

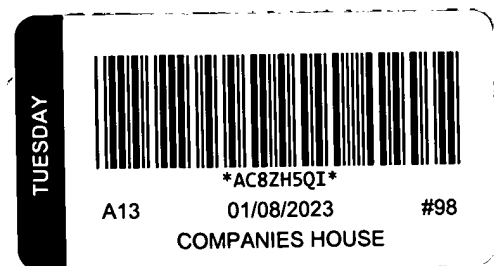


ADVERTISING ASSOCIATION ADGREEN LIMITED

(A Company Limited by Guarantee)

**Company No. 12807514
England & Wales**

**FINANCIAL STATEMENTS FOR THE YEAR
01 JANUARY 2022 TO 31 DECEMBER 2022**



ADVERTISING ASSOCIATION ADGREEN LIMITED

REPORT OF THE DIRECTORS

The directors have pleasure in presenting their report and financial statements for the year ending 31 December 2022.

Principal activity and business review

At AdGreen we unite the advertising industry to eliminate the negative environmental impacts of production.

Results

The results of the company for the year are set out on page 6.

Directors and their interests

The directors who served the company during the year were:

Stephen Woodford

Auditors

In accordance with the company's articles, a resolution proposing that Menzies LLP be appointed as auditors of the company will be put at a General Meeting.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

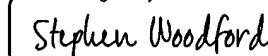
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

- so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Signed on behalf of the board

DocuSigned by:



Stephen Woodford

Director

Date: - 25-Jul-2023

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADVERTISING ASSOCIATION ADGREEN LIMITED

Opinion

We have audited the financial statements of Advertising Association AdGreen Limited (the 'company') for the year ending 31 December 2022 which comprise Income and Expenditure Account, the Balance Sheet, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022, and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADVERTISING ASSOCIATION ADGREEN LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant including employment law and health and safety. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.
- We understood how the Company is complying with those legal and regulatory frameworks by, making inquiries to management, those responsible for legal and compliance procedures and the company secretary. We corroborated our inquiries through our review of board minutes.
- The engagement partner assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognize non-compliance with laws and regulations. The assessment did not identify any issues in this area.
- We assessed the susceptibility of the Company financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
 - Challenging assumptions and judgments made by management in its significant accounting estimates; and

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADVERTISING ASSOCIATION ADGREEN LIMITED

- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.
- As a result of the above procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:
 - Posting of unusual journals
 - Posting of fraudulent payments and receipts in the accounting software
 - Authorisation, processing, and payment of fraudulent expenses
 - Timing of revenue recognition

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Janice Matthews

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Janice Matthews, Senior Statutory Auditor

For and on behalf of Menzies LLP, Statutory Auditor

Centrum House
36 Station Road
Egham
Surrey
TW20 9LF

Dated: 31-Jul-2023

ADVERTISING ASSOCIATION ADGREEN LIMITED
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Turnover			
Advisory Board Contributions	2 (c)	236,340	140,000
Levy		272,139	49,601
Other Income		<u>39,329</u>	<u>18,638</u>
		547,808	208,240
 Operating expenses	 3	 (403,179)	 (389,264)
 Operating profit/(loss)		 <u>144,629</u>	 <u>(181,024)</u>
 Bank interest receivable		 -	 -
 Surplus/deficit on ordinary activities before taxation		 <u>144,629</u>	 <u>(181,024)</u>
 Taxation	 4	 -	 -
 Retained surplus for the year transferred to reserves		 <u>144,629</u>	 <u>(181,024)</u>

All results derive from continuing operations and include all gains and losses recognised in the year.

The notes on pages 8 to 10 form part of these financial statements.

ADVERTISING ASSOCIATION ADGREEN LIMITED

BALANCE SHEET AT 31 DECEMBER 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed Assets					
Tangible Assets			1,666		1,111
Intangible Assets			<u>111,664</u>		<u>98,325</u>
			113,330		99,436
Current Assets					
Debtors	6	117,762		92,509	
Cash at bank and in hand		<u>70,247</u>		<u>37,783</u>	
		188,009		130,292	
Creditors: amounts falling due within one year	7	<u>187,724</u>		<u>170,752</u>	
Net Current Assets			<u>285</u>		<u>(40,460)</u>
Total Assets Less Current Liabilities			113,615		58,976
Amounts Payable After More Than One Year:					
Loans			<u>150,000</u>		<u>240,000</u>
Net Assets			<u>(36,385)</u>		<u>(181,024)</u>
Reserves					
Retained deficit at 1 January			(181,024)		-
Retained surplus/deficit for the year			<u>144,629</u>		<u>(181,024)</u>
Retained surplus/deficit at 31 December			<u>(36,385)</u>		<u>(181,024)</u>

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

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

DocuSigned by:

Stephen Woodford

Stephen Woodford

Director

Date: - 25-Jul-2023

Company no. 12807514

The notes on pages 8 to 10 form part of these financial statements.

ADVERTISING ASSOCIATION ADGREEN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 01 JANUARY 2022 TO 31 DECEMBER 2022

1. General information

Advertising Association AdGreen Limited is a private company limited by guarantee. The Memorandum of Association restricts the liability of members on winding up to £1 unless their liability becomes unlimited through contravention of the Memorandum.

Advertising Association AdGreen is incorporated in England and Wales. The registered office is Orwell House, 16-18 Berners Street, London, England, W1T 3LN.

The company is a Public Benefit Entity defined by FRS102.

2. Principal Accounting Policies

(a) Accounting Convention

These financial statements have been prepared in accordance with Section 1A of 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 financial statements are prepared in sterling, which is the functional currency. Monetary amounts in these financial statements are rounded to the nearest pound. The financial statements have been prepared under the historical cost convention. The principal accounting policies are set out below.

(b) Going concern

This was the second period of operation for AdGreen. The company is around a quarter behind on levy collections but has a large amount of revenue already confirmed before the 2023 financial year started, and levy revenue is increasing at a promising rate. The company also prepares budgets on a worst case scenario and will not spend funds that have not yet been received. The financial statements are accordingly prepared on a Going Concern basis.

(c) Turnover

Turnover represents levy and other voluntary income and sponsorship income. Voluntary income is recognised once the Company has entitlement to the income, it is probable that the income will be received, and the amount of income can be measured reliably. Income from sponsorship is recognised in the period in which the services are provided.

(d) 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 and bank overdrafts.

(e) Taxation

The tax expense represents taxation currently payable. Tax 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 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.

(f) Intangible Assets

Intangible assets are measured at cost less accumulated depreciation. Depreciation is calculated to write down the cost less estimated residual value of all intangible assets over their expected useful lives using the straight-line method. Therefore, depreciating over five years.

The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

ADVERTISING ASSOCIATION ADGREEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 01 JANUARY 2022 TO 31 DECEMBER 2022

3. Operating expenses

	2022	2021
	£	£
Operating expenses comprises:		
Resource	242,402	229,305
Training	20,408	27,036
Calculator	32,574	28,153
Events	4,728	2,871
Admin/ Office	19,233	6,057
Marketing	10,936	6,067
Legal	21,497	38,378
Depreciation	36,004	25,137
Irrecoverable VAT	<u>15,398</u>	<u>26,260</u>
	<u>403,179</u>	<u>389,264</u>

4. Tangible Fixed Assets

Office machinery, furniture,
fixtures & fittings
£

Cost:	
At 31 December 2021	1,666
Additions in year	<u>2,498</u>
At 31 December 2022	<u>4,163</u>
Depreciation:	
At 31 December 2021	555
Provided during the year	<u>1,943</u>
At 31 December 2022	<u>2,498</u>
At book value:	
At 31 December 2022	<u>1,666</u>
At 31 December 2021	<u>1,111</u>

5. Intangible Fixed Assets

Software
£

Cost:	
At 31 December 2021	122,906
Additions in year	<u>47,400</u>
At 31 December 2022	<u>170,306</u>
Depreciation:	
At 31 December 2021	24,581
Provided during the year	<u>34,061</u>
At 31 December 2022	<u>58,642</u>
At book value:	
At 31 December 2022	<u>111,664</u>
At 31 December 2021	<u>98,324</u>

ADVERTISING ASSOCIATION ADGREEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 01 JANUARY 2022 TO 31 DECEMBER 2022

6. Debtors

	2022	2021
	£	£
Taxation and social security	-	14,000
Funding outstanding	51,267	10,606
Prepayments	240	100
Accrued income	<u>66,255</u>	<u>67,803</u>
	<u>117,762</u>	<u>92,509</u>

7. Creditors: amounts falling due within one year

	2022	2021
	£	£
Taxation and social security	25,326	-
Trade creditors	24,955	7,721
Amounts owed to group undertakings	82,033	144,571
Accruals and deferred income	<u>55,410</u>	<u>18,460</u>
	<u>187,724</u>	<u>170,752</u>

8. Creditors: amounts due after more than one year

	2022	2021
	£	£
Loans	<u>150,000</u>	<u>240,000</u>
	<u>150,000</u>	<u>240,000</u>

9. Corporate Status

Advertising Association AdGreen is limited by guarantee and has no share capital. Each member's liability in the event of dissolution is limited to £1.

9. Employees

During 2022, the average number of employees was 3.75 (2021:1)

10. Ultimate controlling party

The company's immediate and ultimate parent undertaking and controlling party is The Advertising Association, a company registered in the United Kingdom. The address of their registered office and principal place of business is Orwell House, 16-18 Berners Street, London, England, W1T 3LN.