

THE RED BOOK AGENCY LIMITED
Unaudited Financial Statements
For the financial year ended 31 March 2022
Pages for filing with the registrar

THE RED BOOK AGENCY LIMITED
UNAUDITED FINANCIAL STATEMENTS
For the financial year ended 31 March 2022

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THE RED BOOK AGENCY LIMITED
BALANCE SHEET
As at 31 March 2022

	Note	31.03.2022	31.03.2021
		£	£
			Restated - note 2
Fixed assets			
Tangible assets	5	8,908	6,076
		8,908	6,076
Current assets			
Debtors	6	444,664	170,240
Cash at bank and in hand		266,161	290,258
		710,825	460,498
Creditors			
Amounts falling due within one year	7	(273,641)	(256,379)
Net current assets		437,184	204,119
Total assets less current liabilities		446,092	210,195
Creditors			
Amounts falling due after more than one year	8	(214,454)	(42,890)
Provision for liabilities	9	(2,081)	0
Net assets		229,557	167,305
Capital and reserves			
Called-up share capital	10	207	101
Share premium account		99,894	0
Profit and loss account		129,456	167,204
Total shareholders' funds		229,557	167,305

THE RED BOOK AGENCY LIMITED
BALANCE SHEET (CONTINUED)
As at 31 March 2022

For the financial year ending 31 March 2022 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 financial statements for the financial year in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements; and
- These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and a copy of the Profit and Loss Account has not been delivered.

The financial statements of The Red Book Agency Limited (registered number: 07534026) were approved and authorised for issue by the Director on 13 October 2022. They were signed on its behalf by:

Thomas Joshua Adams
Director

Alexander William Rainger Mitchell
Director

THE RED BOOK AGENCY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2022

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding financial period, unless otherwise stated.

General information and basis of accounting

The Red Book Agency Limited (the Company) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office is Hendford Manor, Hendford, Yeovil, BA20 1UN, England, United Kingdom. The principal place of business is Thomas House, 84 Ecclestone Square, London, SW1V 1PX.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are presented in pounds sterling which is the functional currency of the company and rounded to the nearest £.

Reporting period length

The financial statements for the previous accounting period have been prepared for a shortened 7 month period to bring the financial reporting in closer alignment with the tax year. As a result of the shortening to the accounting period, the comparative amounts presented in the financial statements, including the related notes, are not entirely comparable as the current period represents a full year.

Change in accounting policies

In the current year, the following new and revised standards and interpretations have been adopted by the company and have had an effect on future periods:

The company will recognise a provision for contracts in progress during the year for which consideration has not been received until after the year end. This amount will be reflected in turnover and in other debtors.

Prior year error

Material prior period errors are corrected retrospectively by adjusting the period to which the error relates.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Turnover arising from contracts is recognised in the profit and loss when the outcome of the contract can be estimated reliably. Turnover is measured by reference to the stage of completion of the contract. The stage of completion of the contract at the end of the reporting period is measured by the proportion of the costs incurred to date where contract activity has taken place to total anticipated costs.

When it is probable that contract costs will exceed total contract turnover, the expected loss on the contract is recognised as an expense and a corresponding provision recognised for the onerous contract.

Where turnover has been recognised for a partially completed project but not yet invoiced, the amount receivable is recognised within other debtors as amounts recoverable on contracts.

Employee benefits

THE RED BOOK AGENCY LIMITED
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For the financial year ended 31 March 2022

Defined contribution schemes

The Company operates a defined contribution scheme. The amount charged to the Profit and Loss Account in respect of pension costs and other post-retirement benefits is the contributions payable in the financial year. Differences between contributions payable in the financial year and contributions actually paid are included as either accruals or prepayments in the Balance Sheet.

Taxation

Current tax

Current tax is provided at amounts expected to be paid (or recoverable) using the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date. Tax is recognised in the profit and loss account, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Deferred tax

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the Company's financial statements. Deferred tax is provided in full on timing differences which result in an obligation to pay more or less tax at a future date, at the tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date that are expected to apply when the timing differences reverse. Deferred tax assets and liabilities are not discounted.

Deferred tax liabilities are presented within provisions for liabilities on the balance sheet.

Intangible assets

Intangible assets are stated at cost or valuation, net of amortisation and any provision for impairment. Amortisation is provided on all intangible assets at rates to write off the cost or valuation of each asset over its expected useful life as follows:

Other intangible assets	3 years straight line
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Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation. Depreciation is provided on all tangible fixed assets, other than investment property and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line or reducing balance basis over its expected useful life, as follows:

Office equipment	25 % reducing balance
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Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

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.

Leases

The Company as lessee

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

THE RED BOOK AGENCY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2022

Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts, except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

Cash and cash equivalents

Cash and cash equivalents 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 creditors: amounts falling due within one year.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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.

Financial assets and liabilities are only offset in the Balance Sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Equity instruments

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

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.

Ordinary share capital

The ordinary share capital of the Company is presented as equity.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

THE RED BOOK AGENCY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2022

2. Prior year adjustment

The accounts have been restated to include a provision for amounts recoverable on contracts following the change of accounting policy in the current financial year. The net effect on profit for the previous financial period is an increase of £8,076.

	As previously reported	Adjustment	As restated
Year ended 31 March 2021	£	£	£
Turnover	441,835	9,975	451,810
Corporation tax charge	14,788	1,899	16,687
Other debtors	88,136	29,974	118,110
Corporation tax	68,515	5,699	74,214
Profit and loss account	142,928	24,276	167,204

3. Employees

	Year ended 31.03.2022	Period from 01.09.2020 to 31.03.2021
	Number	Number
Monthly average number of persons employed by the Company during the year, including directors	8	4

4. Intangible assets

	Other intangible assets	Total
	£	£
Cost		
At 01 April 2021	11,400	11,400
At 31 March 2022	11,400	11,400
Accumulated amortisation		
At 01 April 2021	11,400	11,400
At 31 March 2022	11,400	11,400
Net book value		
At 31 March 2022	0	0
At 31 March 2021	0	0

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5. Tangible assets

	Office equipment	Total
	£	£
Cost		
At 01 April 2021	16,674	16,674
Additions	5,007	5,007
At 31 March 2022	21,681	21,681
Accumulated depreciation		
At 01 April 2021	10,598	10,598
Charge for the financial year	2,175	2,175
At 31 March 2022	12,773	12,773
Net book value		
At 31 March 2022	8,908	8,908
At 31 March 2021	6,076	6,076

6. Debtors

	31.03.2022	31.03.2021
	£	£
Trade debtors	35,868	52,130
Other debtors	408,796	118,110
	444,664	170,240

7. Creditors: amounts falling due within one year

	31.03.2022	31.03.2021
	£	£
Bank loans (secured)	82,102	7,110
Trade creditors	70,323	4,565
Corporation tax	66,435	74,214
Other taxation and social security	41,397	43,482
Other creditors	13,384	127,008
	273,641	256,379

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8. Creditors: amounts falling due after more than one year

	31.03.2022	31.03.2021
	£	£
Bank loans (secured)	214,454	42,890

Within bank borrowings is a balance of £42,806 (2021 - £50,000) relating to an outstanding amount due from a Coronavirus Bounce Back Loan. The UK government have guaranteed 100% of the value of the loan (being £50,000) as well as agreeing to pay interest and fees for the first 12 months.

Also within bank loans is a balance of £253,750 (2021 - £nil) which is secured by a fixed and floating charge over the undertaking and all property of the company.

9. Provision for liabilities

	31.03.2022	31.03.2021
	£	£
Deferred tax	2,081	0

10. Called-up share capital

	31.03.2022	31.03.2021
	£	£
Allotted, called-up and fully-paid		
101 Ordinary shares of £ 1.00 each (31.03.2021: 100 shares of £ 1.00 each)	101	100
106 A Ordinary shares of £ 1.00 each (31.03.2021: nil shares)	106	0
	207	100
nil Preference shares (31.03.2021: 1 share of £ 1.00)	0	1
	207	101

During the year 1 Preference share having an aggregate nominal value of £1 was re-designated as an Ordinary Share with an aggregate nominal value of £1.

Also during the year 106 A Ordinary shares having an aggregate nominal value of £1 were allotted for an aggregate consideration of £100,000. The shares were issued to obtain additional equity investment.

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11. Financial commitments

Commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	31.03.2022	31.03.2021
	£	£
- within one year	75,200	47,247

12. Related party transactions

Transactions with the entity's directors

Advances

A W R Mitchell

The Director's loan account is repayable on demand and, interest is charged on overdrawn balances exceeding £10,000 at the official HMRC rates.

At 1 April 2021, the balance owed by the director was £80,202. During the year, £91,795 was advanced to the director, and £174,871 was repaid by the director. At 31 March 2022, the balance owed to the director was £2,874.

At 1 September 2020, the balance owed by the director was £83,683 . During the year, £192 was advanced to the director, and £3,673 was repaid by the director. At 31 March 2021, the balance owed by the director was £80,202.

T J Adams

The Director's loan account is repayable on demand and, interest is charged on overdrawn balances exceeding £10,000 at the official HMRC rates.

At 1 April 2021, the balance owed by the director was £nil. During the year, £66,781 was advanced to the director, and £60,107 was repaid by the director. At 31 March 2022, the balance owed by the director was £6,674.

13. Events after the Balance Sheet date

On 10 June 2022, the company secured a new bank loan facility for the amount of £300,000 for a term of 5 years.

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.