

Registered No 04470930

AD Promotions Limited

Report and Financial Statements

30 June 2013

TUESDAY



A221KEA0

A13

07/01/2014

#338

COMPANIES HOUSE

Directors

M J Newton
P Norstrom
N F Petrie

Secretary

H Doroszkiewicz

Auditors

Ernst & Young LLP
100 Barbirolli Square
Manchester M2 3EY

Bankers

Barclays Bank plc
3 Hardman Street
Spinningfields
Manchester M3 3HF

Solicitors

DWF LLP
1 Scott Place
2 Hardman Street
Manchester M3 3AA

Registered Office

Unit 1200
Daresbury Park
Daresbury
Warrington WA4 4HS

Registered No 04470930

Directors' report

The directors present their report and financial statements for the year ended 30 June 2013

Results and dividends

The loss for the year after taxation amounted to £17k (2012 – profit of £33k) The directors do not recommend a final dividend (2012 – £nil)

Principal activities and review of the business

The principal activity of the company continued to be that of the hire of sports equipment for promotional activities

The results for the year and the financial position at the year end were considered satisfactory by the directors

Going concern

The company is a subsidiary of the ultimate parent undertaking, Anglo Design Holdings Plc ('the group')

A letter of support has been provided to the directors of the company from the directors of Anglo Design Holdings Plc to confirm that the group will provide sufficient financial and other support to enable the company to discharge their liabilities as they fall due. Despite the net asset position of £7k (2012 – net asset of £24k) at 30 June 2013 because the group has confirmed its intention to provide any necessary financial support to the company and not demand repayment of the intercompany debt for a period of at least 12 months from the approval of these financial statements, the directors consider it appropriate to prepare the financial statements on the going concern basis.

The Group meets its day-to-day working capital requirements through term loan and overdraft facilities repayable on demand, which do not expire until 31 March 2015.

Based on the Directors' latest approved forecasts, the Group expects to be able to comply with its facility arrangements negotiated with the bank and meet its liabilities and attached facility terms as they fall due for a period of not less than 12 months from the date of signature of these financial statements. Whilst acknowledging the uncertainties in the operating environment and their resultant impact on revenues, the Directors have identified a number of opportunities to manage working capital, some of which have already been actioned, to mitigate against any deteriorations and uncertainties in trading conditions.

The directors have a reasonable expectation that with the continued support of the bank and shareholder, including the provision of additional funds if required, the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Directors

The directors who served the company during the year were as follows

M J Newton
P Norstrom
N F Petrie

Directors' report

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

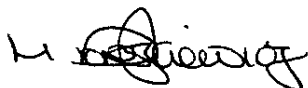
Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

Small company exemptions

This report has been prepared in accordance with the special provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

By order of the Board



H. DOROSZKIEWICZ
Secretary

20 December 2013

Directors' Responsibilities Statement

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report

to the members of AD Promotions Limited

We have audited the financial statements of AD Promotions Limited for the year ended 30 June 2013 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2013 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report

to the members of AD Promotions Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report



Gary Harding (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Manchester

20 December 2013

Profit and loss account

for the year ended 30 June 2013

	<i>Notes</i>	<i>2013</i> <i>£000</i>	<i>2012</i> <i>£000</i>
Turnover	2	95	660
Cost of sales		(108)	(654)
Gross (loss)/profit		(13)	6
Administrative expenses		(3)	(5)
(Loss)/profit on ordinary activities before taxation	3	(16)	1
Tax	5	(1)	32
(Loss)/profit for the financial year	10	(17)	33

All amounts relate to continuing activities

Statement of total recognised gains and losses

for the year ended 30 June 2013

There are no recognised gains or losses other than the loss attributable to the shareholders of the company of £17k in the year ended 30 June 2013 (2012 – profit of £33k)

Balance sheet

at 30 June 2013

	Notes	2013 £000	2012 £000
Fixed assets			
Tangible assets	6	164	180
Current assets			
Debtors	7	117	129
Cash at bank and in hand		-	2
		117	131
Creditors amounts falling due within one year	8	(274)	(287)
Net current liabilities		(157)	(156)
Net assets		7	24
Capital and reserves			
Called up share capital	9	-	-
Profit and loss account	10	7	24
Shareholders' funds	11	7	24

The financial statements were approved by the board of directors on 20 December 2013 and were signed on its behalf by



PAULINE NORSTROM
Director

Notes to the financial statements

at 30 June 2013

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards

Going concern

The company is a subsidiary of the ultimate parent undertaking, Anglo Design Holdings Plc ('the group')

A letter of support has been provided to the directors of the company from the directors of Anglo Design Holdings Plc to confirm that the group will provide sufficient financial and other support to enable the company to discharge their liabilities as they fall due. Despite the net asset position of £7k (2012 – net asset of £24k) at 30 June 2013 because the group has confirmed its intention to provide any necessary financial support to the company and not demand repayment of the intercompany debt for a period of at least 12 months from the approval of these financial statements, the directors consider it appropriate to prepare the financial statements on the going concern basis.

The Group meetings its day-to-day working capital requirements through term loan and overdraft facilities repayable on demand, which do not expire until 31 March 2015.

Based on the Directors' latest approved forecasts, the Group expects to be able to comply with its facility arrangements negotiated with the bank and meet its liabilities and attached facility terms as they fall due for a period of not less than 12 months from the date of signature of these financial statements. Whilst acknowledging the uncertainties in the operating environment and their resultant impact on revenues, the Directors have identified a number of opportunities to manage working capital, some of which have already been actioned, to mitigate against any deteriorations and uncertainties in trading conditions.

The directors have a reasonable expectation that with the continued support of the bank and shareholder, including the provision of additional funds if required, the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Statement of cash flows

Under FRS 1 'Statement of Cash Flows', the company is not required to prepare a statement of cash flows, being a wholly owned subsidiary of Anglo Design Holdings Plc, whose publicly available group financial statements include the company.

Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation and provision for impairment. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Notes to the financial statements

at 30 June 2013

1. Accounting policies (continued)

Tangible fixed assets (continued)

Racing cars

The amount of depreciation charged is equivalent to the operating lease income receivable or based upon an impairment review carried out on an annual basis

Deferred taxation

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

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, or gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold
- Provision is made for deferred taxation that would arise on remittance of the retained earnings of subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable
- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

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

Accounting reference date

The company's accounting reference date is 30 June. As permitted by the Companies Act, the Directors have chosen to draw up the financial statements to the 30 June 2013 (2012 – to 1 July 2012)

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom. Turnover is recognised on a straight-line basis over the period of the lease

3. (Loss)/profit on ordinary activities before taxation

This is stated after charging/(crediting)

	2013	2012
	£000	£000
Depreciation of tangible fixed assets	16	19

The audit and non audit fees for the group are disclosed in Anglo Design Holdings plc

Notes to the financial statements

at 30 June 2013

4. Staff costs

There were no employees during the year apart from the directors

There was no remuneration paid to the directors in the current year or prior year from the company. The directors are remunerated via Anglo Design Holdings Plc and their remuneration is disclosed within that entity

5. Tax

(a) Tax on loss/profit on ordinary activities

The tax charge/(credit) is made up as follows

	2013 £000	2012 £000
Current tax		
UK corporation tax on the loss for the year	–	–
Adjustment in respect of prior year	–	–
Total current tax (note 5(b))	<u>–</u>	<u>–</u>
Deferred tax		
Originating and reversal of timing differences	1	(32)
Adjustment in respect of prior year	–	–
Effect of decreased tax rate	–	–
Total deferred tax (note 5(c))	<u>1</u>	<u>(32)</u>
Tax on loss/profit on ordinary activities	<u>1</u>	<u>(32)</u>

(b) Factors affecting the current tax charge/(credit) for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 23.75% (2012 – 25.5%). The differences are explained below

	2013 £000	2012 £000
(Loss)/profit on ordinary activities before tax	<u>(16)</u>	<u>1</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.75% (2012 – 25.5%)	(4)	–
Effects of		
Non deductible expenses	2	15
Depreciation in excess of capital allowances	4	5
Group relief	<u>(2)</u>	<u>(20)</u>
Current tax for the year (note 5(a))	<u>–</u>	<u>–</u>

Notes to the financial statements

at 30 June 2013

5. Tax (continued)

(c) Recognised deferred tax

	£000
At 1 July 2012	(118)
Credit to profit and loss account (note 5(a))	1
At 30 June 2013	<u>(117)</u>

The deferred tax asset is analysed as follows

	2013 £000	2012 £000
Accelerated capital allowances	<u>(117)</u>	<u>(118)</u>

Unrecognised deferred tax

	£000
At 1 July 2012	(68)
Prior year adjustment	68
Movement (including rate change adjustments)	—
At 30 June 2013	<u>—</u>

(d) Factors that may affect future tax charges

The UK corporation tax rate reduced from 24% to 23% with effect from 1 April 2013

Further reductions to the UK corporation tax rate from 23% to 21% effective from 1 April 2014 and to 20% effective from 1 April 2015 were substantively enacted on 2 July 2013 and received Royal Assent on 17 July 2013. These further reductions had not been substantially enacted at the balance sheet date and are therefore not recognised in these financial statements.

The effect of the reduction of the UK corporation tax rate to 20% on the Company's deferred tax asset, as at 30 June 2013, would be to reduce the recognised deferred tax asset by approximately £15k. The effect on the Company of further changes to the UK tax system will be reflected in the financial statements of the Company in the year ended 30 June 2014 as the changes were substantially enacted during this accounting period.

Notes to the financial statements

at 30 June 2013

6. Tangible fixed assets

	<i>Total £000</i>
Cost	
At 1 July 2012 and 30 June 2013	<u>1,127</u>
Depreciation	
At 1 July 2012	947
Charge for the year	16
At 30 June 2013	<u>963</u>
Net book value	
At 30 June 2013	<u>164</u>
At 1 July 2012	<u>180</u>

7. Debtors

	<i>2013 £000</i>	<i>2012 £000</i>
Deferred tax (note 5(c))	117	118
Other taxes and social security costs	–	11
	<u>117</u>	<u>129</u>

8. Creditors: amounts falling due within one year

	<i>2013 £000</i>	<i>2012 £000</i>
Trade creditors	2	–
Amounts due to group undertakings	270	195
Accruals and deferred income	2	92
	<u>274</u>	<u>287</u>

9. Issued share capital

	<i>2013 No</i>	<i>2013 £000</i>	<i>2012 No</i>	<i>2012 £000</i>
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	2	<u>–</u>	2	<u>–</u>

Notes to the financial statements

at 30 June 2013

10. Movements on reserves

	<i>Profit and loss account £000</i>
At 1 July 2012	24
Loss for the year	(17)
At 30 June 2013	<u>7</u>

11. Reconciliation of shareholders' funds

	<i>2013 £000</i>	<i>2012 £000</i>
Loss for the year	(17)	33
Opening shareholders' funds/(deficit)	24	(9)
Closing shareholders' funds	<u>7</u>	<u>24</u>

12. Related party transactions

The company has taken advantage of the exemption conferred by FRS 8 – Related Party Disclosures in not disclosing details of transactions with other group companies

During the year the company used the services of Ray Mallock Limited, a related party. Mr M J Newton, the controlling party of Anglo Design Holdings Plc holds more than 20% of the voting rights of Ray Mallock Limited and is a Director of the company.

During the ordinary course of business, AD Promotions Limited used services from Ray Mallock Limited at a cost of £nil (2012 – £157k). The balance due to Ray Mallock Limited at the year end was £nil (2012 – £nil).

13. Ultimate parent undertaking and controlling party

The ultimate parent undertaking is Anglo Design Holdings Plc, a company registered in England and Wales.

Anglo Design Holdings Plc prepares group financial statements and copies can be obtained from Unit 1200 Daresbury Park, Daresbury, Warrington, Cheshire, WA4 4HS.

The controlling party is Mr M J Newton by virtue of his shareholding in Anglo Design Holdings Plc.