

C M Y K Digital Solutions Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2020

Deans Accountants And Business Advisors Ltd
Chartered Accountants and Business Advisors
27 North Bridge Street
Hawick
Borders
TD9 9BD

C M Y K Digital Solutions Limited

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C M Y K Digital Solutions Limited

Company Information

Directors JS Sharp
DJ Crosby

Company secretary JS Sharp

Registered office Unit 9
Butlerfield Industrial Estate
Bonnyrigg
Edinburgh
EH19 3JQ

Accountants Deans Accountants And Business Advisors Ltd
Chartered Accountants and Business Advisors
27 North Bridge Street
Hawick
Borders
TD9 9BD

DEANS

Chartered Accountants

Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited Statutory Accounts of C M Y K Digital Solutions Limited for the Year Ended 31 March 2020

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of C M Y K Digital Solutions Limited for the year ended 31 March 2020 as set out on pages 3 to 11 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants of Scotland (ICAS), we are subject to its ethical and other professional requirements which are detailed at <http://www.icas.com/ethics/icas-code-of-ethics>.

This report is made solely to the Board of Directors of C M Y K Digital Solutions Limited, as a body, in accordance with the terms of our engagement letter dated 9 February 2009. Our work has been undertaken solely to prepare for your approval the accounts of C M Y K Digital Solutions Limited and state those matters that we have agreed to state to the Board of Directors of C M Y K Digital Solutions Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than C M Y K Digital Solutions Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that C M Y K Digital Solutions Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of C M Y K Digital Solutions Limited. You consider that C M Y K Digital Solutions Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of C M Y K Digital Solutions Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

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Deans Accountants And Business Advisors Ltd
Chartered Accountants and Business Advisors
27 North Bridge Street
Hawick
Borders
TD9 9BD

20 May 2020

C M Y K Digital Solutions Limited

**(Registration number: SC165494)
Balance Sheet as at 31 March 2020**

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	<u>4</u>	77,831	91,858
Tangible assets	<u>5</u>	67,955	74,061
Investments	<u>6</u>	196,070	-
		<u>341,856</u>	<u>165,919</u>
Current assets			
Stocks	<u>7</u>	141,084	175,982
Debtors	<u>8</u>	892,248	702,127
Cash at bank and in hand		1,647	160,986
		<u>1,034,979</u>	<u>1,039,095</u>
Creditors: Amounts falling due within one year	<u>9</u>	<u>(693,990)</u>	<u>(761,293)</u>
Net current assets		<u>340,989</u>	<u>277,802</u>
Net assets		<u>682,845</u>	<u>443,721</u>
Capital and reserves			
Called up share capital	<u>10</u>	110,000	110,000
Share premium reserve		15,400	15,400
Capital redemption reserve		4,000	4,000
Profit and loss account		553,445	314,321
Total equity		<u>682,845</u>	<u>443,721</u>

For the financial year ending 31 March 2020 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 accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 20 May 2020 and signed on its behalf by:

.....

JS Sharp

Company secretary and director

The notes on pages 5 to 11 form an integral part of these financial statements.

Page 3

C M Y K Digital Solutions Limited

**(Registration number: SC165494)
Balance Sheet as at 31 March 2020**

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DJ Crosby
Director

The notes on pages 5 to 11 form an integral part of these financial statements.
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C M Y K Digital Solutions Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

1 General information

The company is a private company limited by share capital, incorporated in Scotland.

The address of its registered office is:

Unit 9
Butlerfield Industrial Estate
Bonnyrigg
Edinburgh
EH11 9 3JQ
Scotland

These financial statements were authorised for issue by the Board on 20 May 2020.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are presented in Sterling (£) and rounded to the nearest £1.

Judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made included:

Useful economic lives of tangible assets – the annual depreciation charge for tangible assets is sensitive to change in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation, and the physical condition of the assets.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

Sales of Goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

Rendering of services

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, 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.

C M Y K Digital Solutions Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Office equipment and fittings	25% reducing balance
Motor vehicles	30% reducing balance

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	over 12 years

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the

receivables.

C M Y K Digital Solutions Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. 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.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

Financial instruments

Classification

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as 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.

Recognition and measurement

Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as an interest expenses in the profit and loss account

Impairment

At the end of each reporting period financial instruments measured at fair value are assessed for objective evidence of impairment. The impairment loss is recognised in the profit and loss account

C M Y K Digital Solutions Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 33 (2019 - 35).

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 April 2019	802,910	802,910
At 31 March 2020	802,910	802,910
Amortisation		
At 1 April 2019	711,052	711,052
Amortisation charge	14,027	14,027
At 31 March 2020	725,079	725,079
Carrying amount		
At 31 March 2020	77,831	77,831
At 31 March 2019	91,858	91,858

5 Tangible assets

	Office equipment and fittings £	Motor vehicles £	Total £
Cost or valuation			
At 1 April 2019	397,292	101,311	498,603
Additions	35,640	-	35,640
Disposals	-	(26,900)	(26,900)
At 31 March 2020	432,932	74,411	507,343
Depreciation			
At 1 April 2019	336,265	88,277	424,542
Charge for the year	34,750	3,580	38,330
Eliminated on disposal	-	(23,484)	(23,484)
At 31 March 2020	371,015	68,373	439,388
Carrying amount			
At 31 March 2020	61,917	6,038	67,955
At 31 March 2019	61,027	13,034	74,061

C M Y K Digital Solutions Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

6 Investments

	2020	2019
	£	£
Investments in subsidiaries	196,070	-
Subsidiaries		£
Cost or valuation		
Additions		196,070
Provision		
Carrying amount		
At 31 March 2020		196,070

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2020	2019
Subsidiary undertakings				
Clydesdale Office Equipment Ltd	Scotland	Ordinary	100%	0%

Subsidiary undertakings

Clydesdale Office Equipment Ltd

The principal activity of Clydesdale Office Equipment Ltd is selling and servicing of colour copiers and printers.. Its financial period end is 31 August.

7 Stocks

	2020	2019
	£	£
Other inventories	141,084	175,982

8 Debtors

	2020	2019
	£	£
Trade debtors	731,455	656,830
Prepayments	48,250	19,334
Other debtors	112,543	25,963
	892,248	702,127

C M Y K Digital Solutions Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

9 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Trade creditors		427,856	506,101
Taxation and social security		141,572	134,601
Other creditors		124,562	120,591
		<u>693,990</u>	<u>761,293</u>

10 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary A shares of £0.10 each	1,100,000	110,000.00	1,100,000	110,000.00

11 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £1,062,717 (2019 - £816,197). Operating lease commitments with no security given by the company. The commitments reflect the total payments due under operating leases during the entirety of the operating lease primary term.

12 Related party transactions

Transactions with directors

2020	At 1 April 2019 £	Advances to directors £	At 31 March 2020 £
JS Sharp			
The company advanced loans to JS Sharp. Loans are repayable on demand.	-	625	625

2019	At 1 April 2018 £	Repayments by director £	At 31 March 2019 £
JS Sharp			
The company advanced loans to JS Sharp. Loans are repayable on demand.	15,125	(15,125)	-

Other transactions with directors

During the prior year JS Sharp, a director of the company advanced loans to the company. These loans have been repaid during the year and the balance outstanding at the balance sheet date was Nil (2019 - £1,375).

C M Y K Digital Solutions Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

Summary of transactions with other related parties

During the year CMYK Digital Solutions Limited lent monies to CMYK Holdings Limited. The loans are repayable on demand. At the balance sheet date the amount due from CMYK Holdings Limited was £60,000 (2019 - £25,812).

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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.