

Registered number: 03860505

BRANDWIDTH MARKETING LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

 **Bishop Fleming**
Chartered Accountants

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BRANDWIDTH MARKETING LIMITED
REGISTERED NUMBER:03860505

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	4	14,862	29,725
Tangible assets	5	182,929	108,019
		<u>197,791</u>	<u>137,744</u>
Current assets			
Debtors: amounts falling due within one year	6	2,151,405	1,236,025
Cash at bank and in hand		1,043,676	226,783
		<u>3,195,081</u>	<u>1,462,808</u>
Creditors: amounts falling due within one year	7	(1,957,598)	(1,140,695)
Net current assets		<u>1,237,483</u>	<u>322,113</u>
Total assets less current liabilities		<u>1,435,274</u>	<u>459,857</u>
Provisions for liabilities			
Deferred tax	8	(20,689)	-
		<u>(20,689)</u>	<u>-</u>
Net assets		<u><u>1,414,585</u></u>	<u><u>459,857</u></u>
Capital and reserves			
Called up share capital	9	6,000	6,000
Profit and loss account		1,408,585	453,857
		<u><u>1,414,585</u></u>	<u><u>459,857</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


D J Clark
Director

Date:

20.7.17

The notes on pages 2 to 9 form part of these financial statements.

BRANDWIDTH MARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

1. GENERAL INFORMATION

Brandwidth Marketing Limited is a private company limited by shares incorporated in England and Wales. The company registration number is 03860505. The registered office is 7 High Street, Windsor, Berkshire, SL4 1LD.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006. Section 1A of Financial Reporting Standard 102 has been early adopted. Details of transitional adjustments to the previous accounting framework are in note 13.

The following principal accounting policies have been applied:

2.2 TURNOVER

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

2.3 INTANGIBLE ASSETS

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Income Statement over its estimated economic life.

Goodwill is amortised over 3 years on a straight line basis.

2.4 TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost less depreciation.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	- 33.3% straight line
Fixtures and fittings	- 33.3% straight line
Office equipment	- 33.3% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

2.5 INVESTMENTS

Investments held as fixed assets are shown at cost less provision for impairment.

BRANDWIDTH MARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

2. ACCOUNTING POLICIES (continued)

2.6 STOCKS

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.7 OPERATING LEASES: THE COMPANY AS LESSEE

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard on 1 July 2014, to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.8 PENSIONS

DEFINED CONTRIBUTION PENSION PLAN

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

2.9 DEFERRED TAXATION

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

BRANDWIDTH MARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

2. ACCOUNTING POLICIES (continued)

2.10 FOREIGN CURRENCY TRANSLATION

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Income Statement.

2.11 FINANCIAL INSTRUMENTS

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities, or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.12 EMPLOYEE SHARE SCHEME

The company operates an approved EMI share scheme. Membership of the scheme is limited to full time employees of the company. The scheme ceased in September 2015 and recommenced in the parent company, Brandwidth Group Limited, from July 2016.

3. EMPLOYEES

The average monthly number of employees, including the Directors, during the year was as follows:

2016	2015
No.	No.
76	67

BRANDWIDTH MARKETING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

4. INTANGIBLE ASSETS

	Goodwill £
COST	
At 1 July 2015	44,588
At 30 June 2016	44,588
AMORTISATION	
At 1 July 2015	14,863
Charge for the year	14,863
At 30 June 2016	29,726
NET BOOK VALUE	
At 30 June 2016	14,862
At 30 June 2015	29,725

BRANDWIDTH MARKETING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

5. TANGIBLE FIXED ASSETS

	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
COST OR VALUATION				
At 1 July 2015	15,002	98,429	372,529	485,960
Additions	-	63,112	82,355	145,467
At 30 June 2016	15,002	161,541	454,884	631,427
DEPRECIATION				
At 1 July 2015	7,917	69,424	300,600	377,941
Charge for the year on owned assets	-	19,729	45,827	65,556
Charge for the year on financed assets	5,001	-	-	5,001
At 30 June 2016	12,918	89,153	346,427	448,498
NET BOOK VALUE				
At 30 June 2016	2,084	72,388	108,457	182,929
At 30 June 2015	7,085	29,005	71,929	108,019

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2016 £	2015 £
Motor vehicles	2,084	7,085
	<u>2,084</u>	<u>7,085</u>

BRANDWIDTH MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016****6. DEBTORS**

	2016 £	2015 £
Trade debtors	1,469,968	862,325
Amounts owed by group undertakings	246,363	-
Amounts owed by joint ventures and associated undertakings	130,798	-
Other debtors	104,819	272,536
Prepayments and accrued income	199,457	81,164
Deferred taxation	-	20,000
	<u>2,151,405</u>	<u>1,236,025</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Other loans	-	25,000
Trade creditors	349,890	337,989
Corporation tax	121,953	-
Other taxation and social security	856,562	737,222
Other creditors	365,586	28,469
Accruals and deferred income	263,607	12,015
	<u>1,957,598</u>	<u>1,140,695</u>

CONTINGENT LIABILITIES

There is a fixed and floating charge in place over the assets of the company for its banking facilities.

8. DEFERRED TAXATION

	2016 £
At beginning of year	20,000
Charged to profit or loss	(40,689)
AT END OF YEAR	<u><u>(20,689)</u></u>

BRANDWIDTH MARKETING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

8. DEFERRED TAXATION (CONTINUED)

The deferred taxation balance is made up as follows:

	2016 £
Accelerated capital allowances	(25,949)
Tax losses carried forward	976
Short term timing differences	4,284
	<u>(20,689)</u>

9. SHARE CAPITAL

	2016 £	2015 £
SHARES CLASSIFIED AS EQUITY		
ALLOTTED, CALLED UP AND FULLY PAID		
6,000 Ordinary shares of £1 each	<u>6,000</u>	<u>6,000</u>

10. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £21,135 (2015: £nil). Contributions totalling £13,799 (2015: £nil) were payable to the fund at the reporting date.

11. TRANSACTIONS WITH DIRECTORS

The company advanced loans of £11,391 to the directors during the year. The amount was outstanding at year end and £3,966 is shown in other debtors and £7,425 in trade creditors.

During the year the company declared dividends of £390,000 to directors. At the year end £320,000 was owed to directors. This balance is included within other creditors.

12. CONTROLLING PARTY

Brandwidth Group Limited is the controlling party by virtue of its majority shareholding.

BRANDWIDTH MARKETING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

13. FIRST TIME ADOPTION OF FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

14. AUDITORS' INFORMATION

The Auditors' Report on the financial statements for the year ended 30 June 2016 was unqualified. The Audit Report was signed by David Butler FCA (Senior Statutory Auditor) for and on behalf of Bishop Fleming LLP, 16 Queen Square, Bristol, BS1 4NT.