

Registration number 3565924

Red Box Design Group Limited
Abbreviated financial statements
for the year ended 30 November 2007

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Red Box Design Group Limited

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Red Box Design Group Limited

**Independent Auditors' Report to Red Box Design Group Limited
under section 247b of the Companies Act 1985**

We have examined the abbreviated financial statements set out on pages 2 to 6 together with the financial statements of Red Box Design Group Limited for the year ended 30 November 2007 prepared under section 226 of the Companies Act 1985

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the abbreviated financial statements have been properly prepared in accordance with those provisions and to report our opinion to you.

This report, including the opinion, has been prepared for and only for the company for the purpose of Section 247B of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The Special Auditor's Report on Abbreviated Accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements have been properly prepared in accordance with those provisions.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

Chartered Accountants and Independent Auditors

Newcastle upon Tyne

30 September 2008

Red Box Design Group Limited

Balance sheet as at 30 November 2007

	Notes	2007 £	2007 £	2006 £
Fixed assets				
Intangible assets	1		3,287,087	-
Tangible assets	2		120,570	-
			3,407,657	-
Current assets				
Debtors		327,385		-
Cash at bank and in hand		347,607		2
		674,992		2
Creditors, amounts falling due within one year		(2,265,368)		-
Net current (liabilities)/assets			(1,590,376)	2
Total assets less current liabilities			1,817,281	2
Creditors: amounts falling due after more than one year			(1,212,686)	-
Provisions for liabilities			(1,862)	-
Net assets			602,733	2
Capital and reserves				
Called up share capital	3		600,000	2
Profit and loss account			2,733	-
Total shareholders' funds			602,733	2

The directors have acknowledged their responsibilities for preparing accounts which give a true and fair view of the company and of its profit for the year ended in accordance with the requirements of Section 226 of the Companies Act 1985 and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to this company.

The directors have acknowledged their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985. The directors have confirmed that no notice has been deposited under Section 249B(2) of the Companies Act 1985. In the opinion of the directors, the company is entitled to deliver accounts on the grounds that the company is small

The financial statements on pages 2 to 6 were approved by the Board on 30 September 2008 and signed on its behalf by



Alan J Smith
Director

Red Box Design Group Limited

Statement of accounting policies

Accounting convention

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 1985 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year are set out below.

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cash flow statement because it is a small company.

Going Concern

The company has net liabilities at 30 November 2007. The accounts have been prepared on the going concern basis as the company has sufficient banking facilities in place to meet these liabilities.

Turnover

Turnover represents amounts receivable for goods and services, net of value added tax. Turnover is recognised by stage of completion of contracts.

Goodwill

Goodwill represents the excess of the fair value of the consideration given over the fair value of the identifiable net assets acquired. Goodwill has been capitalised and is being amortised over a period not exceeding 20 years, being the period expected to benefit. The company will evaluate the carrying value of goodwill in each financial year to determine if there has been an impairment in value, which would result in the inability to recover the carrying amount. When it is determined that the carrying value exceeds the recoverable amount, the excess will be written off to the profit and loss account.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and machinery	-	33 33% reducing balance
Fixtures, fittings and equipment	-	15% reducing balance
Motor vehicles	-	33 33% straight line

Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

Red Box Design Group Limited

Statement of accounting policies

Deferred income

Deferred income is calculated based on percentage completion of each project

Provisions

Provisions are recognised when the company has a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation

Government grants

Government grants have been credited to the profit and loss account when received

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis

Red Box Design Group Limited
Notes to the financial statements
For the year ended 30 November 2007

1. Intangible fixed assets

	Goodwill
	£
Cost	
At 1 December 2006	-
Addition	3,460,092
At 30 November 2007	3,460,092
Accumulated amortisation	
At 1 December 2006	-
Charge for the year	173,005
At 30 November 2007	173,005
Net book value	
At 30 November 2007	3,287,087
At 30 November 2006	-

Red Box Design Group Limited
Notes to the financial statements

For the year ended 30 November 2007

2. Tangible fixed assets	Fixtures			Total
	Plant and machinery	fittings and equipment	Motor vehicles	
Total	£	£	£	£
Cost				
At 1 December 2006 - acquisition	22,102	54,408	13,185	89,695
Additions	15,961	51,346	-	67,307
At 30 November 2007	38,063	107,754	13,185	159,002
Accumulated Depreciation				
At 1 December 2006	-	-	-	-
Charge for the year	12,686	15,966	9,780	38,432
At 30 November 2007	12,686	15,966	9,780	38,432
Net book value				
At 30 November 2007	25,377	91,788	3,405	120,570
At 30 November 2006	-	-	-	-

Included in the above schedule are leased assets with a cost of £93,189 and net book value of £70,013

3. Called up Share capital

	2007 £	2006 £
Authorised share capital		
1,000,000 ordinary shares of £1 each	1,000,000	1,000,000
Allotted, called up and fully paid equity		
600,000 ordinary shares of £1 each	600,000	2