
Accruals and deferred income	174,231	154,550
	<hr/>	<hr/>
	343,840	320,194
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Bank loans are unsecured.

DRONE AG LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

8 Creditors: amounts falling due after more than one year

	2024	2023
	£	£
Other loans	120,000	-
Bank loan	26,427	7,083
	<u>146,427</u>	<u>7,083</u>

Bank loans are unsecured.

9 Called up share capital

	2024	2023	2024	2023
	Number	Number	£	£
Ordinary share capital Issued and fully paid				
Nominal value of 0.0001333p each	16,508,956	16,508,956	22	22
	<u>16,508,956</u>	<u>16,508,956</u>	<u>22</u>	<u>22</u>

10 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2024	2023
	£	£
	18,155	31,737
	<u>18,155</u>	<u>31,737</u>

11 Directors' transactions

At 31 December 2024 J Wrangham, director, owed the company £12,426 (31 December 2023: £2,367). The loans are interest free and repayable on demand. The balances will be repaid within nine months of the financial year end.

12 Share options

Options have been granted (but not yet exercised) on shares in two schemes.

Under the first scheme, options over 317,542 shares have been granted (but not yet exercised) at various strike prices. If exercised, the underlying shares will come from the Founders' stake with no dilution of minority investors.

Under the second scheme, options over 1,256,000 shares have been granted (but not yet exercised) at various strike prices. If exercised, the underlying shares will come from new issuance. This scheme allows for a further grant of 244,000 share options.

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.