

**RED BOX DESIGN GROUP LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED**  
**30 NOVEMBER 2010**

SATURDAY



\*AOEWDW9Q\*

A36

30/07/2011

305

COMPANIES HOUSE

**unw LLP**

Chartered Accountants & Statutory Auditor

Citygate

St James' Boulevard

Newcastle upon Tyne

NE1 4JE

# **RED BOX DESIGN GROUP LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO RED BOX DESIGN GROUP LIMITED**

### **UNDER SECTION 449 OF THE COMPANIES ACT 2006**

---

We have examined the abbreviated accounts, together with the financial statements of Red Box Design Group Limited for the year ended 30 November 2010 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

#### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**


The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

#### **BASIS OF OPINION**

We conducted our work in accordance with Bulletin 2008/4 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 accounts and that the abbreviated accounts to be delivered are properly prepared.

#### **OPINION**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



Andrew Wilson BA FCA (Senior  
Statutory Auditor)  
For and on behalf of  
UNW LLP  
Chartered Accountants  
& Statutory Auditor

Citygate  
St James' Boulevard  
Newcastle upon Tyne  
NE1 4JE

3 June 2011

# RED BOX DESIGN GROUP LIMITED

## ABBREVIATED BALANCE SHEET

30 NOVEMBER 2010

	Note	2010 £	2009 £
<b>FIXED ASSETS</b>	<b>2</b>		
Intangible assets		3,240,974	3,441,794
Tangible assets		89,691	112,496
Investments		4	4
		<u>3,330,669</u>	<u>3,554,294</u>
<b>CURRENT ASSETS</b>			
Debtors		1,018,122	475,198
Cash at bank and in hand		1,171,676	693,198
		<u>2,189,798</u>	<u>1,168,396</u>
<b>CREDITORS: Amounts falling due within one year</b>	<b>3</b>	<b>(3,477,464)</b>	<b>(2,450,895)</b>
<b>NET CURRENT LIABILITIES</b>		<b>(1,287,666)</b>	<b>(1,282,499)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>2,043,003</b>	<b>2,271,795</b>
<b>CREDITORS: Amounts falling due after more than one year</b>	<b>4</b>	<b>(1,241,197)</b>	<b>(1,578,330)</b>
<b>PROVISIONS FOR LIABILITIES</b>		<b>-</b>	<b>(1,119)</b>
		<u>801,806</u>	<u>692,346</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	<b>6</b>	<b>600,000</b>	<b>600,000</b>
Profit and loss account		<b>201,806</b>	<b>92,346</b>
<b>SHAREHOLDERS' FUNDS</b>		<b>801,806</b>	<b>692,346</b>

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

These abbreviated accounts were approved by the directors and authorised for issue on 3 June 2011, and are signed on their behalf by

A J Smith



Company Registration Number 03565924

The notes on pages 3 to 5 form part of these abbreviated accounts.

# RED BOX DESIGN GROUP LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 NOVEMBER 2010

---

### 1 ACCOUNTING POLICIES

#### Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

#### Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion

#### Goodwill

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its estimated useful life up to a maximum of 20 years. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable

#### Amortisation

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

Goodwill - 5% straight line

#### Fixed assets

All fixed assets are initially recorded at cost

#### Depreciation

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

Plant & Machinery	- 33 33% reducing balance
Fixtures & Fittings	- 15% reducing balance
Motor Vehicles	- 33 33% straight line

#### Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis

#### Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

# RED BOX DESIGN GROUP LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 NOVEMBER 2010

### 1 ACCOUNTING POLICIES *(continued)*

#### Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

#### Deferred taxation

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS 19. Deferred tax is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Deferred tax assets are recognised when it is more likely than not that they will be recovered. The company has not adopted a policy of discounting deferred tax assets and liabilities. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

#### Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

#### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

### 2 FIXED ASSETS

	Intangible Assets £	Tangible Assets £	Investments £	Total £
<b>COST</b>				
At 1 December 2009	4,016,442	186,944	4	4,203,390
Additions	—	3,943	—	3,943
<b>At 30 November 2010</b>	<b>4,016,442</b>	<b>190,887</b>	<b>4</b>	<b>4,207,333</b>
<b>DEPRECIATION</b>				
At 1 December 2009	574,648	74,448	—	649,096
Charge for year	200,820	26,748	—	227,568
<b>At 30 November 2010</b>	<b>775,468</b>	<b>101,196</b>	<b>—</b>	<b>876,664</b>
<b>NET BOOK VALUE</b>				
<b>At 30 November 2010</b>	<b>3,240,974</b>	<b>89,691</b>	<b>4</b>	<b>3,330,669</b>
At 30 November 2009	3,441,794	112,496	4	3,554,294

# RED BOX DESIGN GROUP LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 NOVEMBER 2010

### 2 FIXED ASSETS *(continued)*

The company owns 100% of the issued share capital of the companies listed below,

Aggregate capital and reserves

Red Box Interiors Limited (dormant)	1
Red Box Architecture Limited (dormant)	1
Red Box Gallery Limited (dormant)	2

### 3 CREDITORS. Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2010 £	2009 £
Bank loans and overdrafts	<u>1,490,726</u>	<u>1,101,834</u>

### 4. CREDITORS: Amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	2010 £	2009 £
Bank loans and overdrafts	<u>-</u>	<u>51,388</u>

### 5. TRANSACTIONS WITH THE DIRECTORS

During the year rent of £212,175 (2009 £214,924) was charged to the company by one of the directors

### 6 SHARE CAPITAL

Authorised share capital.

	2010 £	2009 £
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

Allotted, called up and fully paid

	2010		2009	
	No	£	No	£
600,000 Ordinary shares of £1 each	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>

### 7 ULTIMATE CONTROLLING PARTY

The ultimate controlling party is AJ Smith by virtue of his 75% holding of the ordinary share capital