

Regulatory Announcement

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Company	Crimson Tide PLC
TIDM	TIDE
Headline	Final Results
Released	07:00 08-Jun-09
Number	4884T07

RNS Number : 4884T
Crimson Tide PLC
08 June 2009

8 JUNE 2009

Crimson Tide Plc

("Crimson Tide" or "the Company")

(A leading service provider of mobile data and software solutions for business)

Preliminary Announcement of Results to 31 December 2008

Highlights

- **Turnover increased to £1.78m in the year to 31 December 2008 from £1.67m.**
- **Loss before interest, tax, depreciation and amortisation of £198,000 for the year to 31 December 2008, reduced by over 40% from £350,000 in 2007**
- **Mobile connections and breadth of offerings increase**
- **On target to achieve month on month EBITDA profitability in 2009**
- **Significant partnership with Yes Telecom, a Vodafone company**
- **Notice of expiry of warrants**

Chairman's Statement

I am pleased to report the results for Crimson Tide plc for the year ended 31 December 2008, the second full year since our admission to AIM. Turnover and the EBITDA loss were in line with our expectations, which was especially pleasing given the difficult economic environment, and are a reflection of the prudent stewardship of the Company. Even more pleasing is the Board's confidence that losses will be substantially reduced in the first half of 2009 and that we will reach profitability on a month by month basis at the EBITDA level during the course of this year. The business continues to deliver results in line with management's expectations.

Since the summer of 2008, where we foresaw some of the economic issues affecting businesses, we have been careful to ensure that the Company was not over-gearred in terms of debt or central overhead. Our focus in this period has been on the continued support of our software and consultancy business which has enabled the Company to weather the current downturn and maintain its financial improvement. Whilst management feels that the Company could have achieved more from its subscription

based mobile data solutions if we had adopted a riskier profile, we feel that these results in such demanding conditions vindicate the Board's strategy.

Our business in Ireland has not been immune to the severe economic downturn in the Irish economy. An element of our business provides recurring revenue but the software market has proved difficult. Again, we have adjusted overhead accordingly and taken a substantial amount of risk out of the business. Our team in Ireland continue to be highly committed and have produced some fine work for our mobile data solutions sold in the UK.

We have recently agreed a significant partnership with Yes Telecom, a Vodafone company, where our solutions will be sold by Yes Telecom's channel dealers, a base of over 500 organisations across the UK. This will extend our sales reach and breadth of offerings and we are confident that we will be able to announce another significant partnership in the near future.

As we enter the second half of 2009, we will be introducing several exciting initiatives to enhance our services and results. We are planning to introduce our own communications architecture, with assistance from Microsoft, which will enable us to deliver applications more rapidly and eliminate a certain element of middleware costs from our gross margin. Furthermore, we have in development a number of solutions in the healthcare market which, we believe, will give us opportunities to commoditise part of our portfolio for a wide range of organisations in the sector.

In summary, once again we have delivered results that we expected. Economic times have been challenging and look set to remain so. Crimson Tide's management has acted to ensure stability and reduce the requirement for cash, and has plotted a course towards early profitability. We have also established a platform where growth will flow faster to the bottom line due to an improvement in margin on our mobile data solutions. We will continue to manage the business carefully, taking advantage of the wide range of opportunities available to us.

Shareholders with warrants issued in 2006 should be aware that the expiry date for these warrants is August, 20, 2009 ("Expiry Date"). These warrants give the holder the option to subscribe for Ordinary Shares in the Company at 1.5p per share, on or prior to the Expiry Date, otherwise they will lapse. Holders who wish to exercise their rights should write to the registered office of the Company, on or prior to the Expiry Date, and remit the subscription monies at 1.5p per share subscribed for either in cash or by bank transfer. Proceeds from the issue of new shares will be used in the ordinary course of business for working capital purposes.

Our staff have been loyal, committed and hard-working. I thank them and our partners for their efforts which we believe have positioned us well for the future in our exciting market.

Barrie Whipp
Executive Chairman
5 June 2009

Enquiries:

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Crimson Tide Plc**Unaudited consolidated income statement for the year ended 31 December 2008**

	Group	
	Year ended 31 December 2008 £000	Year ended 31 December 2007 £000
Revenue	1,776	1,674
Cost of sales	<u>(817)</u>	<u>(745)</u>
Gross profit	959	929
Total operating expenses	<u>(1,209)</u>	<u>(1,328)</u>
Loss from operations	(250)	(399)
Interest income	4	10
Interest payable and similar charges	<u>(33)</u>	<u>(19)</u>
Loss before taxation	(279)	(408)
Tax on loss on ordinary activities	-	-
Loss for the year attributable to equity holders of the parent	<u>(279)</u>	<u>(408)</u>
Loss per share		
Basic and diluted loss per ordinary share (pence)	(0.09)p	(0.14)p

Unaudited balance sheet as at 31 December 2008

	Group	
	As at 31 December 2008 £000	As at 31 December 2007 £000
Fixed Assets		
Intangible assets	868	889
Equipment, fixtures & fittings	<u>24</u>	<u>29</u>
	<u>892</u>	<u>918</u>
Current Assets		
Inventories	39	25
Trade and other receivables	597	383
Cash and cash equivalents	<u>89</u>	<u>175</u>
	<u>725</u>	<u>583</u>
Total assets	<u>1,617</u>	<u>1,501</u>
Equity and liabilities		
Equity attributable to equity holders of the parent		
Share capital	6,070	5,790

Capital redemption reserve	49	49
Share premium	1,058	1,006
Other reserves	430	507
Reverse acquisition reserve	(5,244)	(5,244)
Retained earnings	(1,850)	(1,571)
	<u>513</u>	<u>537</u>
Creditors		
Amounts falling due within one year	791	862
Creditors		
Amounts falling due after more than one year	313	102
Total liabilities	<u>1,104</u>	<u>964</u>
Total equity and liabilities	<u>1,617</u>	<u>1,501</u>

Unaudited statement of changes in equity for the year ended 31 December 2008

Group	Share capital	Capital redemption reserve	Share premium	Other reserves	Reverse acquisition reserve	Retained earnings
	£000	£000	£000	£000	£000	£000
Balance as at 1 January 2007	5,679	49	916	457	(5,244)	(1,163)
Loss for the year						(408)
Proceeds from new shares issued during the year	110		96			
Proceeds from warrants exercised during the year	1					
Shares to be issued for acquisition of IDL				60		
Additional costs for acquisition of IDL			(6)			
Translation movement				(10)		
Balance as at 31 December 2007	5,790	49	1,006	507	(5,244)	(1,571)
Loss for the year						(279)
Proceeds from new shares issued during the year	248		24			
Shares to be issued for acquisition of IDL	32		28	(60)		
Convertible loan - equity component				11		
Translation movement				(28)		

Balance as at 31 December 2008	6,070	49	1,058	430	(5,244)	(1,850)
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Note: "IDL" means Intelligent Data Limited, acquired by Crimson Tide plc on 7 December 2006

Unaudited consolidated cash flow statement for the year ended 31 December 2008

	<u>Group</u> Year ended 31 December 2008 £000	<u>Group</u> Year ended 31 December 2007 £000
Cash flows from operating activities		
Loss from operations	(250)	(399)
Depreciation of equipment, fixtures and fittings	11	10
Amortisation of Intangible Assets	42	41
	<hr/>	<hr/>
Operating cash flows before movements in working capital	(197)	(348)
(Increase)/decrease in inventories	(14)	3
(Increase)/decrease in trade and other receivables	(212)	31
(Decrease)/increase in trade and other payables	(164)	30
	<hr/>	<hr/>
Cash used in operating activities	(587)	(284)
Income taxes paid	-	-
	<hr/>	<hr/>
Net cash used in operating activities	(587)	(284)
Cash flows used in investing activities		
Acquisition of subsidiaries	-	(60)
Purchases of fixed assets	(27)	-
Interest received	2	10
	<hr/>	<hr/>
Net cash used in investment activities	(25)	(50)
Cash flows from financing activities		
Net proceeds on issues of shares	272	206
Interest paid	(33)	(19)
Net increase/(decrease) in borrowings	209	(49)
	<hr/>	<hr/>
Net cash from financing activities	448	138
Net decrease in cash and cash equivalents	(164)	(196)
Net cash and cash equivalents at beginning of period	175	371
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Net cash and cash equivalents at end of period	11	175
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Crimson Tide Plc

Notes to the Consolidated Financial Statements for the year ended 31 December 2008

A) Significant accounting policies

a. Basis of preparation

The preliminary results for the period to 31 December 2008 are unaudited. The consolidated financial statements of Crimson Tide plc will be prepared and approved by the Directors in accordance with applicable law and International Financial Reporting Standards, incorporating International Accounting Standards (IAS) and Interpretations (collectively IFRSs) as endorsed by the European Union.

b. Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and all of its subsidiaries.

On an acquisition, fair values are attributed to the Group's share of net assets. Where the cost of acquisition exceeds the values attributable to such net assets, the difference is treated as purchased goodwill, which is capitalised and subjected to annual impairment reviews. The results of acquired companies are brought in from the date of their acquisition.

B) Taxation

No tax charge has been incorporated into the consolidated accounts for the period ended 31 December 2008 due to the availability of tax losses.

C) Loss per share

	Group	
	Year ended 31 December 2008	Year ended 31 December 2007
Basic and Diluted Loss per share		
Reported loss (£000)	(279)	(408)
Reported loss per share (pence)	(0.09)p	(0.14)p

The loss per share has been calculated by dividing the loss attributable to ordinary shareholders by the weighted average number of shares in issue calculated as follows:

	Year ended 31 December 2008 No.	Year ended 31 December 2007 No.
Weighted average number of ordinary shares:		
Opening balance	290,940,440	279,899,089

Effect of share placings	16,728,346	6,298,630
Effect of shares issued in acquisition Crimson Tide (IE) Ltd.	2,139,178	-
Effect of warrants exercised during year	14,116	15,349
Weighted average number of ordinary shares	<u>309,822,080</u>	<u>286,213,068</u>

Due to the Group's loss for the periods, the diluted loss per share is the same as the basic loss per share.

The financial information set out above does not constitute the Company's statutory accounts for the periods ended 31 December 2008 or 31 December 2007. Statutory accounts for 2007, which were prepared under IFRS, have been delivered to the Registrar of Companies. The auditors have reported on the 2007 accounts; their report was unqualified and did not contain a statement under section 237(2) or (3) of the Companies Act 1985. The statutory accounts for 2008 which are prepared under accounting standards adopted by the EU will be finalised on the basis of the financial information presented by the directors in this preliminary announcement and will be delivered to the Registrar of Companies following the Company's annual general meeting. The statutory accounts will be published on the Company's website www.crimsontide.co.uk.

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