

**RED ADVERTISING LIMITED**

**ABBREVIATED UNAUDITED ACCOUNTS FOR THE YEAR ENDED 31 MAY 2014**

Lancaster Haskins LLP  
Granville House  
2 Tettenhall Road  
Wolverhampton  
West Midlands  
WV1 4SB

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**for the Year Ended 31 May 2014**

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**RED ADVERTISING LIMITED**

**COMPANY INFORMATION**  
**for the Year Ended 31 May 2014**

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**DIRECTORS:**

R P Clarke  
C Fern  
L Bruce  
M Nazemi

**SECRETARY:**

A. Clarke

**REGISTERED OFFICE:**

Unit 15  
Morston Court  
Kingswood Lakeside  
Cannock  
Staffordshire  
WS11 8JB

**REGISTERED NUMBER:**

05269423

**ACCOUNTANTS:**

Lancaster Haskins LLP  
Granville House  
2 Tettenhall Road  
Wolverhampton  
West Midlands  
WV1 4SB

## ABBREVIATED BALANCE SHEET

31 May 2014

	Notes	31.5.14 £	£	31.5.13 £	£
<b>FIXED ASSETS</b>					
Intangible assets	2		247,982		278,167
Tangible assets	3		<u>54,031</u>		<u>52,114</u>
			302,013		330,281
<b>CURRENT ASSETS</b>					
Debtors		71,112		25,103	
Cash at bank and in hand		<u>3,702</u>		<u>62,436</u>	
		74,814		87,539	
<b>CREDITORS</b>					
Amounts falling due within one year		<u>307,410</u>		<u>247,881</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(232,596)</u>		<u>(160,342)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			69,417		169,939
<b>CREDITORS</b>					
Amounts falling due after more than one year			(70,516)		(111,480)
<b>PROVISIONS FOR LIABILITIES</b>			<u>(9,447)</u>		<u>(8,765)</u>
<b>NET (LIABILITIES)/ASSETS</b>			<u>(10,546)</u>		<u>49,694</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	4		1,078,000		502,687
Share premium			54,910		54,910
Profit and loss account			<u>(1,143,456)</u>		<u>(507,903)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>(10,546)</u>		<u>49,694</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2014.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2014 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

The notes form part of these abbreviated accounts

**ABBREVIATED BALANCE SHEET - continued**  
**31 May 2014**

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The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 26 March 2015 and were signed on its behalf by:

R P Clarke - Director

**NOTES TO THE ABBREVIATED ACCOUNTS**  
**for the Year Ended 31 May 2014**

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**1. ACCOUNTING POLICIES**

**Accounting convention**

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**

Turnover represents net invoiced sales of services, excluding value added tax.

Revenue is recognised, based on the services provided, over the life of the contract. Where amounts invoiced exceed revenue, the excess is classified as deferred income and included in accruals and deferred income within creditors.

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2007, is being amortised evenly over its estimated useful life of seven years.

**Other intangible assets**

Amortisation is provided on the following assets to write off their cost at the following rates;

Website development & related costs - 10% and 33% on cost

Goodwill - 15% on cost

In accordance with SSAP 13, no amortisation is charged with regard to the deferred website development expenditure until the systems and services to which they relate are operational.

The website development expenditure has been deferred on the basis that it meets all of the criteria outlined in paragraph 25 of SSAP 13.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures and fittings - 15% on reducing balance

Computer equipment - at varying rates on cost

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

**Going concern**

The accounts have been prepared on a going concern basis. The directors believe that this is appropriate as after the year end £150,000 of extra shares have been raised, there is deferred income and the directors are currently raising additional funds and organising a loan refinance deal to increase working capital.

**NOTES TO THE ABBREVIATED ACCOUNTS - continued**  
**for the Year Ended 31 May 2014**

**2. INTANGIBLE FIXED ASSETS**

	Total £
<b>COST</b>	
At 1 June 2013	
and 31 May 2014	<u>428,771</u>
<b>AMORTISATION</b>	
At 1 June 2013	150,604
Amortisation for year	<u>30,185</u>
At 31 May 2014	<u>180,789</u>
<b>NET BOOK VALUE</b>	
At 31 May 2014	<u>247,982</u>
At 31 May 2013	<u>278,167</u>

**3. TANGIBLE FIXED ASSETS**

	Total £
<b>COST</b>	
At 1 June 2013	124,628
Additions	<u>17,957</u>
At 31 May 2014	<u>142,585</u>
<b>DEPRECIATION</b>	
At 1 June 2013	72,514
Charge for year	<u>16,040</u>
At 31 May 2014	<u>88,554</u>
<b>NET BOOK VALUE</b>	
At 31 May 2014	<u>54,031</u>
At 31 May 2013	<u>52,114</u>

**NOTES TO THE ABBREVIATED ACCOUNTS - continued**  
**for the Year Ended 31 May 2014**

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**4. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.5.14 £	31.5.13 £
400,000 (31.5.13 - 268,714 )	Ordinary	0.01p	4,000	2,687
1,074,000	Preference	£1	<u>1,074,000</u>	<u>500,000</u>
			<u>1,078,000</u>	<u>502,687</u>

The following shares were allotted and fully paid for cash at par during the year:

131,286 Ordinary shares of 0.01p each

574,000 Preference shares of £1 each



**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS  
ON THE UNAUDITED FINANCIAL STATEMENTS OF  
RED ADVERTISING LIMITED**

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**The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements, from which the unaudited abbreviated accounts (set out on pages two to six) have been prepared.**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Red Advertising Limited for the year ended 31 May 2014 which comprise the Profit and Loss Account, the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at [icaew.com/membershandbook](http://icaew.com/membershandbook).

This report is made solely to the Board of Directors of Red Advertising Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Red Advertising Limited and state those matters that we have agreed to state to the Board of Directors of Red Advertising Limited, as a body, in this report in accordance with AAF 2/10 as detailed at [icaew.com/compilation](http://icaew.com/compilation). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Red Advertising Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Red Advertising Limited. You consider that Red Advertising Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Red Advertising Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

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Date: .....

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.