

# C M Y K Digital Solutions Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 31 March 2021

Deans Accountants And Business Advisors Ltd  
Chartered Accountants and Business Advisors  
27 North Bridge Street  
Hawick  
Borders  
TD9 9BD

# C M Y K Digital Solutions Limited

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## **C M Y K Digital Solutions Limited**

### **Company Information**

<b>Directors</b>	JS Sharp DJ Crosby N J Garden
<b>Company secretary</b>	JS Sharp
<b>Registered office</b>	Unit 9 Butlerfield Industrial Estate Bonnyrigg Edinburgh EH19 3JQ
<b>Accountants</b>	Deans Accountants And Business Advisors Ltd Chartered Accountants and Business Advisors 27 North Bridge Street Hawick Borders TD9 9BD

# DEANS

Chartered Accountants

## Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited Statutory Accounts of C M Y K Digital Solutions Limited for the Year Ended 31 March 2021

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of C M Y K Digital Solutions Limited for the year ended 31 March 2021 as set out on pages 3 to 12 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants of Scotland (ICAS), we are subject to its ethical and other professional requirements which are detailed at <http://www.icas.com/ethics/icas-code-of-ethics>.

This report is made solely to the Board of Directors of C M Y K Digital Solutions Limited, as a body, in accordance with the terms of our engagement letter dated 9 February 2009. Our work has been undertaken solely to prepare for your approval the accounts of C M Y K Digital Solutions Limited and state those matters that we have agreed to state to the Board of Directors of C M Y K Digital Solutions Limited, as a body, in this report in accordance with ICAS guidance ([www.icas.com/accountsprep/guidance](http://www.icas.com/accountsprep/guidance)). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than C M Y K Digital Solutions Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that C M Y K Digital Solutions Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of C M Y K Digital Solutions Limited. You consider that C M Y K Digital Solutions Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of C M Y K Digital Solutions Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

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Deans Accountants And Business Advisors Ltd  
Chartered Accountants and Business Advisors  
27 North Bridge Street  
Hawick  
Borders  
TD9 9BD

21 June 2021

**C M Y K Digital Solutions Limited****(Registration number: SC165494)****Balance Sheet as at 31 March 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Intangible assets	<u>4</u>	231,443	77,831
Tangible assets	<u>5</u>	92,159	67,955
Investments	<u>6</u>	-	196,070
		<u>323,602</u>	<u>341,856</u>
<b>Current assets</b>			
Stocks	<u>7</u>	213,294	141,084
Debtors	<u>8</u>	908,278	892,248
Cash at bank and in hand		319,068	1,647
		1,440,640	1,034,979
<b>Creditors: Amounts falling due within one year</b>	<u>9</u>	<u>(803,994)</u>	<u>(693,990)</u>
<b>Net current assets</b>		<u>636,646</u>	<u>340,989</u>
<b>Total assets less current liabilities</b>		960,248	682,845
<b>Creditors: Amounts falling due after more than one year</b>	<u>9</u>	<u>(346,048)</u>	-
<b>Net assets</b>		<u><u>614,200</u></u>	<u><u>682,845</u></u>
<b>Capital and reserves</b>			
Called up share capital	<u>10</u>	110,000	110,000
Share premium reserve		15,400	15,400
Capital redemption reserve		4,000	4,000
Profit and loss account		484,800	553,445
Shareholders' funds		<u><u>614,200</u></u>	<u><u>682,845</u></u>

For the financial year ending 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 21 June 2021 and signed on its behalf by:

.....

JS Sharp

The notes on pages 5 to 12 form an integral part of these financial statements.

Company secretary and director

**C M Y K Digital Solutions Limited**

**(Registration number: SC165494)  
Balance Sheet as at 31 March 2021**

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DJ Crosby  
Director

## **C M Y K Digital Solutions Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021**

#### **1 General information**

The company is a private company limited by share capital, incorporated in Scotland.

The address of its registered office is:

Unit 9  
Butlerfield Industrial Estate  
Bonnyrigg  
Edinburgh  
EH19 3JQ  
Scotland

These financial statements were authorised for issue by the Board on 21 June 2021.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

##### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are presented in Sterling (£) and rounded to the nearest £1.

##### **Judgements**

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made included:

Useful economic lives of tangible assets – the annual depreciation charge for tangible assets is sensitive to change in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation, and the physical condition of the assets.

##### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

###### **Sales of Goods**

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

###### **Rendering of services**

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

##### **Tax**

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

## C M Y K Digital Solutions Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

#### Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Office equipment and fittings	25% reducing balance
Motor vehicles	30% reducing balance

#### Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

#### Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

#### Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	over 12 years

#### Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the



## **C M Y K Digital Solutions Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021**

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **Dividends**

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

#### **Defined contribution pension obligation**

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

## **C M Y K Digital Solutions Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021**

#### **Financial instruments**

##### ***Classification***

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### ***Recognition and measurement***

Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as an interest expense in the profit and loss account.

##### ***Impairment***

At the end of each reporting period financial instruments measured at fair value are assessed for objective evidence of impairment. The impairment loss is recognised in the profit and loss account.

#### **3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 36 (2020 - 33).

**C M Y K Digital Solutions Limited**

**Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021**

**4 Intangible assets**

	<b>Goodwill £</b>	<b>Total £</b>
<b>Cost or valuation</b>		
At 1 April 2020	802,910	802,910
Additions acquired separately	171,446	171,446
At 31 March 2021	974,356	974,356
<b>Amortisation</b>		
At 1 April 2020	725,079	725,079
Amortisation charge	17,834	17,834
At 31 March 2021	742,913	742,913
<b>Carrying amount</b>		
At 31 March 2021	231,443	231,443
At 31 March 2020	77,831	77,831

**5 Tangible assets**

	<b>Office equipment and fittings £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 April 2020	432,932	74,411	507,343
Additions	27,648	27,000	54,648
Disposals	-	(35,912)	(35,912)
At 31 March 2021	460,580	65,499	526,079
<b>Depreciation</b>			
At 1 April 2020	371,015	68,373	439,388
Charge for the year	18,617	9,227	27,844
Eliminated on disposal	-	(33,312)	(33,312)
At 31 March 2021	389,632	44,288	433,920
<b>Carrying amount</b>			
At 31 March 2021	70,948	21,211	92,159
At 31 March 2020	61,917	6,038	67,955

**C M Y K Digital Solutions Limited**

**Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021**

**6 Investments**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Investments in subsidiaries	-	196,070
	<hr style="border-top: 3px double #000;"/>	<hr style="border-top: 3px double #000;"/>
<b>Subsidiaries</b>		<b>£</b>
<b>Cost or valuation</b>		
<b>Provision</b>		
<b>Carrying amount</b>		
At 31 March 2021		<hr style="border-top: 1px solid #000;"/>
At 31 March 2020		<hr style="border-top: 3px double #000;"/>

**Details of undertakings**

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2021	2020
<b>Subsidiary undertakings</b>				
Clydesdale Office Equipment Ltd	Scotland	Ordinary	100%	100%

**Subsidiary undertakings**

*Clydesdale Office Equipment Ltd*

The principal activity of Clydesdale Office Equipment Ltd is selling and servicing of colour copiers and printers..

**7 Stocks**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Other inventories	213,294	141,084
	<hr style="border-top: 3px double #000;"/>	<hr style="border-top: 3px double #000;"/>

**8 Debtors**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade debtors	650,395	731,455
Prepayments	178,200	48,250
Other debtors	79,683	112,543
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**C M Y K Digital Solutions Limited**

**Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021**

**9 Creditors**

**Creditors: amounts falling due within one year**

	Note	2021 £	2020 £
<b>Due within one year</b>			
Loans and borrowings	11	50,580	-
Trade creditors		238,232	427,856
Taxation and social security		212,991	141,572
Other creditors		302,191	124,562
		803,994	693,990
		803,994	693,990

**Due after one year**

Loans and borrowings	11	346,048	-
		346,048	-

**Creditors: amounts falling due after more than one year**

	Note	2021 £	2020 £
<b>Due after one year</b>			
Loans and borrowings	11	346,048	-
		346,048	-

**10 Share capital**

**Allotted, called up and fully paid shares**

	2021		2020	
	No.	£	No.	£
Ordinary A shares of £0.10 each	1,100,000	110,000.00	1,100,000	110,000.00
		110,000.00		110,000.00

**11 Loans and borrowings**

		2021 £	2020 £
<b>Non-current loans and borrowings</b>			
Bank borrowings		331,250	-
Hire purchase contracts		14,798	-
		346,048	-
		346,048	-

		2021 £	2020 £
<b>Current loans and borrowings</b>			
Bank borrowings		43,750	-
Hire purchase contracts		6,830	-
		50,580	-
		50,580	-

## C M Y K Digital Solutions Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

#### Bank borrowings

Bank loan is denominated in Sterling (£) with a nominal interest rate of 4.09% and the final instalment is due on 28 September 2026. The carrying amount at year end is £375,000 (2020 - £Nil).

Within the above loan there is £31,250 due by instalments after 5 years from the balance sheet date.

H.S.B.C. U.K. Bank P.L.C. hold a floating charge over all assets and undertaking of the company.

#### Other borrowings

H.P. agreements is denominated in Sterling (£), and the final instalment is due on 15 May 2024. The carrying amount at year end is £21,628 (2020 - £Nil).

Secured against the relevant assets.

#### 12 Financial commitments, guarantees and contingencies

##### Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £849,965 (2020 - £1,062,717). Operating lease commitments with no security given by the company. The commitments reflect the total payments due under operating leases during the entirety of the operating lease primary term.

#### 13 Related party transactions

##### Transactions with directors

	At 1 April 2020 £	Advances to directors £	Repayments by director £	At 31 March 2021 £
<b>2021</b>				
<b>JS Sharp</b>				
The company advanced loans to JS Sharp. Loans are repayable on demand. Interest is charged at 2.25%.	625	14,955	(625)	14,955

	At 1 April 2019 £	Advances to directors £	At 31 March 2020 £
<b>2020</b>			
<b>JS Sharp</b>			
The company advanced loans to JS Sharp. Loans are repayable on demand. Interest is charged at 2.25%.		-	625

##### Summary of transactions with other related parties

During the year CMYK Digital Solutions Limited lent monies to CMYK Holdings Limited. The loans are repayable on demand. At the balance sheet date the amount due from CMYK Holdings Limited was £60,100 (2020 - £60,000). During the year CMYK Digital Solutions Limited lent monies to Clydesdale Office Equipment Limited. The loans are repayable on demand. At the balance sheet date the amount due from Clydesdale Office Equipment Limited was £4,628 (2020 - £nil).

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.