Registration number: 07534026

# The Red Book Agency Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 August 2020

## The Red Book Agency Limited

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## The Red Book Agency Limited

(Registration number: 07534026)
Balance Sheet as at 31 August 2020

| | Note | 2020 £ | 2019 £ |
|---|---|---|---|
| **Fixed assets** | | | |
| Tangible assets | 5 | 5,184 | 6,342 |
| **Current assets** | | | |
| Debtors | 6 | 91,233 | 21,304 |
| Cash at bank and in hand | | 216,430 | 29,527 |
| | | 307,663 | 50,831 |
| **Creditors:** Amounts falling due within one year | 7 | (128,024) | (54,665) |
| **Net current assets/(liabilities)** | | 179,639 | (3,834) |
| **Total assets less current liabilities** | | 184,823 | 2,508 |
| **Creditors:** Amounts falling due after more than one year | 7 | (48,333) | - |
| **Net assets** | | 136,490 | 2,508 |
| **Capital and reserves** | | | |
| Called up share capital | | 101 | 101 |
| Profit and loss account | | 136,389 | 2,407 |
| Shareholders' funds | | 136,490 | 2,508 |

The notes on pages 3 to 8 form an integral part of these financial statements.

For the financial year ending 31 August 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 26 April 2021 and signed on its behalf by:

.....

A W Mitchell
Director

## 1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:
2 Old Bath Road
Newbury
Berkshire
RG14 1QL
England

## 2 Accounting policies

**Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

**Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

**Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

**Tax**

The tax expense for the period comprises current tax payable.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

**Tangible assets**

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.
The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

**Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

| Asset class | Depreciation method and rate |
|---|---|
| Office equipment | 25% reducing balance basis |

**Amortisation**

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

| Asset class | Amortisation method and rate |
|---|---|
| Website costs | 33.33% straight line basis |

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

**Debtors**

Trade debtors are amounts due from customers for architectural services performed in the ordinary course of business.

**Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

**Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.
Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.
Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

**Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

**Dividends**

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

**Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.
Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## 3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 2 (2019 - 2).

## 4 Intangible assets

| | Website costs<br>£ | Total<br>£ |
|---|---|---|
| **Cost or valuation** | | |
| At 1 September 2019 | 11,400 | 11,400 |
| At 31 August 2020 | 11,400 | 11,400 |
| **Amortisation** | | |
| At 1 September 2019 | 11,400 | 11,400 |
| At 31 August 2020 | 11,400 | 11,400 |
| **Carrying amount** | | |
| At 31 August 2020 | - | - |

## 5 Tangible assets

| | Office equipment £ | Total £ |
|---|---|---|
| **Cost or valuation** | | |
| At 1 September 2019 | 14,451 | 14,451 |
| Additions | 494 | 494 |
| At 31 August 2020 | 14,945 | 14,945 |
| **Depreciation** | | |
| At 1 September 2019 | 8,109 | 8,109 |
| Charge for the year | 1,652 | 1,652 |
| At 31 August 2020 | 9,761 | 9,761 |
| **Carrying amount** | | |
| At 31 August 2020 | 5,184 | 5,184 |
| At 31 August 2019 | 6,342 | 6,342 |

## 6 Debtors

| | 2020 £ | 2019 £ |
|---|---|---|
| Trade debtors | 5,779 | 21,304 |
| Prepayments | 1,771 | - |
| Other debtors | 83,683 | - |
| | 91,233 | 21,304 |

## 7 Creditors

**Creditors: amounts falling due within one year**

| | 2020<br>£ | 2019<br>£ |
|---|---|---|
| **Due within one year** | | |
| Loans and borrowings | 1,667 | - |
| Trade creditors | 48,540 | 4,550 |
| Taxation and social security | 75,525 | 40,554 |
| Other creditors | 2,292 | 9,561 |
| | 128,024 | 54,665 |

**Creditors: amounts falling due after more than one year**

| | Note | 2020<br>£ | 2019<br>£ |
|---|---|---|---|
| **Due after one year** | | | |
| Loans and borrowings | 8 | 48,333 | - |

## 8 Loans and borrowings

| | 2020<br>£ | 2019<br>£ |
|---|---|---|
| **Current loans and borrowings** | | |
| Bank borrowings | 1,667 | - |

| | 2020<br>£ | 2019<br>£ |
|---|---|---|
| **Non-current loans and borrowings** | | |
| Bank borrowings | 48,333 | - |

## 9 Related party transactions

### Transactions with directors

| 2020 | At 1 September 2019 £ | Advances to directors £ | Repayments by director £ | At 31 August 2020 £ |
|---|---|---|---|---|
| **A W Mitchell** | | | | |
| Directors Loan Account | (7,267) | 121,156 | (30,206) | 83,683 |

### Other transactions with directors

A W Mitchell (director) had a loan account with the company on which interest has been charged at the HMRC official rate. At the balance sheet date the amount due from A W Mitchell was £83,683 (2019 - (£7,267)).

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