

**Red Flag Alert Technology  
Group Limited**

**Financial Statements**

**for the Year Ended 31 March 2023**

**Red Flag Alert Technology  
Group Limited (Registered number: 11266456)**

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for the year ended 31 March 2023**

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# Red Flag Alert Technology Group Limited

**Company Information**  
for the year ended 31 March 2023

**DIRECTORS:**

RW Traynor  
MS Halstead  
RA West  
Ms FL Hatch  
JM Lord

**REGISTERED OFFICE:**

28 Eaton Avenue  
Matrix Office Park  
Buckshaw Village  
Chorley  
Lancashire  
PR7 7NA

**REGISTERED NUMBER:**

11266456 (England and Wales)

**AUDITORS:**

Sedulo Audit Limited  
605 Albert House  
256 - 260 Old Street  
London  
EC1V 9DD

**Red Flag Alert Technology  
Group Limited (Registered number: 11266456)**

**Balance Sheet**

31 March 2023

	Notes	£	2023 £	£	2022 (Unaudited) £
<b>FIXED ASSETS</b>					
Intangible assets	4		<b>348,411</b>		-
Tangible assets	5		<b>92,158</b>		23,467
Investments	6		<b>1</b>		-
			<u><b>440,570</b></u>		<u>23,467</u>
<b>CURRENT ASSETS</b>					
Debtors	7	<b>853,789</b>		873,535	
Cash at bank		<b>3,125,709</b>		40,971	
			<u><b>3,979,498</b></u>	<u>914,506</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	8	<b>2,671,963</b>		1,861,671	
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			<u><b>1,307,535</b></u>		<u>(947,165)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>1,748,105</b>		(923,698)
<b>CREDITORS</b>					
Amounts falling due after more than one year	9		<b>1,866,848</b>		-
<b>NET LIABILITIES</b>			<u><b>(118,743)</b></u>		<u>(923,698)</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	11		<b>1,575,144</b>		100
Share premium			<b>1,050,024</b>		-
Retained earnings			<b>(2,743,911)</b>		(923,798)
<b>SHAREHOLDERS' FUNDS</b>			<u><b>(118,743)</b></u>		<u>(923,698)</u>

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 1 March 2024 and were signed on its behalf by:

RA West - Director

# Red Flag Alert Technology Group Limited (Registered number: 11266456)

## Notes to the Financial Statements for the year ended 31 March 2023

### 1. STATUTORY INFORMATION

Red Flag Alert Technology Group Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

The amounts in the financial statements have been rounded to the nearest £1.

### 2. ACCOUNTING POLICIES

#### Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

#### Going concern

The financial statements have been prepared on the going concern basis despite the excess of liabilities over assets. This basis has been adopted on the basis of the directors reviewing the company's future cashflow requirements and performing sensitivity analysis to establish that this basis is appropriate. The directors have considered a period of at least twelve months forwards from the date of signing the financial statements when considering the company's cash requirements.

#### Preparation of consolidated financial statements

The financial statements contain information about Red Flag Alert Technology Group Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

#### Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

#### Intangible assets

Intangible assets arose on the acquisition of a business on 31 March 2023. Amortisation will commence on 1 April 2023.

The intangible assets consist of the following classes of asset:

Class of asset	Estimated useful economic life
Client list	5 years
Historic client base	2 years
Intellectual property	5 years
Brand awareness	10 years

#### Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

#### Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

# Red Flag Alert Technology Group Limited (Registered number: 11266456)

## Notes to the Financial Statements - continued for the year ended 31 March 2023

### 2. ACCOUNTING POLICIES - continued

#### Financial instruments

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Basic financial assets, which include debtors, prepayments and bank and cash balances and bank and cash equivalents, are initially measured at transaction price and are subsequently carried at cost unless the arrangement indicates otherwise and then the asset is measured at the present value of the future receipts discounted at a market rate of interest.

Basic financial liabilities, which include creditors, accruals, overdrafts and such equivalents, together with bank or similar loans and group and related party borrowings, are initially recognised at transaction price and are subsequently carried at cost unless the arrangement indicates otherwise and then the liability is measured at the present value of the future obligations discounted at a market rate of interest.

#### Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

#### Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

#### Research and development

Expenditure on research and development is written off in the year in which it is incurred.

#### Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

#### Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

### 3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 37 (2022 - 22) .

**Red Flag Alert Technology  
Group Limited (Registered number: 11266456)**

**Notes to the Financial Statements - continued  
for the year ended 31 March 2023**

**4. INTANGIBLE FIXED ASSETS**

	Other intangible assets £
<b>COST</b>	
Additions	348,411
At 31 March 2023	<u>348,411</u>
<b>NET BOOK VALUE</b>	
At 31 March 2023	<u>348,411</u>

**5. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1 April 2022	-	24,154	24,154
Additions	69,582	28,581	98,163
Disposals	-	(1,499)	(1,499)
At 31 March 2023	<u>69,582</u>	<u>51,236</u>	<u>120,818</u>
<b>DEPRECIATION</b>			
At 1 April 2022	-	687	687
Charge for year	9,299	18,674	27,973
At 31 March 2023	<u>9,299</u>	<u>19,361</u>	<u>28,660</u>
<b>NET BOOK VALUE</b>			
At 31 March 2023	<u>60,283</u>	<u>31,875</u>	<u>92,158</u>
At 31 March 2022	<u>-</u>	<u>23,467</u>	<u>23,467</u>

**6. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>COST</b>	
Additions	1
At 31 March 2023	<u>1</u>
<b>NET BOOK VALUE</b>	
At 31 March 2023	<u>1</u>

The fixed asset investment represents the entire issued share capital of Red Flag Alert Technology (Ireland) Limited which is registered in Ireland and is presently dormant.

**Red Flag Alert Technology  
Group Limited (Registered number: 11266456)**

**Notes to the Financial Statements - continued  
for the year ended 31 March 2023**

**7. DEBTORS**

	2023	2022 (Unaudited)
	£	£
Amounts falling due within one year:		
Trade debtors	405,564	269,131
Other debtors	29,760	239,549
Taxation recoverable	302,629	-
Prepayments and accrued income	115,836	117,694
	<u>853,789</u>	<u>626,374</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	-	247,161
Aggregate amounts	<u>853,789</u>	<u>873,535</u>

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023	2022 (Unaudited)
	£	£
Trade creditors	732,541	397,882
Social security and other taxes	68,679	29,723
VAT	8,729	47,111
Other creditors	466,712	10,933
Amounts owed to related party undertakings	700,538	577,040
Directors' current accounts	201,746	419,900
Accruals and deferred income	493,018	379,082
	<u>2,671,963</u>	<u>1,861,671</u>

Management have updated disclosure of liabilities to make it clearer to the the readers of the accounts.

The directors loans are interest free, unsecured and have no fixed repayment terms.

Included within other creditors, both within and over one year, are shareholders unsecured loan notes which are repayable by 1 April 2028 and carry interest at 6% pa on £1,445,154 and 9% on £875,000. Certain of the shareholders are also directors of the company and the amount of £1,445,154 is due to certain directors.

**9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2023	2022 (Unaudited)
	£	£
Amounts owed to group undertakings	1	-
Other creditors	1,866,847	-
	<u>1,866,848</u>	<u>-</u>

**Red Flag Alert Technology  
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**Notes to the Financial Statements - continued  
for the year ended 31 March 2023**

**10. LEASING AGREEMENTS**

The company had operating lease commitments of £228,116 (2022: £nil) at the year end.

**11. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Class	No	Nominal	2023	2022
	value	£	£	£
A Ordinary shares	43,680	0.001	44	80
B Ordinary shares	19,980	0.001	20	20
C Ordinary shares	80,000	0.001	80	-
PP Ordinary shares	1,575,000	1.00	1,575,000	-
F Ordinary shares	20	0.02	-	-
	<u>1,718,680</u>		<u>1,575,144</u>	<u>100</u>

During the year the company reclassified the Ordinary A shares from £1 shares to £0.001 Ordinary C shares.

The company reclassified Ordinary B shares from £1 shares to £0.001 Ordinary B and £0.02 F Ordinary shares.

During the year the company issued 1,575,000 Ordinary PP shares and 43,680 Ordinary A shares for a total of £2,625,067 which includes a premium totalling £1,050,024.

**12. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

Diccon Thornely (Senior Statutory Auditor)  
for and on behalf of Sedulo Audit Limited

# Red Flag Alert Technology Group Limited (Registered number: 11266456)

## Notes to the Financial Statements - continued for the year ended 31 March 2023

### 13. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

During the year the company purchased the assets of Reg Flag Alert LLP of which Mr RW Traynor, a director of the company, is a member for £348,411. There was a balance owing to Red Flag Alert LLP at the year end of £93,148 (2022: £nil).

At the year end there were balances totalling £201,746 (2022: £419,900) owing to the directors on their loan accounts. No interest was paid to the directors during this or the prior year on these amounts.

Included within amounts owed to related party undertakings is an amount of £607,390 (2022: £577,040) owing to Reparo Finance Limited. A director of the company, Mr RW Traynor, is also a director of this company. The £607,390 included interest of £75,844. Interest charged at 1.4% per month and the full amount was paid in full post year end.

There is an amount owing of £93,148 owing to Red Flag Alert LLP, which is included in amounts owed to related parties. A director of the company, Mr R W Traynor is also a member of this LLP.

Included within other creditors are shareholders unsecured loan notes which are repayable by 1 April 2028 and carry interest at 6% pa on £1,445,154 and 9% on £875,000. Certain of the shareholders are also directors of the company and the amount of £1,445,154 is due to certain directors.

### 14. POST BALANCE SHEET EVENTS

Subsequent to the year end the company has secured new borrowings of £1m which has been used to repay loans from various existing lenders including £607,390 owing to a related party and £234,797 owed to the directors, so that both these loans have since been cleared.

### 15. ULTIMATE CONTROLLING PARTY

In the opinion of the directors the company is controlled by Mr RW Traynor, a director of the company, by virtue of his shareholding.

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.