

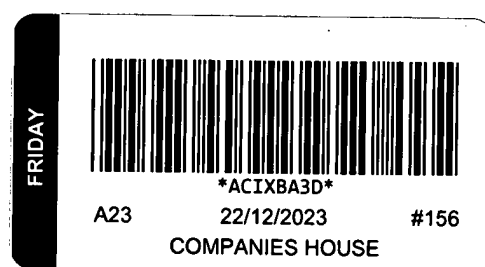
# **The Printed Group Limited**

Annual Report and Financial Statements

Year Ended

31 March 2023

Company Number 02356130



# The Printed Group Limited

## Company Information

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<b>Directors</b>	K J Cameron N D L Green T B Green O C Green T S Green
<b>Registered number</b>	02356130
<b>Registered office</b>	2 Arcot Court Nelson Road Cramlington NE23 1BB
<b>Independent auditor</b>	BDO LLP 55 Baker Street London W1U 7EU
<b>Banker</b>	Barclays Bank pic 5 St Ann's Street Quayside Newcastle upon Tyne NE1 3DX

# The Printed Group Limited

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# **The Printed Group Limited**

## **Strategic report For the year ended 31 March 2023**

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The directors present the strategic report for the year ended 31 March 2023.

### **Fair review of the business**

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

The start of the financial year saw the business continuing to move forward after the affect Covid had on previous years, posting year on year sales and customer growth. But the growing uncertainty, driven by the cost of living crisis and then the political instability over the second half of 2022, impacted our customer base, most specifically those engaged in property related services, and as a result the business. While customer numbers fluctuated a little, the average spend per order dropped as order quantities fell across the customer base.

To counter act this, over the course of the year, the business launched a number of new and improved services to enhance customers experiences of the website and increased the range of products on offer:

Remaining at the forefront of printing technology is key to the business delivering the highest quality products to our customers, to drive innovation, efficiency, and customer retention. To meet these objectives the business constantly reviews the printing marketplace. During the year the business made the most significant investment into printing capacity to date, adopting inkjet technology for the first time. That investment moved the business into equipment that we believe provides best in class quality to our customers, has allowed us to re-factor our production infrastructure and places the business in a position to drive growth in the future.

### **Principal risks and uncertainties**

Whilst inflation is now running lower than its recent peak, costs within the business are still under pressure. To counteract this we continue to look for efficiencies across all areas whilst also reviewing pricing across Printed.com ensuring we always remain market competitive.

The cost of living crisis that has impacted the UK has driven wage increases to significantly higher levels than seen in prior years. That has meant that recruiting and retaining the level of staffing resource we require has been challenging. To counteract this the Company ("Printed") offers competitive remuneration packages and career plans to help recruit, develop and retain our staff.

Competition in the online print market continues to develop. To mitigate this Printed continues to innovate, by constantly striving to deliver a better experience for our customers, offering an increasing range of products, investing in the latest print technology, and driving customer loyalty through our innovative loyalty programmes.

Whilst the level of disruption in the paper market has settled this remains a risk to the business, as a result we continue to hold higher levels of stock and expect to do so for the foreseeable future.

# The Printed Group Limited

**Strategic report (continued)**  
**For the year ended 31 March 2023**

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## **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.

This report was approved by the board and signed on its behalf by:

Nicholas Green  
.....  
**N D L Green**  
Director

Date: 15/12/2023

# **The Printed Group Limited**

## **Directors' report For the year ended 31 March 2023**

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The directors present their annual report and the audited financial statements for the year ended 31 March 2023.

### **Principal activity**

The principal activity of the Company continued to be that of printing.

### **Results and dividends**

The profit for the year, after taxation, amounted to £160,921 (2022: £792,471).

The directors paid dividends of £1,387,450 during the year (2022: £1,000,000).

### **Directors**

The directors who served during the year were:

K J Cameron  
N D L Green  
T B Green  
O C Green (appointed 7 September 2022)  
T S Green (appointed 7 September 2022)

### **Directors' responsibilities statement**

The directors are responsible for preparing the strategic report, the directors' 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 for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

# The Printed Group Limited

## Directors' report (continued) For the year ended 31 March 2023

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### 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 and borrowings 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.

### Disclosure of information to auditor

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's auditor is 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's auditor is aware of that information.

### Post balance sheet events

On 3 April, 2023, the ultimate parent company, Portland Asset Management (UK) Holdco Limited, entered into a Demerger Agreement under a statutory demerger agreed with HM Revenue and Customs. As a result, ownership of the Company were transferred to a new holding company, The Printed Group Holdco Limited. Under the Demerger Agreement, beneficial ownership of the company remained unchanged.

### Auditor

BDO LLP, was appointed as auditor during the year and have expressed their willingness to continue in office. A resolution to re-appoint them will be proposed at the annual general meeting.

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

Nicholas Green  
.....  
**N D L Green**  
Director

Date: 15/12/2023

# The Printed Group Limited

## Independent auditor's report to the members of The Printed Group Limited

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### Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2023 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.

We have audited the financial statements of The Printed Group Limited ("the Company") for the year ended 31 March 2023 which comprise Statement of comprehensive income, Balance sheet, Statement of Cash flows, Statement of changes in equity and notes to the financial statements, 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).

### 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

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.

### 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.



# **The Printed Group Limited**

## **Independent auditor's report to the members of The Printed Group Limited (continued)**

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### **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's 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.

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.

### **Other Companies Act 2006 reporting**

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

- the information given in the 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 Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

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 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, 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.

# The Printed Group Limited

## Independent auditor's report to the members of The Printed Group Limited (continued)

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### 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.

#### *Extent to which the audit was capable of detecting irregularities, including fraud*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

#### *Non-compliance with laws and regulations*

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with management and those charged with governance;
- Obtaining and understanding of the Company's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be Companies Act 2006, the applicable accounting framework and tax legislation.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Performed inquiries of the management for any open correspondence with tax authorities;
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

#### *Fraud*

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls and existence of revenue and year end cut off.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Enquiries with Management and those charged with governance regarding any instances of known or suspected fraud during the year. We challenged management's assessments, assumptions and evaluated data used as the basis for making estimates to assess whether judgements made in making accounting estimates are indicative of potential bias by management.
- Testing agreements and delivery acknowledgements to verify the existence of the revenue for a sample of invoices raised throughout the year;
- Testing samples as at the year end to verify that revenue has been accounted for in the correct period.

# The Printed Group Limited

## Independent auditor's report to the members of The Printed Group Limited (continued)

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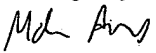
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

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.

### 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.

DocuSigned by:  
  
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**Mark Ayres** (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
London, UK

Date: 15 December 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# The Printed Group Limited

## Statement of comprehensive income For the year ended 31 March 2023

	Note	2023 £	2022 £
Turnover	4	19,793,873	19,686,294
Cost of sales		(10,273,120)	(10,485,482)
<b>Gross profit</b>		<b>9,520,753</b>	<b>9,200,812</b>
Administrative expenses		(9,308,570)	(8,381,344)
Other income	5	-	39,596
<b>Operating profit</b>	6	<b>212,183</b>	<b>859,064</b>
Interest payable and similar expenses	9	(69,024)	(12,014)
<b>Profit before taxation</b>		<b>143,159</b>	<b>847,050</b>
Taxation	10	17,762	(54,579)
<b>Profit for the financial year</b>		<b>160,921</b>	<b>792,471</b>

There was no other comprehensive income for 2023 (2022: £Nil).

The notes on pages 14 to 28 form part of these financial statements.

# The Printed Group Limited

Registered number:02356130

## Balance sheet As at 31 March 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible fixed assets	12	1,506,739	899,758
<b>Current assets</b>			
Stocks	13	1,025,371	740,240
Debtors	14	3,767,447	2,630,664
Cash at bank and in hand		351,857	1,239,367
		<u>5,144,675</u>	<u>4,610,271</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	15	(5,822,374)	(3,240,110)
<b>Net current (liabilities)/assets</b>		<u>(677,699)</u>	<u>1,370,161</u>
<b>Total assets less current liabilities</b>		<u>829,040</u>	<u>2,269,919</u>
<b>Non current liabilities</b>			
Creditors: amounts falling due after more than one year	16	(99,232)	(265,820)
<b>Provisions for liabilities</b>			
Deferred taxation	18	(36,873)	(54,635)
Provisions	19	-	(30,000)
		<u>(36,873)</u>	<u>(84,635)</u>
<b>Net assets</b>		<u><u>692,935</u></u>	<u><u>1,919,464</u></u>
<b>Capital and reserves</b>			
Called up share capital	20,21	5,110	5,110
Share premium account	21	55,032	55,032
Capital redemption reserve	21	200,000	200,000
Profit and loss account	21	432,793	1,659,322
<b>Total equity</b>		<u><u>692,935</u></u>	<u><u>1,919,464</u></u>

**The Printed Group Limited**  
**Registered number:02356130**

**Balance sheet (continued)**  
**As at 31 March 2023**

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The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Nicholas Green  
.....  
**N D L Green**  
Director

Date: 15/12/2023

The notes on pages 14 to 28 form part of these financial statements.

# The Printed Group Limited

Registered number:02356130

## Statement of changes in equity For the year ended 31 March 2023

	Called up share capital £	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total equity £
<b>At 1 April 2021</b>	<b>5,110</b>	<b>55,032</b>	<b>200,000</b>	<b>1,866,851</b>	<b>2,126,993</b>
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	-	792,471	792,471
<b>Contributions by and distributions to owners</b>					
Dividends (note 11)	-	-	-	(1,000,000)	(1,000,000)
<b>At 1 April 2022</b>	<b>5,110</b>	<b>55,032</b>	<b>200,000</b>	<b>1,659,322</b>	<b>1,919,464</b>
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	-	160,921	160,921
<b>Contributions by and distributions to owners</b>					
Dividends (note 11)	-	-	-	(1,387,450)	(1,387,450)
<b>At 31 March 2023</b>	<b>5,110</b>	<b>55,032</b>	<b>200,000</b>	<b>432,793</b>	<b>692,935</b>

# The Printed Group Limited

## Statement of cash flows For the year ended 31 March 2023

	2023 £	2022 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	160,921	792,471
<b>Adjustments for:</b>		
Depreciation of tangible assets	423,261	339,791
Interest paid	69,024	12,014
Taxation charge	(17,762)	54,579
(Increase) in stocks	(285,131)	(255,217)
(Increase) in debtors	(2,524,233)	(556,295)
Increase in creditors	2,598,920	592,094
(Decrease)/increase in provisions	(30,000)	30,000
Corporation tax received	-	256,196
<b>Net cash generated from operating activities</b>	<b>395,000</b>	<b>1,265,633</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(1,030,242)	(316,558)
Sale of tangible fixed assets	-	1,375
<b>Net cash used in investing activities</b>	<b>(1,030,242)</b>	<b>(315,183)</b>
<b>Cash flows from financing activities</b>		
Repayment of finance leases	(183,244)	-
Dividends paid	-	(1,000,000)
Interest paid	(69,024)	(12,014)
<b>Net cash used in financing activities</b>	<b>(252,268)</b>	<b>(1,012,014)</b>
<b>Net (decrease) in cash and cash equivalents</b>	<b>(887,510)</b>	<b>(61,564)</b>
Cash and cash equivalents at beginning of year	1,239,367	1,300,931
<b>Cash and cash equivalents at the end of year</b>	<b>351,857</b>	<b>1,239,367</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	351,857	1,239,367
	<b>351,857</b>	<b>1,239,367</b>

The notes on pages 14 to 28 form part of these financial statements.



# **The Printed Group Limited**

## **Notes to the financial statements For the year ended 31 March 2023**

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### **1. General information**

The Printed Group Limited is a private company limited by shares incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the Company's operations, and its principal activity are set out in the directors' report.

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

The following principal accounting policies have been applied:

#### **2.2 Going concern**

The directors have reviewed the cash flow forecast for the next 12 months from the date of signing the accounts and they believe that taking into account reasonably possible changes in projected profitability, contracted and recurring revenue, available liquid resources, the Company has adequate resources to continue in operational existence for the foreseeable future.

The directors are monitoring trading and have considered a worst-case scenario to ensure it fully understands what actions are needed, if appropriate, to ensure it can continue its operations for the foreseeable future. On this basis, the directors are satisfied the Company remains well placed to manage its business risks successfully. And have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of 12 months from the date of approval of the financial statements and will continue to be able to meet its obligations as they fall due. Accordingly, the financial statements continue to be prepared on a going concern basis.

There has been a change in ownership during the year and post year end, see note 25 and 26, but the beneficial ownership of the Company remained unchanged and therefore does not impact the going concern assessment of the entity.

# **The Printed Group Limited**

## **Notes to the financial statements For the year ended 31 March 2023**

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### **2. Accounting policies (continued)**

#### **2.3 Foreign currency translation**

##### **Functional and presentation currency**

The Company's functional and presentational currency is GBP.

##### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the the statement of comprehensive income.

#### **2.4 Revenue**

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.

#### **2.5 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight-line basis over the lease term.

#### **2.6 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 year 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.

# The Printed Group Limited

## Notes to the financial statements For the year ended 31 March 2023

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### 2. Accounting policies (continued)

#### 2.7 Government grants

Government grants are recognised at 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.

#### 2.8 Pensions

##### Defined contribution pension plan

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

The contributions are recognised as an expense in the statement of comprehensive income 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 Company in independently administered funds.

#### 2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income 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 operates and generates 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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.

# The Printed Group Limited

## Notes to the financial statements For the year ended 31 March 2023

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### 2. Accounting policies (continued)

#### 2.10 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.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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.

Depreciation is provided on the following basis:

Leasehold improvements	- over the term of the lease
Plant and machinery	- 14% - 25%
Fixtures, fittings and equipment	- 20% - 25%
Motor vehicles	- 25%

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 the statement of comprehensive income.

#### 2.11 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the statement of comprehensive income.

#### 2.12 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.

#### 2.13 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 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 Company's cash management.

# The Printed Group Limited

## Notes to the financial statements For the year ended 31 March 2023

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### 2. Accounting policies (continued)

#### 2.14 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.

#### 2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

#### 2.16 Financial instruments

The Company 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.

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 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 Company would receive for the asset if it were to be sold at the balance sheet date.

# The Printed Group Limited

## Notes to the financial statements For the year ended 31 March 2023

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### 2. Accounting policies (continued)

#### 2.16 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.

#### 2.17 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

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.

# The Printed Group Limited

## Notes to the financial statements For the year ended 31 March 2023

### 4. Turnover

An analysis of turnover by class of business is as follows:

	2023 £	2022 £
<b>Turnover analysed by class of business</b>		
Digital printing and associated services	<b>19,793,873</b>	19,686,294

All turnover arose within the United Kingdom.

### 5. Other income

	2023 £	2022 £
Grants received	-	39,307
Other income	-	289
	<b>-</b>	<b>39,596</b>

### 6. Operating profit

The operating profit is stated after charging:

	2023 £	2022 £
Fees payable to the Company's auditor for the audit of the Company's financial statements	<b>50,000</b>	22,550
Depreciation of owed tangible fixed assets	<b>219,050</b>	161,624
Depreciation of tangible fixed assets held under finance leases	<b>204,211</b>	178,167
Other operating lease rentals	<b>372,104</b>	469,949

# The Printed Group Limited

## Notes to the financial statements For the year ended 31 March 2023

### 7. Employees

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

	2023 £	2022 £
Wages and salaries	5,699,234	5,577,717
Social security costs	570,728	505,587
Pension costs	137,631	140,699
	<u>6,407,593</u>	<u>6,224,003</u>

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

	2023 No.	2022 No.
Production	67	59
Sales and marketing	50	49
Administration	41	35
	<u>158</u>	<u>143</u>

### 8. Directors' remuneration

	2023 £	2022 £
Remuneration for qualifying services	427,431	317,088
Company pension contributions to defined contribution schemes	30,609	30,609
	<u>458,040</u>	<u>347,697</u>

During the year retirement benefits were accruing to 2 directors (2022 - 2) in respect of defined contribution pension schemes.

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

	2023 £	2022 £
Remuneration for qualifying services	250,000	171,324
Company pension contributions to defined contribution schemes	17,133	17,133



# The Printed Group Limited

## Notes to the financial statements For the year ended 31 March 2023

### 9. Interest payable and similar expenses

	2023 £	2022 £
Interest on finance leases and hire purchase contracts	69,024	12,014

### 10. Taxation

	2023 £	2022 £
<b>Corporation tax</b>		
UK corporation tax on profits for the current year	-	-
<b>Deferred tax</b>		
Origination and reversal of timing differences	(23,219)	54,579
Adjustments in respect of previous periods	5,457	-
<b>Total deferred tax</b>	(17,762)	54,579
<b>Total tax (credit)/charge</b>	(17,762)	54,579
<b>Factors affecting tax charge for the year</b>		

The tax assessed for the year is lower than (2022: lower than) the standard rate of corporation tax in the UK of 19% (2022: 19%). The differences are explained below:

	2023 £	2022 £
Profit on ordinary activities before tax	143,159	847,050
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022: 19%)	27,200	160,940
<b>Effects of:</b>		
Fixed asset differences	(53,724)	-
Tax effect of expenses that are not deductible in determining taxable profit	8,877	123
Group relief	-	(22,304)
Other non-reversing timing differences	-	(56)
Adjustments to tax charge in respect of prior periods	5,457	-
Other permanent differences	-	(15,421)
Remeasurement of deferred tax for changes in tax rates	(5,572)	-
Deferred tax asset not recognised	-	(68,703)
<b>Total tax (credit)/charge for the year</b>	(17,762)	54,579

# The Printed Group Limited

## Notes to the financial statements For the year ended 31 March 2023

### 11. Dividends

	2023 £	2022 £
Interim dividends - £271.52 per share (2022 - £195.69 per share)	<u>1,387,450</u>	<u>1,000,000</u>

### 12. Tangible fixed assets

	Leasehold improvements £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 April 2022	610,163	4,480,968	682,571	24,995	5,798,697
Additions	31,585	935,624	63,033	-	1,030,242
Disposals	-	(136,369)	-	-	(136,369)
At 31 March 2023	<u>641,748</u>	<u>5,280,223</u>	<u>745,604</u>	<u>24,995</u>	<u>6,692,570</u>
<b>Depreciation</b>					
At 1 April 2022	512,238	3,848,843	537,164	694	4,898,939
Charge for the year	39,763	303,106	72,060	8,332	423,261
Disposals	-	(136,369)	-	-	(136,369)
At 31 March 2023	<u>552,001</u>	<u>4,015,580</u>	<u>609,224</u>	<u>9,026</u>	<u>5,185,831</u>
<b>Net book value</b>					
At 31 March 2023	<u>89,747</u>	<u>1,264,643</u>	<u>136,380</u>	<u>15,969</u>	<u>1,506,739</u>
At 31 March 2022	<u>97,925</u>	<u>632,125</u>	<u>145,407</u>	<u>24,301</u>	<u>899,758</u>

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

	2023 £	2022 £
Plant and machinery	287,807	483,686
Motor vehicles	15,969	24,301
	<u>303,776</u>	<u>507,987</u>

# The Printed Group Limited

## Notes to the financial statements For the year ended 31 March 2023

### 13. Stocks

	2023 £	2022 £
Raw materials and consumables	<u>1,025,371</u>	<u>740,240</u>

### 14. Debtors

	2023 £	2022 £
Trade debtors	856,133	1,051,028
Amounts owed by group undertakings	2,001,374	756,706
Other debtors	195,678	106,957
Prepayments and accrued income	714,262	715,973
	<u>3,767,447</u>	<u>2,630,664</u>

### 15. Creditors: amounts falling due within one year

	2023 £	2022 £
Obligations under finance leases	161,188	177,844
Trade creditors	1,765,809	1,857,980
Amounts owed to related parties (note 24)	2,894,925	-
Other taxation and social security	268,434	242,747
Other creditors	170,362	63,541
Accruals and deferred income	561,656	897,998
	<u>5,822,374</u>	<u>3,240,110</u>

Amounts owed to related parties are subject to interest 5% - 9% above SONIA rates and repayable on demand.

### 16. Creditors: amounts falling due after more than one year

	2023 £	2022 £
Obligations under finance leases	<u>99,232</u>	<u>265,820</u>

# The Printed Group Limited

## Notes to the financial statements For the year ended 31 March 2023

### 17. Finance lease obligations

Future minimum lease payments due under finance leases:

	2023 £	2022 £
Within one year	161,188	177,844
Between two to five years	99,232	265,820
	<u>260,420</u>	<u>443,664</u>

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. They are repayable in equal installments over 5 years carrying interest rate from 2.5% to 5.7%.

### 18. Deferred taxation

	2023 £
At beginning of year	54,635
Charged to profit or loss	(17,762)
<b>At end of year</b>	<u><b>36,873</b></u>

The provision for deferred taxation is made up as follows:

	2023 £	2022 £
Fixed asset timing differences	240,074	74,111
Short timing differences	(1,231)	(19,476)
Losses and other deductions	(201,970)	-
	<u>36,873</u>	<u>54,635</u>

# The Printed Group Limited

## Notes to the financial statements For the year ended 31 March 2023

### 19. Provisions

	Dilapidations provision £
At 1 April 2022	30,000
Utilised in year	(30,000)
<b>At 31 March 2023</b>	<b>-</b>

### 20. Called up share capital

	2023 £	2022 £
<b>Allotted, called up and fully paid</b>		
5,100 (2022: 5,100) Ordinary shares of £1.00 each	5,100	5,100
1,000 (2022: 1,000) B Ordinary shares of £0.01 each	10	10
	<b>5,110</b>	<b>5,110</b>

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 entitled 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. .

# The Printed Group Limited

## Notes to the financial statements For the year ended 31 March 2023

### 21. Reserves

The Company's reserves are as follows:

#### Called up share capital

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

#### Share premium account

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 account

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

### 22. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £137,631 (2022: £140,699). Contributions totalling £Nil (2022: £Nil) were payable to the fund at the balance sheet date and are included in creditors.

### 23. Commitments under operating leases

#### Lessee

At 31 March 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £	2022 £
Not later than 1 year	188,339	348,700
Later than 1 year and not later than 5 years	177,025	751,701
	<u>365,364</u>	<u>1,100,401</u>

# The Printed Group Limited

## Notes to the financial statements For the year ended 31 March 2023

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### 24. Related party transactions

Included in debtors, amounts owed by group undertakings, is an amount of £Nil (2022: £760) due from Tangent Marketing Services Limited, a company under common control.

During the year, the Company incurred £635,507 (2022: £250,000) in relation to management charges and intercompany recharges in relation to the demerger, insurance costs, tax fees and a director's bonus, from Tangent Communications Limited. Included within debtors, amounts owed by group undertakings, are amounts of £2,001,374 (2022: £755,947) due from Tangent Communications Limited.

Included within prepayments at the year-end is £41,960 (2022: £39,621) related to the prepayment of recharged expenses from Tangent Communications Limited.

Included in creditors is an amount of £2,894,925 (2022: £Nil) due to Tangent Industries Limited, a company under common control. The balance related to a loan made on a commercial basis, was repayable over a five year term and attracted interest at 5% plus SONIA. The loan has been extended for a further year and matures on 31 March 2024. In March 2023, the loan was novated from Portland Asset Management (UK) Limited to the Company, all terms remain the same. At 31 March 2023, an amount of £2,239,925 (2022: £Nil) was outstanding. In addition, during the year, an amount of £655,000 was drawn down by the Company. The balance relates to a loan made on a commercial basis and attracts interest at 9% plus SONIA. The total balance at 31 March 2023 due to Tangent Industries Limited was £2,894,925 (2022: £Nil).

### 25. Post balance sheet events

On 3 April, 2023, the ultimate parent company, Portland Asset Management (UK) Holdco Limited, entered into a Demerger Agreement under a statutory demerger agreed with HM Revenue and Customs. As a result, ownership of the Company were transferred to a new holding company, The Printed Group Holdco Limited. Under the Demerger Agreement, beneficial ownership of the Company remained unchanged.

### 26. Controlling party

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

Following a group restructure on 29 March 2023, the immediate parent undertaking changed from Tangent Communications Limited to Portland Asset Management (UK) Limited and from Portland Asset Management (UK) Limited to Portland Asset Management (UK) Holdco Limited, a company registered in England and Wales. Portland Asset Management (UK) Limited is the largest company for which consolidated group financial statements are prepared.

As at 31 March 2023 the directors consider the ultimate controlling party to be Michael Green.