

Registered number: 09366057

**Opus 107 Limited**

**Annual report and financial statements**

**For the year ended 31 March 2020**

## **Opus 107 Limited**

### **Company Information**

#### **Directors**

P C De Haan  
S C Johnson  
M G Greville  
J Thompson (appointed 28 September 2020)

#### **Company secretary**

S J Ghysen

#### **Registered number**

09366057

#### **Registered office**

Unit 328/9 Metalbox Factory  
30 Great Guildford Street  
London  
SE1 0HS

#### **Independent auditors**

Kreston Reeves LLP  
Chartered Accountants & Statutory Auditor  
37 St Margaret's Street  
Canterbury  
Kent  
CT1 2TU

#### **Bankers**

Bank of Scotland  
The Mound  
Edinburgh  
EH1 1YZ

#### **Solicitors**

Pinsent Masons LLP  
3 Colmore Circus  
Birmingham  
B4 6BH

Contents

	Page
Group strategic report	1 - 2
Directors' report	3 - 4
Directors' responsibilities statement	5
Independent auditors' report	6 - 9
Consolidated statement of comprehensive income	10
Consolidated balance sheet	11
Company balance sheet	12
Consolidated statement of changes in equity	13
Company statement of changes in equity	14
Consolidated Statement of cash flows	15
Notes to the financial statements	16 - 36

**Group strategic report  
For the year ended 31 March 2020**

**Introduction**

I am pleased to report another year of growth in revenue generating a strong position in a market that remains highly challenging.

**Business review**

Opus Trust Communications is an integrated business services company with a commitment to drive value for our clients and sustainable profit improvement, through the provision of increasingly digitally enabled solutions for all sectors of the transactional communications market.

A strong year for Opus Trust with revenue growth of 14% rising to £32.8m and a significant Operating Profit improvement from £26,000 to £369,000.

The year was one of major investment. We committed to a significant IT project to improve our capacity and ability to deliver for the business and customers, this is a £1.4m project.

Our significant activity in the acquisition space brought success with the acquisition of Critiqom Limited, a communications company that has increased our coverage of Scotland as a geographic market and increased presence in the local authority sector.

We continue to focus on delivering the best results for our clients and our outstanding level of service has been a major contributor in extending contracts with all customers who were nearing the end of their existing term.

The continued expansion of our digital services saw a new customer signed with delivery of a payment portal as a key element of our digital solution. Subsequent to the year-end we have made a second acquisition. Document Centric Solutions Limited, a well-established digital solutions business which further demonstrates our omni-channel growth ambitions, and also our commitment to delivering more digitally enabled services for our clients, providing them with a choice of omni-channel communications for their own customers and to drive improvements to their bottom line.

**Principle risks and uncertainties**

**Competitive and pricing risks**

The business-critical mailing activity is exposed to significant competitive and pricing risks which affect the ability to renew contracts and also win new work. The business manages those risks by ensuring that it is both competitive in terms of cost and leading edge in terms of the technology, products and solutions that it offers. It has long term relationships with customers and suppliers and a strong client management team.

**Credit risk**

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring for both time and credit limits.

**Liquidity risk**

Liquidity is managed through forecasting of future cash flow requirements for the business and maintaining sufficient cash balances to support the operation.

**Economic risk**

The group is subject to many of the same general economic risks faced by other businesses and especially during periods of economic uncertainty with COVID-19. The group seeks to mitigate this risk by having a diverse customer base together with robust forecasting and planning.

**Group strategic report (continued)**  
**For the year ended 31 March 2020**

**Key Performance Indicators**

The directors regularly review and analyse a balanced scorecard of KPI's in order to assess and measure the group's performance and its financial position. These include turnover, profit margins and cash flow.

**Future**

Market conditions remain highly competitive and will continue to be challenging in the medium-term. Consolidation of service providers continues at pace and this activity continues to create further opportunities for Opus Trust Communications.

COVID-19 Global Pandemic has impacted the business. However, because of our lack of exposure to Marketing Mail and our activity dedicated to Transactional Communications the impact has been manageable and not caused any impact on our ability to continue to provide our services to our clients.

I believe that the company is well positioned to maintain our positive progress with increasing demand for our customer communication solutions, which play a key role in helping our clients deliver on their digital transformational and mission critical business objectives.

Our key focus is on delivering true customer intimacy, by gaining a deep understanding of our client's business, identifying our clients' unique needs and delivering sustainable, robust and compliant solutions.

Along with our acquisitions, we continue to invest in new solutions, products and services to support the needs of our existing and new clients successfully combined with a production facility that can meet the growing capacity requirements. We are well positioned to benefit positively from the changes in our market and have built a strong and capable business to meet the fast-changing needs of our clients.

I would like to thank our employees for their continued hard work and contribution to making this company such a growing success.

This report was approved by the board on 9 March 2021 and signed on its behalf.

**S C Johnson**  
Director

**Directors' report**  
**For the year ended 31 March 2020**

The directors present their report and the financial statements for the year ended 31 March 2020.

**Principal activity**

The group's principal activity is to own and operate subsidiary companies which operate as technology led communication solutions providers delivering greater control, quality and efficiency to their clients in their communications with their customers.

**Results and dividends**

The profit for the year, after taxation, amounted to £170,000 (2019 - £48,000).

During the year, the company did not pay any dividends (2019: £500,000). The directors do not recommend payment of a dividend in respect of the year.

**Directors**

The directors who served during the year were:

P C De Haan  
S C Johnson  
M G Greville

**Financial management approach**

The group has exposure to two main areas of risk – liquidity risk and customer credit exposure. The group has established a risk and financial management framework whose primary objective is to mitigate the company's exposure to risk in order to protect the group from events that may hinder its performance.

**Liquidity risk**

Liquidity risk is the risk that the group will encounter difficulty in meeting its financial obligations as they fall due. The group's objective in managing liquidity risk is to ensure that this does not arise. Having assessed future cash flow requirements the company expects to be able to meet its financial obligations through the cash flows that are generated from its operating activities. In the event that these cash flows would not be sufficient to enable the group to meet all of its obligations the company has available credit facilities provided by its bankers. With these facilities in place the company is in a position to meet its commitments and obligations as they fall due.

**Customer credit exposure**

The group regularly offers credit terms to its customers which allow for payment of the debt after delivery services or provision of finance. The group is at risk to the extent that a customer may be unable to pay the debt within those terms. This risk is mitigated by the strong on-going customer relationships and by only granting credit to customers who are able to demonstrate an appropriate payment history and satisfy credit worthiness procedures. Details of the group's trade debtors and loans given to individuals are shown in note 17.

**Matters covered in the strategic report**

For information regarding future developments and principal risks and uncertainties please refer to the Strategic Report.

**Directors' report (continued)**  
**For the year ended 31 March 2020**

**Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

**Post balance sheet events**

As mentioned in the Strategic Report, on 21 August 2020, the group purchased a well-established digital solutions business, Document Centric Solutions Limited. This acquisition enables the group to grow the digital services provided to clients.

**Auditors**

The auditors, Kreston Reeves LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 9 March 2021 and signed on its behalf.

**S C Johnson**  
Director

**Directors' responsibilities statement**  
**For the year ended 31 March 2020**

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements 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 Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' reports may differ from legislation in other jurisdictions.



## Independent auditors' report to the members of Opus 107 Limited

### Opinion

We have audited the financial statements of Opus 107 Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2020, which comprise the Group Statement of comprehensive income, the Group and Company Balance sheets, the Group Statement of cash flows, the Group and Company Statement of changes in equity and the related notes, including a summary of 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 Group's and of the parent Company's affairs as at 31 March 2020 and of the Group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

**Independent auditors' report to the members of Opus 107 Limited (continued)**

**Opinion 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 Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or 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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

**Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement on page 5, 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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

**Independent auditors' report to the members of Opus 107 Limited (continued)**

**Auditors' 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 Auditors' 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Independent auditors' report to the members of Opus 107 Limited (continued)**

**Use of our report**

This report is made solely to the Company's members 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 Auditors' 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 for our audit work, for this report, or for the opinions we have formed.

Peter Manser FCA DChA (Senior statutory auditor)

for and on behalf of

**Kreston Reeves LLP**

Chartered Accountants

Statutory Auditor

Canterbury

10 March 2021

**Consolidated statement of comprehensive income**  
**For the year ended 31 March 2020**

	<b>Note</b>	<b>2020 £000</b>	<b>2019 £000</b>
Turnover	4	32,789	28,704
Cost of sales		(25,130)	(21,901)
<b>Gross profit</b>		<b>7,659</b>	<b>6,803</b>
Administrative expenses		(7,290)	(6,241)
<b>Operating profit</b>	5	<b>369</b>	<b>562</b>
Exceptional administrative expenses	11	(130)	(539)
<b>Total operating profit</b>		<b>239</b>	<b>23</b>
Interest payable and expenses	8	(15)	-
<b>Profit before taxation</b>		<b>224</b>	<b>23</b>
Tax on profit	9	(54)	25
<b>Profit for the financial year</b>		<b>170</b>	<b>48</b>
<b>Total comprehensive income for the year</b>		<b>170</b>	<b>48</b>
<b>Profit for the year attributable to:</b>			
Owners of the parent Company		170	48
		<b>170</b>	<b>48</b>

The notes on pages 16 to 36 form part of these financial statements.

**Consolidated balance sheet**  
**As at 31 March 2020**

	<b>Note</b>	<b>2020 £000</b>	<b>2019 £000</b>
<b>Fixed assets</b>			
Intangible assets	13	1,421	176
Tangible assets	14	2,709	2,816
		<u>4,130</u>	<u>2,992</u>
<b>Current assets</b>			
Stocks	16	313	247
Debtors: amounts falling due after more than one year	17	376	387
Debtors: amounts falling due within one year	17	9,997	6,842
Cash at bank and in hand	18	1,471	1,258
		<u>12,157</u>	<u>8,734</u>
Creditors: amounts falling due within one year	19	(9,283)	(4,975)
<b>Net current assets</b>		<u>2,874</u>	<u>3,759</u>
<b>Total assets less current liabilities</b>		<u>7,004</u>	<u>6,751</u>
<b>Provisions for liabilities</b>			
Deferred taxation	20	53	136
		<u>53</u>	<u>136</u>
<b>Net assets excluding pension asset</b>		<u>7,057</u>	<u>6,887</u>
<b>Net assets</b>		<u>7,057</u>	<u>6,887</u>
<b>Capital and reserves</b>			
Called up share capital	21	687	687
Merger reserve	22	1,206	1,206
Profit and loss account	22	5,164	4,994
<b>Equity attributable to owners of the parent Company</b>		<u>7,057</u>	<u>6,887</u>
		<u>7,057</u>	<u>6,887</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 9 March 2021.

**S C Johnson**  
Director

The notes on pages 16 to 36 form part of these financial statements.

**Company balance sheet**  
**As at 31 March 2020**

	Note	2020 £000	2019 £000
<b>Fixed assets</b>			
Investments	15	6,579	6,579
		<u>6,579</u>	<u>6,579</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	17	5	7
		<u>5</u>	<u>7</u>
Creditors: amounts falling due within one year	19	(4)	(3)
		<u>(4)</u>	<u>(3)</u>
<b>Net current assets</b>		<u>1</u>	<u>4</u>
<b>Total assets less current liabilities</b>		<u>6,580</u>	<u>6,583</u>
<b>Net assets</b>		<u>6,580</u>	<u>6,583</u>
<b>Capital and reserves</b>			
Called up share capital	21	687	687
Merger reserve	22	5,892	5,892
Profit and loss account	22	1	4
		<u>6,580</u>	<u>6,583</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 9 March 2021.

**S C Johnson**  
Director

The notes on pages 16 to 36 form part of these financial statements.

**Consolidated statement of changes in equity**  
**For the year ended 31 March 2020**

	Called up share capital £000	Merger reserve £000	Profit and loss account £000	Equity attributable to owners of parent Company £000	Total equity £000
At 1 April 2019	687	1,206	4,994	6,887	6,887
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	170	170	170
<b>Total comprehensive income for the year</b>	-	-	170	170	170
<b>Total transactions with owners</b>	-	-	-	-	-
<b>At 31 March 2020</b>	<b>687</b>	<b>1,206</b>	<b>5,164</b>	<b>7,057</b>	<b>7,057</b>

The notes on pages 16 to 36 form part of these financial statements.

**Consolidated statement of changes in equity**  
**For the year ended 31 March 2019**

	Called up share capital £000	Merger reserve £000	Profit and loss account £000	Equity attributable to owners of parent Company £000	Total equity £000
At 1 April 2018	687	1,206	5,446	7,339	7,339
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	48	48	48
<b>Total comprehensive income for the year</b>	-	-	48	48	48
Dividends: Equity capital	-	-	(500)	(500)	(500)
<b>Total transactions with owners</b>	-	-	(500)	(500)	(500)
<b>At 31 March 2019</b>	<b>687</b>	<b>1,206</b>	<b>4,994</b>	<b>6,887</b>	<b>6,887</b>

The notes on pages 16 to 36 form part of these financial statements.



**Company statement of changes in equity**  
**For the year ended 31 March 2020**

	Called up share capital £000	Merger reserve £000	Profit and loss account £000	Total equity £000
At 1 April 2019	687	5,892	4	6,583
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(3)	(3)
<b>At 31 March 2020</b>	<b>687</b>	<b>5,892</b>	<b>1</b>	<b>6,580</b>

The notes on pages 16 to 36 form part of these financial statements.

**Company statement of changes in equity**  
**For the year ended 31 March 2019**

	Called up share capital £000	Merger reserve £000	Profit and loss account £000	Total equity £000
At 1 April 2018	687	5,892	(9)	6,570
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	513	513
<b>Contributions by and distributions to owners</b>				
Dividends: Equity capital	-	-	(500)	(500)
<b>At 31 March 2019</b>	<b>687</b>	<b>5,892</b>	<b>4</b>	<b>6,583</b>

The notes on pages 16 to 36 form part of these financial statements.

**Consolidated statement of cash flows**  
**For the year ended 31 March 2020**

	2020 £000	2019 £000
<b>Cash flows from operating activities</b>		
Profit for the financial year	170	48
<b>Adjustments for:</b>		
Amortisation of intangible assets	138	92
Depreciation of tangible assets	1,111	1,066
Loss on disposal of tangible assets	-	100
Interest paid	15	-
Taxation charge	54	(25)
(Increase) in stocks	(66)	(72)
(Increase) in debtors	(2,983)	(460)
Increase/(decrease) in creditors	3,922	(812)
<b>Net cash generated from operating activities</b>	<b>2,361</b>	<b>(63)</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(698)	(202)
Sale of tangible fixed assets	-	147
Acquisition of subsidiary net of cash and cash equivalents see note 24	(1,944)	-
HP interest paid	(3)	-
<b>Net cash from investing activities</b>	<b>(2,645)</b>	<b>(55)</b>
<b>Cash flows from financing activities</b>		
Repayment of/new finance leases	13	-
Dividends paid	-	(500)
Interest paid	(12)	-
<b>Net cash used in financing activities</b>	<b>1</b>	<b>(500)</b>
<b>Net (decrease) in cash and cash equivalents</b>	<b>(283)</b>	<b>(618)</b>
Cash and cash equivalents at beginning of year	1,258	1,876
<b>Cash and cash equivalents at the end of year</b>	<b>975</b>	<b>1,258</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	1,471	1,258
Bank overdrafts	(496)	-
	<b>975</b>	<b>1,258</b>

The notes on pages 16 to 36 form part of these financial statements.

**Notes to the financial statements**  
**For the year ended 31 March 2020**

**1. General information**

Opus 107 Limited is a limited liability company incorporated in England.

The address of the registered office is Unit 328/9 Metalbox Factory, 30 Great Guilford Street, London, SE1 0HS.

The company number is 09366057.

The principal activity of the company is to act as the ultimate parent holding company for a group whose activities during the year was business critical mailing.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The group's functional presentational currency is Pounds Sterling.

The group's financial statements are presented to the nearest thousand.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires group management to exercise judgement in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

**2.2 Basis of consolidation**

The consolidated financial statements present the results of the company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

**2.3 Going concern**

The financial statements have been prepared on a going concern basis. While the impact of the Covid-19 virus has been assessed by the directors, so far as reasonably possible, due to its unprecedented impact on the wider economy, it is difficult to evaluate with any certainty the potential outcomes on the group's trade, its customers and suppliers. However, taking into consideration the UK Government's response and the group's planning the directors have a reasonable expectation that the group will continue in operational existence for the foreseeable future.

**Notes to the financial statements**  
**For the year ended 31 March 2020**

**2. Accounting policies (continued)**

**2.4 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.5 Operating leases: the Group as lessee**

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

**2.6 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.7 Borrowing costs**

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

**2.8 Pensions**

**Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

**Notes to the financial statements**  
**For the year ended 31 March 2020**

**2. Accounting policies (continued)**

**2.9 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**2.10 Exceptional items**

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

**2.11 Intangible assets**

**Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated statement of comprehensive income over its useful economic life.

**Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.**

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	10	years
----------	---	----	-------

**Notes to the financial statements**  
**For the year ended 31 March 2020**

**2. Accounting policies (continued)**

**2.12 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Short-term Leasehold Property	-	over the minimum lease duration
Plant and machinery	-	between 3 and 10 years
Fixtures and fittings	-	between 3 and 10 years
Computer equipment	-	between 3 and 5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

**2.13 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

**2.14 Leasing and hire purchase**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

**2.15 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**2.16 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**Notes to the financial statements**  
**For the year ended 31 March 2020**

**2. Accounting policies (continued)**

**2.17 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

**2.18 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.19 Financial instruments**

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Consolidated statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

**Notes to the financial statements**  
**For the year ended 31 March 2020**

**2. Accounting policies (continued)**

**2.19 Financial instruments (continued)**

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

**2.20 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**3. Judgements in applying accounting policies and key sources of estimation uncertainty**

The preparation of the financial statements requires the directors to make judgemental, estimates and assumptions that can affect the amounts reported for assets and liabilities, and the results for the year. The nature of estimation is such though that actual outcomes could differ significantly from those estimates.

**Lease commitments**

The group has entered into a range of lease commitments in respect of property, plant and equipment. The classification of these leases as either financial or operating leases requires the directors to consider whether the terms and conditions of each lease are such that the group has acquired the risks and rewards associated with the ownership of the underlying assets.

The following are the Group's key sources of estimation uncertainty:

**Goodwill and intangible assets**

The Group has recognised goodwill and other intangible assets arising from business combinations with a carrying value of £1,421,000 (2019 - £176,000) at the reporting date (see note 13). On acquisition the Group determines a reliable estimate of the useful life of goodwill and intangible assets based upon factors such as the expected use of the acquired business, forecasts of expected future results and cash flows, and any legal, regulatory or contractual provisions that can limit useful life.

At each subsequent reporting date the directors consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the useful life of goodwill and intangible assets.

**Tangible fixed assets**

The Group has recognised tangible fixed assets with a carrying value of £2,709,000 (2019 - £2,816,000) at the reporting date (see note 14). These assets are stated at their cost less provision for depreciation and impairment. The Group's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired. For material assets such as land and buildings the company determines at acquisition reliable estimates for the useful life of the asset, its residual value and decommissioning costs. These estimates are based upon such factors as the expected use of the acquired asset and market conditions. At subsequent reporting dates the directors consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the estimates used.



**Notes to the financial statements**  
**For the year ended 31 March 2020**

**3. Judgements in applying accounting policies (continued)**

Where there are indicators that the carrying value of tangible assets may be impaired the Group undertakes tests to determine the recoverable amount of assets. These tests require estimates of the fair value of assets less cost to sell and of their value in use. Wherever possible the estimate of the fair value of assets is based upon observable market prices less incremental cost for disposing of the asset. The value in use calculation is based upon a discounted cash flow model, based upon the Group's forecasts for the foreseeable future which do not include any restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well expected future cash flows and the growth rate used for extrapolation purposes.

**Taxation**

Provision has been made in the financial statements for a deferred tax asset amounting to £600,000 (2019 - £524,000) at the reporting date (see note 20). This provision is based upon estimates of the availability of future taxable profits, the timing of the reversal of timing differences upon which the provision is based and the tax rates that will be in force at that time together with an assessment of the impact of future tax planning strategies.

**4. Turnover**

Turnover represents amounts derived from the provision of goods and services which fall within the company's ordinary activities after deduction of trade discounts and value added tax.

All turnover arose within the United Kingdom.

**5. Operating profit**

The operating profit is stated after charging:

	<b>2020</b>	2019
	<b>£000</b>	£000
Depreciation of tangible fixed assets	<b>1,111</b>	1,066
Amortisation of intangible assets, including goodwill	<b>138</b>	91
Fees payable to the Group's auditor for the audit of the Company's annual financial statements	<b>1</b>	1
Other operating lease rentals	<b>998</b>	361
Defined contribution pension cost	<b>510</b>	323

**6. Auditors' remuneration**

	<b>2020</b>	2019
	<b>£000</b>	£000
Fees payable to the Group's auditor for the audit of the Group's annual accounts	<b>43</b>	22

**Notes to the financial statements**  
**For the year ended 31 March 2020**

**7. Employees**

Staff costs, including directors' remuneration, were as follows:

	<b>Group</b>	Group	<b>Company</b>	Company
	<b>2020</b>	2019	<b>2020</b>	2019
	<b>£000</b>	£000	<b>£000</b>	£000
Wages and salaries	<b>7,281</b>	5,613	-	-
Social security costs	<b>887</b>	607	-	-
Cost of defined contribution scheme	<b>510</b>	323	-	-
	<b><u>8,678</u></b>	<u>6,543</u>	<b><u>-</u></b>	<u>-</u>

The average monthly number of employees, including the directors, during the year was as follows:

	<b>Group</b>	Group	<b>Company</b>	Company
	<b>2020</b>	2019	<b>2020</b>	2019
	<b>No.</b>	No.	<b>No.</b>	No.
Production	<b>133</b>	91	-	-
Sales and distribution	<b>33</b>	12	-	-
Administration	<b>76</b>	55	3	3
	<b><u>242</u></b>	<u>158</u>	<b><u>3</u></b>	<u>3</u>

**8. Interest payable and similar expenses**

	<b>2020</b>	2019
	<b>£000</b>	£000
Bank interest payable	<b>4</b>	-
Finance leases and hire purchase contracts	<b>3</b>	-
Other interest payable	<b>8</b>	-
	<b><u>15</u></b>	<u>-</u>

**Notes to the financial statements**  
**For the year ended 31 March 2020**

**9. Taxation**

	2020 £000	2019 £000
<b>Total current tax</b>	<u>-</u>	<u>-</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(41)	(10)
Utilisation of losses	95	(15)
<b>Total deferred tax</b>	<u>54</u>	<u>(25)</u>
<b>Taxation on profit/(loss) on ordinary activities</b>	<u><u>54</u></u>	<u><u>(25)</u></u>

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2019 - lower than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £000	2019 £000
Profit on ordinary activities before tax	<u>224</u>	<u>22</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	43	4
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	22	3
Utilisation of tax losses	(39)	(59)
Depreciation in excess of capital allowances	(21)	52
Deferred tax movement leading to a (decrease) increase in taxation	54	(25)
Non-taxable income	(5)	-
<b>Total tax charge for the year</b>	<u><u>54</u></u>	<u><u>(25)</u></u>

**Factors that may affect future tax charges**

The group has unutilised losses of approximately £3,421k being carried forward for offset against future taxable income. A deferred tax asset has been recognised in respect of a proportion of these losses which the directors are confident will be utilised within the foreseeable future based upon their projections of the company's future profitability. As a consequence a deferred tax asset of £650,000 (2019: £548,000) has been recognised in respect of unutilised losses, which forms part of the total recognised deferred tax asset of £600,000 (2019: £524,000).

**Notes to the financial statements**  
**For the year ended 31 March 2020**

**10. Dividends**

	<b>2020</b>	2019
	<b>£000</b>	£000
Dividends paid	-	500
	<u>-</u>	<u>500</u>

**11. Exceptional items**

	<b>2020</b>	2019
	<b>£000</b>	£000
Restructuring costs	130	539
	<u>130</u>	<u>539</u>

The Group incurred exceptional costs during the year relating to termination costs. The cost of this totalled £130,000 (2019: £539,000).

**12. Parent company profit for the year**

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements. The loss after tax of the parent Company for the year was £3,000 (2019 - profit £513,000).

**Notes to the financial statements**  
**For the year ended 31 March 2020**

**13. Intangible assets**

**Group**

	<b>Goodwill</b>
	<b>£000</b>
<b>Cost</b>	
At 1 April 2019	900
Additions	1,383
At 31 March 2020	<u>2,283</u>
<b>Amortisation</b>	
At 1 April 2019	724
Charge for the year on owned assets	138
At 31 March 2020	<u>862</u>
<b>Net book value</b>	
At 31 March 2020	<u><u>1,421</u></u>
At 31 March 2019	<u><u>176</u></u>

**Notes to the financial statements**  
**For the year ended 31 March 2020**

**14. Tangible fixed assets**

**Group**

	Short-term leasehold improvements £000	Plant and machinery £000	Fixtures, fittings and equipment £000	Office equipment £000	Total £000
<b>Cost</b>					
At 1 April 2019	687	14,525	257	-	15,469
Additions	27	669	-	1	697
Acquisition of subsidiary	-	162	-	145	307
At 31 March 2020	<u>714</u>	<u>15,356</u>	<u>257</u>	<u>146</u>	<u>16,473</u>
<b>Depreciation</b>					
At 1 April 2019	596	11,800	257	-	12,653
Charge for the year on owned assets	24	1,048	-	39	1,111
At 31 March 2020	<u>620</u>	<u>12,848</u>	<u>257</u>	<u>39</u>	<u>13,764</u>
<b>Net book value</b>					
At 31 March 2020	<u>94</u>	<u>2,508</u>	<u>-</u>	<u>107</u>	<u>2,709</u>
<b>At 31 March 2019</b>	<u>91</u>	<u>2,725</u>	<u>-</u>	<u>-</u>	<u>2,816</u>

**Notes to the financial statements**  
**For the year ended 31 March 2020**

**15. Fixed asset investments**

**Company**

	<b>Investments in subsidiary companies £000</b>
<b>Cost or valuation</b>	
At 1 April 2019	6,579
At 31 March 2020	<u>6,579</u>

**Direct subsidiary undertakings**

The following were direct subsidiary undertakings of the Company:

<b>Name</b>	<b>Class of shares</b>	<b>Holding</b>
Opus Trust Marketing Limited		100
	Ordinary	%
Opus Trust Communications Limited		100
	Ordinary	%

The aggregate of the share capital and reserves as at 31 March 2020 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

<b>Name</b>	<b>Aggregate of share capital and reserves £000</b>	<b>Profit/(Loss) £000</b>
Opus Trust Marketing Limited	6,907	24
Opus Trust Communications Limited	-	-

**Indirect subsidiary undertakings**

The following were indirect subsidiary undertakings of the Company:

<b>Name</b>	<b>Class of shares</b>	<b>Holding</b>
Document Outsourcing Group Limited		100
	Ordinary	%
Critiqom Limited		100
	Ordinary	%
Primepost Limited		100
	Ordinary	%
Document Outsourcing Limited		100
	Ordinary	%

**Notes to the financial statements****For the year ended 31 March 2020****Indirect subsidiary undertakings (continued)**

The aggregate of the share capital and reserves as at 31 March 2020 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves	Profit/(Loss)
	£000	£000
Document Outsourcing Group Limited	838	-
Critiqom Limited	546	150
Primepost Limited	-	-
Document Outsourcing Limited	-	-

**16. Stocks**

	Group 2020 £000	Group 2019 £000
Raw materials	313	247
	<u>313</u>	<u>247</u>



**Notes to the financial statements**  
**For the year ended 31 March 2020**

**17. Debtors**

	<b>Group</b>	Group	<b>Company</b>	Company
	<b>2020</b>	2019	<b>2020</b>	2019
	<b>£000</b>	£000	<b>£000</b>	£000
<b>Due after more than one year</b>				
Deferred tax asset	376	387	-	-
	<u>376</u>	<u>387</u>	<u>-</u>	<u>-</u>
	<b>Group</b>	Group	<b>Company</b>	Company
	<b>2020</b>	2019	<b>2020</b>	2019
	<b>£000</b>	£000	<b>£000</b>	£000
<b>Due within one year</b>				
Trade debtors	8,522	5,666	-	-
Amounts owed by group undertakings	-	-	3	5
Accrued income	280	304	2	2
Prepayments	1,024	872	-	-
Deferred taxation	171	-	-	-
	<u>9,997</u>	<u>6,842</u>	<u>5</u>	<u>7</u>

**18. Cash and cash equivalents**

	<b>Group</b>	Group
	<b>2020</b>	2019
	<b>£000</b>	£000
Cash at bank and in hand	1,471	1,258
Less: bank overdrafts	(496)	-
	<u>975</u>	<u>1,258</u>

**Notes to the financial statements**  
**For the year ended 31 March 2020**

**19. Creditors: Amounts falling due within one year**

	<b>Group</b>	Group	<b>Company</b>	Company
	<b>2020</b>	2019	<b>2020</b>	2019
	<b>£000</b>	£000	<b>£000</b>	£000
Bank overdrafts	<b>496</b>	-	-	-
Trade creditors	<b>5,591</b>	2,064	-	-
Other taxation and social security	<b>1,193</b>	860	-	-
Obligations under finance lease and hire purchase contracts	<b>13</b>	-	-	-
Other creditors	-	24	-	-
Accruals and deferred income	<b>1,990</b>	2,027	<b>4</b>	3
	<b><u>9,283</u></b>	<u>4,975</u>	<b><u>4</u></b>	<u>3</u>

The bank overdraft within the group is secured by a bond and floating charge over the whole assets of the company and cross guarantees between its subsidiaries.

Included within bank overdrafts is £495,000 of finance provided in respect of Confidential Invoice Discounting by the Royal Bank of Scotland plc.

The bank overdraft is secured by a bond and floating charge over the whole assets of the group and cross guarantees within the group.

Amounts due under hire purchase and finance lease creditors are secured on the assets financed under these agreements.

**20. Deferred taxation**

**Group**

	<b>2020</b>	2019
	<b>£000</b>	£000
At beginning of year	<b>524</b>	499
Charged to profit or loss	<b>(82)</b>	25
Arising on business combinations	<b>130</b>	-
Utilised in year	<b>28</b>	-
<b>At end of year</b>	<b><u>600</u></b>	<u>524</u>

**Notes to the financial statements**  
**For the year ended 31 March 2020**

**20. Deferred taxation (continued)**

			<b>Group 2020 £000</b>	<b>Group 2019 £000</b>
Accelerated capital allowances			(50)	(24)
Tax losses carried forward			651	548
			<u>601</u>	<u>524</u>
Asset - due after one year	376	387	-	-
Asset - due within one year	171	-	-	-
Liability	53	136	-	-
	<u>600</u>	<u>523</u>	<u>-</u>	<u>-</u>

**21. Share capital**

	<b>2020 £000</b>	<b>2019 £000</b>
<b>Allotted, called up and fully paid</b>		
1,372,971 (2019 - 1,372,971) Ordinary shares of £0.25 each	343	343
1,374,407 (2019 - 1,374,407) Deferred shares of £0.25 each	344	344
	<u>687</u>	<u>687</u>

**22. Reserves**

**Merger Reserve**

This reserve comprises the additional cost of the investment over the nominal value of the company's share capital.

**Profit and loss account**

This reserve comprises all current and prior period retained profits and losses after deducting any distributions made to the company's shareholders.

**Notes to the financial statements**  
**For the year ended 31 March 2020**

**23. Analysis of net debt**

	At 1 April 2019 £000	Cash flows £000	Acquisition of subsidiaries £000	At 31 March 2020 £000
Cash at bank and in hand	1,258	213	-	1,471
Bank overdrafts	-	-	(496)	(496)
Finance leases	-	-	(13)	(13)
	<u>1,258</u>	<u>213</u>	<u>(509)</u>	<u>962</u>

**Notes to the financial statements**  
**For the year ended 31 March 2020**

**24. Business combinations**

On 30 November 2019, Opus Trust Marketing Limited acquired 100% of the share capital of Document Outsourcing Group Limited and as such Document Outsourcing Group Limited became a subsidiary.

**Recognised amounts of identifiable assets acquired and liabilities assumed**

	Book value £000	Fair value £000
Tangible	413	413
Intangible	407	407
	<u>820</u>	<u>820</u>
Stocks	83	83
Debtors	1,661	1,661
<b>Total assets</b>	<u>2,564</u>	<u>2,564</u>
Due within one year	(2,394)	(2,394)
Deferred tax on differences between fair value and tax bases	(67)	(67)
<b>Total identifiable net assets</b>	<u><u>103</u></u>	<u><u>103</u></u>
Goodwill		976
<b>Total purchase consideration</b>		<u><u>1,079</u></u>
<b>Consideration</b>		
		£000
Cash		600
Directly attributable costs		479
<b>Total purchase consideration</b>		<u><u>1,079</u></u>
<b>Cash outflow on acquisition</b>		
		£000
Purchase consideration settled in cash, as above		600
Directly attributable costs		479
		<u>1,079</u>
Add: Cash and cash equivalents acquired - Invoice discounting and overdraft facility		865
<b>Net cash outflow on acquisition</b>		<u><u>1,944</u></u>

**Notes to the financial statements**  
**For the year ended 31 March 2020**

**25. Contingent liabilities**

Opus Trust Marketing Limited, a subsidiary of Opus 107 Limited, guarantees facilities of Opus Trust Group Limited and its subsidiaries, a company under common control. The company had no exposure under this liability at the balance sheet date or in the previous year.

**26. Pension commitments**

The group operates three (2019: two) defined contributions pension schemes. The assets of the schemes are held separately from those of the group in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £510,000 (2019: £323,000). Contributions totalling £NIL (2019: £27,000) were payable to the fund at the balance sheet date and were included within creditors.

**27. Commitments under operating leases**

At 31 March 2020 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>Group 2020 £000</b>	Group 2019 £000
Not later than 1 year	<b>644</b>	222
Later than 1 year and not later than 5 years	<b>1,547</b>	1,304
Later than 5 years	<b>1</b>	-
	<u><b>2,192</b></u>	<u>1,526</u>

**28. Other financial commitments**

Confidential Invoice Discounting is provided by arrangement with Royal Bank of Scotland plc. All of the group's trade debtors have been financed in such a manner with the corresponding liability disclosed within creditors as part of the bank overdraft figure.

**29. Related party transactions**

During the year the group entered into transactions, in the ordinary course of business, with related parties. Transactions entered into, and trading balances outstanding at 31 March 2020, are as follows:

	<b>2020 £000</b>	2019 £000
Purchases from companies under common control	<b>600</b>	607
Sales to companies under common control	<u><b>2</b></u>	<u>-</u>

All directors, including directors of the subsidiary company Opus Trust Marketing Limited, and senior employees who have authority and responsibility for planning, directing and controlling the activities of the Group are considered to be key management personnel. Total compensation payable in respect of these individuals is £733,000 (2019: £805,000).

**Notes to the financial statements  
For the year ended 31 March 2020**

**30. Post balance sheet events**

On 21 August 2020, the group purchased a well-established Digital Solutions business, Document Centric Solutions Limited. This acquisition enables the group to grow the digital services provided to clients.

**31. Controlling party**

There is no controlling party.

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.