

Company Registration No. 03419411 (England and Wales)

# **BLINK CREATIVE SOLUTIONS LIMITED**

**UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 OCTOBER 2019**

**PAGES FOR FILING WITH REGISTRAR**

# **BLINK CREATIVE SOLUTIONS LIMITED**

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# BLINK CREATIVE SOLUTIONS LIMITED

## BALANCE SHEET

AS AT 31 OCTOBER 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Intangible assets	3		90,187		102,347
Tangible assets	4		84,598		95,123
Investments	5		80,000		80,000
			<u>254,785</u>		<u>277,470</u>
<b>Current assets</b>					
Debtors	6	556,591		507,961	
Cash at bank and in hand		<u>16,570</u>		<u>157,599</u>	
			573,161		665,560
<b>Creditors: amounts falling due within one year</b>	7	<u>(214,909)</u>		<u>(189,624)</u>	
<b>Net current assets</b>			<u>358,252</u>		<u>475,936</u>
<b>Total assets less current liabilities</b>			<u>613,037</u>		<u>753,406</u>
<b>Provisions for liabilities</b>			<u>(13,245)</u>		<u>(13,331)</u>
<b>Net assets</b>			<u>599,792</u>		<u>740,075</u>
<b>Capital and reserves</b>					
Called up share capital	8		190		190
Share premium account			169,960		169,960
Profit and loss reserves			<u>429,642</u>		<u>569,925</u>
<b>Total equity</b>			<u>599,792</u>		<u>740,075</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 October 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

**BLINK CREATIVE SOLUTIONS LIMITED**

**BALANCE SHEET (CONTINUED)**

**AS AT 31 OCTOBER 2019**

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The financial statements were approved by the board of directors and authorised for issue on 29 July 2020 and are signed on its behalf by:

**Mr S Livesey**  
**Director**

**Mrs E J Livesey**  
**Director**

**Company Registration No. 03419411**

# BLINK CREATIVE SOLUTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2019

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### 1 Accounting policies

#### Company information

Blink Creative Solutions Limited is a private company limited by shares incorporated in England and Wales. The registered office is Richard House, 9 Winckley Square, Preston, PR1 3HP. The place of business is Creative Innovation Centre, Cross Hill, Stoke on Trent, ST6 3JY.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with 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 disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

The Covid-19 pandemic has had a significant impact on a number of businesses. The company's activities post year end have been affected by the restrictions on movements which were put in place as a result of the pandemic but trading has now started to pick up again. The company has made use of any relevant Government initiatives that are available in order to minimise the impact on the company's cashflow during this period.

As a result, at the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT.

#### 1.4 Intangible fixed assets - goodwill

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life which shall not exceed 10 years if a reliable estimate of the useful life cannot be made.

#### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Plant and equipment	15% reducing balance
Fixtures and fittings	15% reducing balance
Computers	33% reducing balance
Motor vehicles	25% reducing balance

## **BLINK CREATIVE SOLUTIONS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 OCTOBER 2019**

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#### **1 Accounting policies**

**(Continued)**

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

##### **1.6 Fixed asset investments**

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

##### **1.7 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount.

##### **1.8 Cash at bank and in hand**

Cash at bank and in hand are basic financial assets and include cash in hand and deposits held at call with banks.

##### **1.9 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

## BLINK CREATIVE SOLUTIONS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2019

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#### 1 Accounting policies

(Continued)

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently 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 of income or expense that are taxable or deductible in other years and it further 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.

## BLINK CREATIVE SOLUTIONS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2019

#### 1 Accounting policies

(Continued)

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

##### **1.12 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### **1.13 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

##### **1.14 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

##### **1.15 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

#### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 24 (2018 - 27).



# BLINK CREATIVE SOLUTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2019

### 3 Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 November 2018 and 31 October 2019	420,000
<b>Amortisation and impairment</b>	
At 1 November 2018	317,653
Amortisation charged for the year	12,160
At 31 October 2019	329,813
<b>Carrying amount</b>	
At 31 October 2019	90,187
At 31 October 2018	102,347

### 4 Tangible fixed assets

	Plant and machinery etc £
<b>Cost</b>	
At 1 November 2018	260,782
Additions	11,629
At 31 October 2019	272,411
<b>Depreciation and impairment</b>	
At 1 November 2018	165,660
Depreciation charged in the year	22,153
At 31 October 2019	187,813
<b>Carrying amount</b>	
At 31 October 2019	84,598
At 31 October 2018	95,123

### 5 Fixed asset investments

	2019 £	2018 £
Investments	80,000	80,000

# BLINK CREATIVE SOLUTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2019

### 5 Fixed asset investments (Continued)

#### Movements in fixed asset investments

	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 November 2018 & 31 October 2019	80,000
<b>Carrying amount</b>	
At 31 October 2019	80,000
At 31 October 2018	80,000

### 6 Debtors

	2019 £	2018 £
<b>Amounts falling due within one year:</b>		
Trade debtors	378,637	324,650
Amounts owed by group undertakings	165,625	147,010
Other debtors	12,329	36,301
	<u>556,591</u>	<u>507,961</u>

### 7 Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	44,755	-
Trade creditors	39,966	61,951
Amounts owed to group undertakings	25,369	5,219
Taxation and social security	96,415	102,405
Other creditors	8,404	20,049
	<u>214,909</u>	<u>189,624</u>

Included in the balances above are creditors totalling £nil (2018: £13,538) which are secured over the assets to which they relate.

Creditors falling due within one year totalling £44,755 (2018: £nil) have been secured by the company by way of a cross-company guarantee as disclosed in note 9 and a mortgage debenture over all company assets.

**BLINK CREATIVE SOLUTIONS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 OCTOBER 2019****8 Called up share capital**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
140 Ordinary shares of £1 each	140	140
50 Ordinary 'A' shares of £1 each	50	50
	<u>190</u>	<u>190</u>
	<u><u>190</u></u>	<u><u>190</u></u>

**9 Financial commitments, guarantees and contingent liabilities**

A cross-company guarantee is in place in favour of the company's bankers between all the companies in the group headed by Blink Group Limited. At the balance sheet date, total group company borrowings payable to the company's bankers covered by this cross-company guarantee totalled £922,408 (2018: £1,098,859).

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.