Company Registration No. 02356130 (England and Wales)

THE PRINTED GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

UHY Hacker Young
Chartered Accountants

THE PRINTED GROUP LIMITED

COMPANY INFORMATION

Directors	Kevin Cameron Nicholas Green Timothy Green
Company number	02356130
Registered office	2 Arcot Court Nelson Road Cramlington Northumberland NE23 1BB
Auditor	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW
Bankers	Barclays Bank plc 5 St Ann's Street Quayside Newcastle upon Tyne NE1 3DX

THE PRINTED GROUP LIMITED

CONTENTS

THE PRINTED GROUP LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The directors present the strategic report for the year ended 31 March 2022.

Fair review of the business

Printed.com, the company's online website for the retail of printed products, continued to be the principal activity of the company.

The year to 31 March 2022 saw a significant increase for the business as the UK economy began to recover from the impact of the Covid pandemic. Whilst trade was slower over the first quarter, as restrictions in early 2021 reduced the volume of orders received, our customers began to return in greater numbers over the summer months and into our peak third quarter. Despite the fact that larger scale events continued to be less prevalent than prior to Covid, sales across our key customer groups all rose significantly from quarter two onwards with order levels exceeding pre-Covid levels.

Our continued focus on cost management across all areas of the business together with the ongoing dedication and commitment of all our customers and staff has helped to deliver pre-tax profits for the year to March 2022, well ahead of prior years.

Profit in the year, together with close control of working capital, ensured that the business continued to generate cash across the year, ending with cash in hand of £1.2m at the year end.

The online market for print continues to grow, with Printed's desire to remain at the forefront of this change from both a customer and technology perspective, the business is now well placed to continue to grow and take advantage of this growing opportunity.

Principal risks and uncertainties

Whilst Covid still remains an ongoing issue, its impact on our business has now significantly reduced. The lessons learned over the past two years and changes made now place Printed in the best possible position to exploit the changing post Covid market.

The year to 31 March 2022 saw an increased level of disruption in supply chains with global supply issues impacting the paper market. Whilst this has now begun to settle, disruption in supply remains a risk for the business. To compensate for this, stock levels have been significantly increased and we continue to place significant forward orders to ensure continuity of supply across all our paper lines.

Increasing levels of inflation are impacting the underlying cost base of the business. To counterbalance this, we continue to drive further efficiencies across all areas of Printed and continue to review customer pricing whilst ensuring Printed always remains competitive.

As our market has begun to return so has the level of competition within it. To mitigate this, we continually look to develop and deliver an increasing number of products to our customers and constantly monitor pricing in our market to ensure we remain competitive whilst driving customer loyalty through our innovative loyalty programmes.

Key performance indicators

The key performance indicators used to measure and drive business performance are turnover growth, gross profit margin, overheads and salary costs as a percentage of sales, operating profit margin and cash generation.

On behalf of the board

....
Nicholas Green
Director

....

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The directors present their annual report and financial statements for the year ended 31 March 2022.

Principal activities
The principal activity of the company continued to be that of printing.

Results and dividends
The results for the year are set out on page 9.

The directors have paid an ordinary dividend in the year amounting to £1,000,000 (2021 - £Nil).

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Kevin Cameron
Nicholas Green
Timothy Green

Financial instruments

Liquidity risk
The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

Credit risk
Investments of cash surpluses, borrowings and derivative instruments are made through banks and companies which must fulfil credit rating criteria approved by the board.

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade receivables are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

Auditor
In accordance with the company's articles, a resolution proposing that UHY Hacker Young be reappointed as auditor of the company will be put at a General Meeting.

Statement of directors' responsibilities
The directors are responsible for preparing the annual report and the 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies 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 company 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

....
Nicholas Green
Director

Date: 8-8-2022

UHY Hacker Young
Chartered Accountants

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE PRINTED GROUP LIMITED

Opinion

We have audited the financial statements of The Printed Group Limited (the 'company') for the year ended 31 March 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 company's affairs as at 31 March 2022 and of its 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF THE PRINTED GROUP LIMITED

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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, 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 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 company or to cease operations, or have no realistic alternative but to do so.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE PRINTED GROUP LIMITED

Auditor's 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 auditor's 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation, employment and health and safety regulation, anti-bribery, corruption and fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and profit.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, review of correspondence with legal advisors, enquiries of management and in so far as they related to the financial statements, and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE PRINTED GROUP LIMITED

Use of our report

This report is made solely to the company's members, as a body, 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 auditor's 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, as a body, for our audit work, for this report, or for the opinions we have formed.

S Banerjee

Subarna Banerjee (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young

Date: 19 August 2022

Chartered Accountants
Statutory Auditor

THE PRINTED GROUP LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Turnover	3	19,686,294	12,491,832
Cost of sales		(10,485,482)	(6,713,455)
Gross profit		9,200,812	5,778,377
Administrative expenses		(8,381,344)	(6,840,596)
Other income	3	39,596	610,698
Operating profit/(loss)	4	859,064	(451,521)
Interest payable and similar expenses	7	(12,014)	(15,683)
Profit/(loss) before taxation		847,050	(467,204)
Taxation	8	(54,579)	351,351
Profit/(loss) for the financial year		792,471	(115,853)

THE PRINTED GROUP LIMITED

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	10		899,758		924,366
Current assets					
Stocks	11	740,240		485,023	
Debtors	12	2,630,664		2,330,509	
Cash at bank and in hand		1,239,367		1,300,931	
		4,610,271		4,116,463	
Creditors: amounts falling due within one year	13	(3,240,110)		(2,563,474)	
Net current assets			1,370,161		1,552,989
Total assets less current liabilities			2,269,919		2,477,355
Creditors: amounts falling due after more than one year	14		(265,820)		(350,362)
Provisions for liabilities					
Provisions	16	30,000		-	
Deferred tax liability	17	54,635		-	
			(84,635)		-
Net assets			1,919,464		2,126,993
Capital and reserves					
Called up share capital	19		5,110		5,110
Share premium account	20		55,032		55,032
Capital redemption reserve	20		200,000		200,000
Profit and loss reserves	20		1,659,322		1,866,851
Total equity			1,919,464		2,126,993

THE PRINTED GROUP LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2022

The financial statements were approved by the board of directors and authorised for issue on ..8..8..2022.... and are signed on its behalf by:

....

Nicholas Green

Director

Company Registration No. 02356130

THE PRINTED GROUP LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Share capital	Share premium account	Capital redemption reserve	Profit and loss reserves	Total
		£	£	£	£	£
Balance at 1 April 2020		5,110	55,032	200,000	1,982,704	2,242,846
Year ended 31 March 2021:						
Loss and total comprehensive income for the year		-	-	-	(115,853)	(115,853)
Balance at 31 March 2021		5,110	55,032	200,000	1,866,851	2,126,993
Year ended 31 March 2022:						
Profit and total comprehensive income for the year		-	-	-	792,471	792,471
Dividends	9	-	-	-	(1,000,000)	(1,000,000)
Balance at 31 March 2022		5,110	55,032	200,000	1,659,322	1,919,464

1 Accounting policies

Company information
The Printed Group Limited is a private company limited by shares incorporated in England and Wales. The registered office is 2 Arcot Court, Nelson Road, Cramlington, Northumberland, NE23 1BB.

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.

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 pound.

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

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Portland Asset Management (UK) Limited. These consolidated financial statements are available from Companies House.

1 Accounting policies **(Continued)**

1.2 Going concern

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.

The budget as set shows a positive pre-tax profit and positive cash generation, both indicating there are no going concern issues for the company. However, the directors continue to monitor the effect of Covid-19 on the business and have included sensitivities in the cash flow projection to reflect this uncertainty. The sensitised budget continues to show a positive pre-tax profit and positive cash generation.

The company therefore continues to adopt the going concern basis in preparing its financial statements.

1.3 Turnover

Revenue represents amounts receivable for goods and services net of VAT and trade discounts.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, 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.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.4 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.

From September 2020 the useful economic life of four machines was extended from 60 months to 72 months. The useful economic life of these machines was extended as their usage declined significantly during FY2021 as a result of Covid-19.

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	over the term of the lease
Plant and machinery	14%-25% straight line
Fixtures, fittings & equipment	20%-25% straight line
Motor vehicles	25% straight line

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.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

1.6 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.

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 Accounting policies **(Continued)**

1.7 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.

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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

1 Accounting policies **(Continued)**

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, loans from fellow group companies and preference shares that are classified as debt, 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.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 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.

1.9 Taxation

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

1 Accounting policies **(Continued)**

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax 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 date.

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 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.

1.10 Provisions
Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.11 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 Accounting policies **(Continued)**

1.12 Retirement benefits

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

1.13 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.

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.

1.14 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.

1.15 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 date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Gains and losses arising on translation are included in the profit and loss account for the period.

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.

Critical judgements
The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Debtors valuation
In assessing whether the debtors are correctly valued, the directors have considered the level of provision which would be sufficient given the current circumstances in order to identify any items that may not be recoverable. Following this review, an adequate provision is made for any amounts where there is a strong indication that those amounts are not recoverable, either in full or partly, as appropriate.

Valuation of stock
The directors review stock lines at the year-end in order to identify any items that may not be saleable. Following this review an adequate provision is made for any amounts where an indication of impairment of stock is identified.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2022	**2021**
	£	**£**
Turnover analysed by class of business		
Digital printing and associated services	19,686,294	12,491,832

	2022	**2021**
	£	**£**
Other income		
Grants received	39,307	610,698
Other income	289	-
Total	39,596	610,698

4 Operating profit/(loss)

Operating profit/(loss) for the year is stated after charging/(crediting):	2022 £	2021 £
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	-	1,352
Government grants	(39,307)	(610,698)
Fees payable to the company's auditor for the audit of the company's financial statements	22,550	20,500
Depreciation of owned tangible fixed assets	161,624	151,927
Depreciation of tangible fixed assets held under finance leases	178,167	160,219
Operating lease charges	469,949	461,533

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Production	59	61
Sales and marketing	49	42
Administration	35	31
Total	143	134

Their aggregate remuneration comprised:

	2022 £	2021 £
Wages and salaries	5,577,717	4,471,806
Social security costs	505,587	453,498
Pension costs	140,699	110,818
	6,224,003	5,036,122

6 Directors' remuneration

	2022	2021
	£	£
Remuneration for qualifying services	317,088	297,949
Company pension contributions to defined contribution schemes	30,609	28,709
	347,697	326,658

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2021 - 2).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2022	2021
	£	£
Remuneration for qualifying services	171,324	159,902
Company pension contributions to defined contribution schemes	17,133	17,133

7 Interest payable and similar expenses

	2022	2021
	£	£
Interest on finance leases and hire purchase contracts	12,014	15,683

8 Taxation

	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	-	(407,955)
Deferred tax		
Origination and reversal of timing differences	54,579	-
Write down or reversal of write down of deferred tax asset	-	56,604
Total deferred tax	54,579	56,604
Total tax charge/(credit)	54,579	(351,351)

8 Taxation (Continued)

The actual charge/(credit) for the year can be reconciled to the expected charge/(credit) for the year based on the profit or loss and the standard rate of tax as follows:

	2022	2021
	£	£
Profit/(loss) before taxation	847,050	(467,204)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	160,940	(88,769)
Tax effect of expenses that are not deductible in determining taxable profit	123	2,482
Group relief	(22,304)	-
Other non-reversing timing differences	(56)	-
Other permanent differences	(15,421)	-
Deferred tax adjustments in respect of prior years	-	56,604
Deferred tax asset not recognised	(68,703)	86,287
Surrender of tax losses for R&D tax credit refund	-	(407,955)
Taxation charge/(credit) for the year	54,579	(351,351)

9 Dividends

	2022	2021
	£	£
Final paid	1,000,000	-

10 Tangible fixed assets

	Leasehold improvements	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2021	589,144	4,278,609	636,386	-	5,504,139
Additions	21,019	224,359	46,185	24,995	316,558
Disposals	-	(22,000)	-	-	(22,000)
At 31 March 2022	610,163	4,480,968	682,571	24,995	5,798,697
Depreciation and impairment					
At 1 April 2021	473,662	3,637,533	468,578	-	4,579,773
Depreciation charged in the year	38,576	231,935	68,586	694	339,791
Eliminated in respect of disposals	-	(20,625)	-	-	(20,625)
At 31 March 2022	512,238	3,848,843	537,164	694	4,898,939
Carrying amount					
At 31 March 2022	97,925	632,125	145,407	24,301	899,758
At 31 March 2021	115,482	641,076	167,808	-	924,366

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2022	2021
	£	£
Plant and machinery	483,686	569,128
Motor vehicles	24,301	-
	507,987	569,128

11 Stocks

	2022	2021
	£	£
Raw materials and consumables	740,240	485,023

12 Debtors

Amounts falling due within one year:	2022 £	2021 £
Trade debtors	1,051,028	679,466
Corporation tax recoverable	-	256,140
Amounts owed by group undertakings	756,706	802,533
Other debtors	106,957	94,325
Prepayments and accrued income	715,973	498,045
	2,630,664	2,330,509

13 Creditors: amounts falling due within one year

	2022 £	2021 £
Obligations under finance leases	177,844	158,187
Trade creditors	1,857,980	1,218,893
Amounts due to group undertakings	-	337
Other taxation and social security	242,747	363,647
Other creditors	63,541	42,339
Accruals and deferred income	897,998	780,071
	3,240,110	2,563,474

14 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Obligations under finance leases	265,820	350,362

15 Finance lease obligations

Future minimum lease payments due under finance leases:	2022 £	2021 £
Within one year	177,844	158,187
In two to five years	265,820	350,362
	443,664	508,549

15 Finance lease obligations **(Continued)**

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets.

16 Provisions for liabilities

	2022	2021
	£	£
Dilapidations provision	30,000	-

Movements on provisions:

	Dilapidations provision
	£
Additional provisions in the year	30,000

17 Deferred taxation

The following are the major deferred tax assets recognised by the company and movements thereon:

	Liabilities 2022	Liabilities 2021
Balances:	£	£
Fixed asset timing differences	74,111	-
Short term timing differences	(19,476)	-
	54,635	-

	2022
Movements in the year:	£
Liability at 1 April 2021	-
Charge to profit or loss	54,635
Liability at 31 March 2022	54,635

18 Retirement benefit schemes

Defined contribution schemes	2022 £	2021 £
Charge to profit or loss in respect of defined contribution schemes	140,699	110,818

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

19 Share capital

Ordinary share capital	2022 Number	2021 Number	2022 £	2021 £
Issued and fully paid				
Ordinary Shares of £1 each	5,100	5,100	5,100	5,100
B Ordinary Shares of 1p each	1,000	1,000	10	10
	6,100	6,100	5,110	5,110

The Company has two classes of shares Ordinary Shares and B Ordinary Shares which carry no right to fixed income.

Ordinary Shares entitle the shareholder to any dividends or distributions that are made or declared by the directors. Ordinary Shares carry one vote per share.

B Ordinary Shares do not entitle the shareholders to any dividends or distributions. B Ordinary Shares carry no voting rights.

Called up share capital represents the nominal value of shares that have been issued.

20 Reserves

Share premium
The share premium account includes any premiums received on the issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Capital redemption reserve
The capital redemption reserve is a non-distributable reserve representing amounts paid by the company to purchase its own share capital.

Profit and loss reserves
Profit and loss reserves include all current and prior period retained profits and losses.

21 Operating lease commitments

Lessee
At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Within one year	348,700	305,604
Between two and five years	751,701	981,580
	1,100,401	1,287,184

22 Related party transactions

Included in debtors is an amount of £760 (2021: £253) due from Tangent Marketing Services Limited, a company under common control.

During the year, the company incurred £250,000 (2021: £140,000) in relation to management charges from the immediate parent company, Tangent Communications Limited. Included within debtors, amounts owed by group undertakings, are amounts of £755,947 (2021: £800,371) due from Tangent Communications Limited.

During the year ended 31 March 2022 the Directors reviewed the balances due both to and from other group companies. As a result of this, an amount of £289 (2021: £Nil) was written off to the statement of comprehensive income.

23 Ultimate controlling party

The immediate parent company of the entity is Tangent Communications Limited, which is registered in England and Wales.

The ultimate parent company is Portland Asset Management (UK) Limited, a company registered in England and Wales. This is the largest company for which consolidated group financial statements are prepared. Group financial statements and copies are available from Companies House.