

Company Registration No. 07463039 (England and Wales)

RUNAGOOD.COM LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018
PAGES FOR FILING WITH REGISTRAR

RUNAGOOD.COM LTD

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RUNAGOOD.COM LTD

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The director presents his report and financial statements for the year ended 31 December 2018.

The Company's aim is to help UK's 5.5m micro businesses obtain expert implementable advice at affordable prices by providing a set of unique interactive and original online tools. These are principally for use by professional business intermediaries, to show clients their enterprise value, health, performance forecasts, plans and optimum improvement solutions, all in a matter of minutes. In this way, small businesses can access comprehensive performance and value improvement project expertise that until now has only been available to the UK's top 200,000 businesses able to afford day rate consultancy. And Runagood® Business Centres (professional practices that partner with us) will also create a new market through assisting clients with low cost online implementation support. So Runagood® technology helps business advisors to work with large numbers of small businesses paying affordable fees, for the first time.

Throughout 2018, our core operations were focused on refining and perfecting the widening array of automated products and how they interact with one another to be easily and logically followed, used and understood. We ran many tests with business owners and their accountants who successfully applied the products and services in action and provided us with vital feedback. We changed our web/software contractors mid-year in order to improve the speed of delivery and accuracy of work and have added in house professionals to the development team.

This enabled us to perfect and use training programmes for partners and users and to create strategies for market testing before the national launch and roll out in January 2019. We worked with accountants, consultants and business membership organisations as potential licensed partners and secured the active engagement of several. We were able to conclude that a 3 tier distribution system would be optimal and introduced: AI Business Advisor® for individual practitioners; Runagood® Business Centres for professional practices; Area Director for entrepreneurs to develop territories, each paying for training, licensing and monthly systems access.

The continuing cost of these and consequent delays in to the 'going to market' timetable obliged the shareholders to again increase advances of development funds but with continuing confidence in long term success for this unique opportunity in which we are the leaders in an untapped but potentially huge market (£14bn pa at the retail level). But the board considers it prudent to raise the working capital 'buffer' in 2019, (having delayed the 2018 fundraising) by selling a minority block of shares to professional investors. The marketing of this will commence in February 2019 and run until £1m has been raised.

To facilitate this essential activity a professional valuation of the company's intellectual property was conducted and is reflected in the assets listed in the balance sheet, to demonstrate a positive net worth.

Principal activities

The principal activity of the company continued to be that of Interactive Online Business Consultancy.

Director

The director who held office during the year and up to the date of signature of the financial statements was as follows:

Mr D Collins

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

RUNAGOOD.COM LTD

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

On behalf of the board

Mr D Collins

Director

12 February 2019

RUNAGOOD.COM LTD

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Intangible assets	2	794,200		-	
Tangible assets	3	12,924		17,934	
			807,124		17,934
Current assets					
Debtors	4	19,851		25,926	
Cash at bank and in hand		8,455		66	
		28,306		25,992	
Creditors: amounts falling due within one year	5	(540,309)		(421,197)	
Net current liabilities			(512,003)		(395,205)
Total assets less current liabilities			295,121		(377,271)
Creditors: amounts falling due after more than one year	6		(1,000)		(1,000)
Net assets/(liabilities)			294,121		(378,271)
Capital and reserves					
Called up share capital	7	100		100	
Revaluation reserve	8	836,000		-	
Profit and loss reserves		(541,979)		(378,371)	
Total equity			294,121		(378,271)

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

For the financial year ended 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

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

RUNAGOOD.COM LTD

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2018

The financial statements were approved and signed by the director and authorised for issue on 12 February 2019

Mr D Collins

Director

Company Registration No. 07463039

RUNAGOOD.COM LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

Runagood.com Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 3B Shirland Mews, Maida Vale, London, W9 3DY.

1.1 Accounting convention

These financial statements have been prepared 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 financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position': Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

1.2 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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

RUNAGOOD.COM LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.3 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Intellectual property	20 years
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1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% reducing balance
Computer equipment	straight line over 3 years

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.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

RUNAGOOD.COM LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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 initially at transaction price and subsequently measured at amortised cost using the effective interest method.

RUNAGOOD.COM LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

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.

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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

RUNAGOOD.COM LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

2 Intangible fixed assets

	Other £
Cost	
At 1 January 2018	-
Additions	836,000
	<hr/>
At 31 December 2018	836,000
	<hr/>
Amortisation and impairment	
At 1 January 2018	-
Amortisation charged for the year	41,800
	<hr/>
At 31 December 2018	41,800
	<hr/>
Carrying amount	
At 31 December 2018	794,200
	<hr/> <hr/>
At 31 December 2017	-
	<hr/> <hr/>

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2018 and 31 December 2018	37,973
	<hr/>
Depreciation and impairment	
At 1 January 2018	20,047
Depreciation charged in the year	5,002
	<hr/>
At 31 December 2018	25,049
	<hr/>
Carrying amount	
At 31 December 2018	12,924
	<hr/> <hr/>
At 31 December 2017	17,934
	<hr/> <hr/>

4 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	337	98
Corporation tax recoverable	18,623	22,850
Other debtors	891	2,978
	<hr/>	<hr/>
	19,851	25,926
	<hr/> <hr/>	<hr/> <hr/>

RUNAGOOD.COM LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

5 Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	-	1,299
Other creditors	540,309	419,898
	<u>540,309</u>	<u>421,197</u>

6 Creditors: amounts falling due after more than one year

	2018 £	2017 £
Other creditors	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

7 Called up share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
100 Ordinary Shares of £1 each	100	100
	<u>100</u>	<u>100</u>

8 Revaluation reserve

	2018 £	2017 £
At the beginning of the year	-	-
Revaluation surplus arising in the year	836,000	-
	<u>836,000</u>	<u>-</u>
At the end of the year	<u>836,000</u>	<u>-</u>

9 Related party transactions

The Long Term Director's loan account has a credit balance of £540,306 as at the year end 31/12/2018.

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.