

Directed Printing Services Limited

trading as Direct Ed Printing Services Limited
Annual Report and Unaudited Financial Statements
for the Year Ended 31 October 2018

Howard & Co
10-12 Wellington Street
(St Johns)
Blackburn
Lancashire
BB1 8AG

Directed Printing Services Limited
trading as Direct Ed Printing Services Limited

Contents

Balance Sheet	<u>1</u> to <u>2</u>
Notes to the Financial Statements	<u>3</u> to <u>11</u>

Directed Printing Services Limited
trading as Direct Ed Printing Services Limited

(Registration number: 2945569)
Balance Sheet as at 31 October 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	<u>4</u>	235,680	194,289
Investments	<u>5</u>	150	150
		<u>235,830</u>	<u>194,439</u>
Current assets			
Stocks	<u>6</u>	71,450	68,470
Debtors	<u>7</u>	172,165	306,381
Cash at bank and in hand		<u>181,511</u>	<u>69,122</u>
		425,126	443,973
Creditors: Amounts falling due within one year	<u>8</u>	<u>(285,916)</u>	<u>(297,089)</u>
Net current assets		<u>139,210</u>	<u>146,884</u>
Total assets less current liabilities		375,040	341,323
Creditors: Amounts falling due after more than one year	<u>8</u>	(26,417)	-
Provisions for liabilities		<u>(42,440)</u>	<u>(36,915)</u>
Net assets		<u><u>306,183</u></u>	<u><u>304,408</u></u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		<u>306,083</u>	<u>304,308</u>
Total equity		<u><u>306,183</u></u>	<u><u>304,408</u></u>

The notes on pages 3 to 11 form an integral part of these financial statements.
Page 1

Directed Printing Services Limited
trading as Direct Ed Printing Services Limited

(Registration number: 2945569)
Balance Sheet as at 31 October 2018

For the financial year ending 31 October 2018 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 and in accordance with the provisions of FRS 102 Section 1A - Small Entities.

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 and Director's Report has been taken.

Approved and authorised by the Board on 30 July 2019 and signed on its behalf by:

.....

Mr MR Mugan

Company secretary and director

The notes on pages 3 to 11 form an integral part of these financial statements.

Directed Printing Services Limited
trading as Direct Ed Printing Services Limited

Notes to the Financial Statements for the Year Ended 31 October 2018

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Unit 1 The Iron Works
Dale Street
Accrington
Lancashire
BB5 0AP

These financial statements were authorised for issue by the Board on 30 July 2019.

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, which is the functional currency of the company and are rounded to the nearest pound.

Group accounts not prepared

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small group. The company has therefore taken advantage of the exemptions provided by section 399 of the Companies Act 2006 not to prepare group accounts.

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.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Government grants

Government grants are amortised over the expected economic life of the asset for which the grant was received.

Directed Printing Services Limited
trading as Direct Ed Printing Services Limited

Notes to the Financial Statements for the Year Ended 31 October 2018

Tax

The tax expense for the period comprises deferred 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.

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.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position 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
Plant and machinery	15% reducing balance
Fixtures and fittings	15% reducing balance
Motor vehicles	25% 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.

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.

Directed Printing Services Limited
trading as Direct Ed Printing Services Limited

Notes to the Financial Statements for the Year Ended 31 October 2018

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 receivables.

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.

Directed Printing Services Limited
trading as Direct Ed Printing Services Limited

Notes to the Financial Statements for the Year Ended 31 October 2018

Leases

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

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 10 (2017 - 10).

Directed Printing Services Limited
trading as Direct Ed Printing Services Limited

Notes to the Financial Statements for the Year Ended 31 October 2018

4 Tangible assets

	Fixtures and fittings £	Motor vehicles £	Plant and machinery £	Total £
Cost or valuation				
At 1 November 2017	53,517	5,675	512,403	571,595
Additions	901	-	82,190	83,091
At 31 October 2018	54,418	5,675	594,593	654,686
Depreciation				
At 1 November 2017	40,209	4,744	332,353	377,306
Charge for the year	2,131	233	39,336	41,700
At 31 October 2018	42,340	4,977	371,689	419,006
Carrying amount				
At 31 October 2018	12,078	698	222,904	235,680
At 31 October 2017	13,308	931	180,050	194,289

Leased assets

Included within the net book value of tangible fixed assets is £57,800 (2017 - £110,665) in respect of assets held under hire purchase contracts. Depreciation for the year on these assets was £10,200 (2017 - £19,529).

5 Investments

	2018 £	2017 £
Investments in subsidiaries	150	150
		Subsidiary undertakings £
Cost		
At 1 November 2017		150
Net book value		
At 31 October 2018		150
At 31 October 2017		150

Directed Printing Services Limited
trading as Direct Ed Printing Services Limited

Notes to the Financial Statements for the Year Ended 31 October 2018

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	
					2018	2017
Subsidiary undertakings						
Printworthy Limited			Unit 1 The Iron Works Dale Street Accrington BB5 0AP	Ordinary shares	100%	100%
			England			
MH Precision Engineering Limited			Unit 1 The Iron Works Dale Street Accrington BB5 0AP	Ordinary shares	50%	50%
			England			

The principal activity of Printworthy Limited is printing.

The principal activity of MH Precision Engineering Limited is engineering.

6 Stocks

	2018 £	2017 £
Other inventories	71,450	68,470

7 Debtors

	Note	2018 £	2017 £
Trade debtors		117,643	277,135
Amounts owed by group undertakings and undertakings in which the company has a participating interest	<u>11</u>	54,383	29,182
Prepayments		139	64
		<u>172,165</u>	<u>306,381</u>

Directed Printing Services Limited
trading as Direct Ed Printing Services Limited

Notes to the Financial Statements for the Year Ended 31 October 2018

8 Creditors

Creditors: amounts falling due within one year

	Note	2018 £	2017 £
Obligations under hire purchase contracts	<u>10</u>	19,333	19,286
Trade creditors		156,578	165,681
Taxation and social security		55,468	56,806
Accruals and deferred income		18,301	20,827
Other creditors		36,236	34,489
		<u>285,916</u>	<u>297,089</u>

Creditors include net obligations under hire purchase contracts which are secured of £19,333 (2017 - £19,286).

Creditors: amounts falling due after more than one year

	Note	2018 £	2017 £
Obligations under hire purchase contracts	<u>10</u>	<u>26,417</u>	<u>-</u>

Creditors include net obligations under hire purchase contracts which are secured of £26,417 (2017 - £nil).

9 Share capital

Allotted, called up and fully paid shares

	No.	2018 £	No.	2017 £
Ordinary of £1 each	100	100	100	100

Directed Printing Services Limited
trading as Direct Ed Printing Services Limited

Notes to the Financial Statements for the Year Ended 31 October 2018

10 Loans and borrowings

	2018	2017
	£	£
Non-current loans and borrowings		
Hire purchase contracts	26,417	-

	2018	2017
	£	£
Current loans and borrowings		
Hire purchase contracts	19,333	19,286

Directed Printing Services Limited
trading as Direct Ed Printing Services Limited

Notes to the Financial Statements for the Year Ended 31 October 2018

11 Related party transactions

Summary of transactions with subsidiaries

Printworthy Limited

Directed Printing Services Limited holds 100% of the issued share capital of Printworthy Limited

The terms of the loan is that it is repayable on demand and there is no interest charged on the loan.

Summary of transactions with other related parties

MH Precision Engineering Limited

Directed Printing Services Limited holds 50% of the issued share capital of MH Precision Engineering Limited

The terms of the loan is that it is repayable on demand and there is no interest charged on the loan.

Loans to related parties

	Subsidiary £	Other related parties £
2018		
At start of period	14,595	14,587
Advanced	14,156	11,045
	<hr/>	<hr/>
At end of period	28,751	25,632
	<hr/>	<hr/>
	Subsidiary £	Other related parties £
2017		
At start of period	14,595	11,269
Advanced	-	3,318
	<hr/>	<hr/>
At end of period	14,595	14,587
	<hr/>	<hr/>

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.