

Company Registration No. 11136065 (England and Wales)

**CADMUS DISTRIBUTION GROUP LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**  
**PAGES FOR FILING WITH REGISTRAR**

**Richard Luckin**

# **CADMUS DISTRIBUTION GROUP LIMITED**

## **CONTENTS**

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	<b>Page</b>
Balance sheet	1 - 2
Notes to the financial statements	3 - 12

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# CADMUS DISTRIBUTION GROUP LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2022

		2022	2021
	Notes	£	as restated £
<b>Fixed assets</b>			
Intangible assets	3	453,542	377,894
Tangible assets	4	27,009	23,887
Investments	5	3	1
		<u>480,554</u>	<u>401,782</u>
<b>Current assets</b>			
Stocks		1,580,970	1,202,662
Debtors	6	2,089,008	1,794,311
Cash at bank and in hand		633,298	646,396
		<u>4,303,276</u>	<u>3,643,369</u>
<b>Creditors: amounts falling due within one year</b>	7	<u>(3,025,672)</u>	<u>(2,469,067)</u>
<b>Net current assets</b>		<u>1,277,604</u>	<u>1,174,302</u>
<b>Total assets less current liabilities</b>		<u>1,758,158</u>	<u>1,576,084</u>
<b>Creditors: amounts falling due after more than one year</b>	8	(254,545)	(363,636)
<b>Provisions for liabilities</b>		<u>(61,714)</u>	<u>(26,354)</u>
<b>Net assets</b>		<u><u>1,441,899</u></u>	<u><u>1,186,094</u></u>
<b>Capital and reserves</b>			
Called up share capital		200	200
Profit and loss reserves	9	1,441,699	1,185,894
<b>Total equity</b>		<u><u>1,441,899</u></u>	<u><u>1,186,094</u></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 December 2022 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.

## **CADMUS DISTRIBUTION GROUP LIMITED**

### **BALANCE SHEET (CONTINUED)**

***AS AT 31 DECEMBER 2022***

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The financial statements were approved by the board of directors and authorised for issue on 10 August 2023 and are signed on its behalf by:

MS Boyton  
Director

Company Registration No. 11136065

# **CADMUS DISTRIBUTION GROUP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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### **1 Accounting policies**

#### **Company information**

Cadmus Distribution Group Limited is a private company limited by shares incorporated in England and Wales. The registered office is 5 Suffolk Drive, Dukes Park Industrial Estate, Chelmsford, Essex, CM2 6UN.

#### **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.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

#### **1.2 Prior period error**

In the year ended 31 December 2021, costs relating to website development were posted to the profit and loss account rather than being capitalised. The position has been rectified via a prior period adjustment in these financial statements. The effect of this adjustment has been to increase the net book value of intangible fixed assets by £104,544, reduce admin expenses by £104,544, increase the deferred tax liability by £19,863 and reduced the corporation tax charge by £4,245.

In addition, the rate at which goodwill is amortised was increased to ten years from twenty years beginning with the 2021 accounting year. This has resulted in additional amortisation of goodwill in 2021 of £16,482.

The above adjustments have resulted in a net reserves increase of £72,444.

#### **1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### **1.4 Research and development expenditure**

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

# CADMUS DISTRIBUTION GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### 1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It 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 is ten years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

#### 1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

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

Domain name	10% straight line
Development costs	20% straight line from date available for use

#### 1.7 Tangible fixed assets

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

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

Leasehold improvements	10% straight line
Fixtures and fittings	20-33% straight line

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.

#### 1.8 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities 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.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

# CADMUS DISTRIBUTION GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### 1.9 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, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.11 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.12 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.

# CADMUS DISTRIBUTION GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 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, bank loans 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.

#### **1.13 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.

#### **1.14 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.



# CADMUS DISTRIBUTION GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. 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.

#### **1.15 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.

#### **1.16 Retirement benefits**

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

#### **1.17 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### **1.18 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### **1.19 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 in the period are included in profit or loss.

# CADMUS DISTRIBUTION GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### Depreciation

The depreciation expense is recognition of the decline in the value of the asset and the allocation of the cost of the assets over the periods in which the assets will be used. Judgements are made on the estimated useful life of the assets which are regularly reviewed to reflect the changing environment.

#### Provisions

Provisions are recognised when the company has a present obligation as a result of a past event, as the company's best estimate of the costs that will be incurred based on legislative and contractual requirements. Provision is made for deferred tax.

### 3 Intangible fixed assets

	Goodwill £	Other £	Total £
<b>Cost</b>			
At 1 January 2022	329,633	134,978	464,611
Additions	-	111,656	111,656
	<hr/>	<hr/>	<hr/>
At 31 December 2022	329,633	246,634	576,267
	<hr/>	<hr/>	<hr/>
<b>Amortisation and impairment</b>			
At 1 January 2022	81,035	5,682	86,717
Amortisation charged for the year	32,964	3,044	36,008
	<hr/>	<hr/>	<hr/>
At 31 December 2022	113,999	8,726	122,725
	<hr/>	<hr/>	<hr/>
<b>Carrying amount</b>			
At 31 December 2022	215,634	237,908	453,542
	<hr/>	<hr/>	<hr/>
At 31 December 2021	248,598	129,296	377,894
	<hr/>	<hr/>	<hr/>

Other intangible fixed assets comprise of website development costs and software.

# CADMUS DISTRIBUTION GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost or valuation</b>			
At 1 January 2022	-	42,926	42,926
Additions	11,338	2,426	13,764
	<u>11,338</u>	<u>45,352</u>	<u>56,690</u>
At 31 December 2022	11,338	45,352	56,690
<b>Depreciation and impairment</b>			
At 1 January 2022	-	19,039	19,039
Depreciation charged in the year	496	10,146	10,642
	<u>496</u>	<u>29,185</u>	<u>29,681</u>
At 31 December 2022	496	29,185	29,681
<b>Carrying amount</b>			
At 31 December 2022	10,842	16,167	27,009
	<u>10,842</u>	<u>16,167</u>	<u>27,009</u>
At 31 December 2021	-	23,887	23,887
	<u>-</u>	<u>23,887</u>	<u>23,887</u>

### 5 Fixed asset investments

	2022 £	2021 £
Shares in group undertakings and participating interests	3	1
	<u>3</u>	<u>1</u>

#### Movements in fixed asset investments

	Shares in subsidiaries £
<b>Cost or valuation</b>	
At 1 January 2022	1
Additions	2
	<u>3</u>
At 31 December 2022	3
<b>Carrying amount</b>	
At 31 December 2022	3
	<u>3</u>
At 31 December 2021	1
	<u>1</u>

# CADMUS DISTRIBUTION GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 6 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	553,526	331,037
Amounts owed by group undertakings	1,275,000	1,245,000
Other debtors	260,482	218,274
	<u>2,089,008</u>	<u>1,794,311</u>

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

	2022	2021
	£	£
Bank loans and overdrafts	109,098	109,095
Trade creditors	1,232,688	833,339
Amounts owed to group undertakings	3	1
Corporation tax	52,934	73,596
Other taxation and social security	212,656	268,251
Other creditors	1,418,293	1,184,785
	<u>3,025,672</u>	<u>2,469,067</u>

For security see note 9.

### 8 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans and overdrafts	254,545	363,636
	<u>254,545</u>	<u>363,636</u>

The long-term loan comprises a Coronavirus Business Interruption Loan, which has an unlimited debenture attached.

### 9 Profit and loss reserves

Profit and loss reserves are fully distributable.

### 10 Related party transactions

The following amounts were outstanding at the reporting end date:

	2022	2021
	£	£
Amounts due from related parties		
Cadmus Distribution Group Holdings Limited	1,275,000	1,245,000
	<u>1,275,000</u>	<u>1,245,000</u>

## **CADMUS DISTRIBUTION GROUP LIMITED**

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

***FOR THE YEAR ENDED 31 DECEMBER 2022***

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#### **11 Parent company**

Cadmus Distribution Group Limited is a wholly owned subsidiary of Cadmus Distribution Group Holdings Limited, the ultimate parent company, and its registered office is 5 Suffolk Drive, Dukes Park Industrial Estate, Chelmsford, Essex, CM2 6UN.

# CADMUS DISTRIBUTION GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 12 Prior period adjustment

#### Reconciliation of changes in equity

	1 January 2021 £	31 December 2021 £
<b>Adjustments to prior year</b>		
Development costs capitalised in PY	-	104,544
Amortisation on goodwill increased	-	(16,482)
Deferred taxation	-	(19,863)
Corporation tax charge	-	4,245
Total adjustments	-	72,444
Equity as previously reported	1,100,262	1,113,650
Equity as adjusted	1,100,262	1,186,094
<b>Analysis of the effect upon equity</b>		
Profit and loss reserves	-	72,444

#### Reconciliation of changes in profit for the previous financial period

	2021 £
<b>Adjustments to prior year</b>	
Development costs capitalised in PY	104,544
Amortisation on goodwill increased	(16,482)
Deferred taxation	(19,863)
Corporation tax charge	4,245
Total adjustments	72,444
Profit as previously reported	279,888
Profit as adjusted	352,332

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.