Registration number: 02872719

EAST SUSSEX PRESS LIMITED
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT

EAST SUSSEX PRESS LIMITED

Contents

EAST SUSSEX PRESS LIMITED

Company Information

Directors	D J Bullivant M W Handford A J Nash R Osborne B M Tucker A F Erickson L Cockburn
Company secretary	B M Tucker
Registered office	Beacon House Brambleside Bellbrook Park Uckfield East Sussex TN22 1PL
Bankers	Barclays Bank PLC Churchill Place Canary Wharf London E14 5RB
Auditors	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT

EAST SUSSEX PRESS LIMITED

Strategic Report for the Year Ended 31 December 2019

The directors present their strategic report for the year ended 31 December 2019.

Principal activity

The principal activity of the company is the creation, management and supply of marketing print services and products. All parts of the group aim to operate as market leading businesses and work closely with each other to provide clients with the best products and solutions available.

Review of the business

The results for the year, which are set out in the profit and loss account, show turnover of £60,429,594 (2018 - £58,128,770) and an operating profit before exceptional items and goodwill of £584,556 (2018 - £415,967).

	2019 £ 000	2018 £ 000
Turnover	60,430	58,129
Gross profit	20,944	18,915
Overheads	20,359	18,499
Operating profit (pre exceptional/goodwill)	585	416
EBITDA	**2,594**	**2,334**

EBITDA performance in the year improved to £2,594,151 (2018 - £2,334,133) being 4.3% of revenues delivered in the year (2018 – 4.0% of revenues), the restructure delivered in June 2019 resulted in a significant increase in 2019 EBITDA for the second half of the year when compared to the same period of 2018.

At 31 December 2019, the group had total assets less current liabilities of £6,010,119 (2018 - £4,957,317). The directors consider the performance for the year and the financial position at the year end to be a good result.

Business development

In January 2019, Pureprint acquired its second 12000 HP Indigo B2 Digital Press including High Definition (HD) writing heads and the existing 12000 HP Indigo press was also upgraded and fitted with HD writing heads. In October 2019, the company replaced its series 3 digital presses with 2 HP Indigo 7900 presses.

In 2020 following the acquisition of various binding equipment, the litho operation has been reorganized so that it manufactures from just one building leading to operating efficiencies. The building vacated by litho will be used for a new significant web2 print contract that Pureprint has just won that starts in August.

In addition to investment in physical kit, the group continues to develop technology solutions to enable more effective investment, control, innovation and efficient print and marketing solutions to clients. These solutions provide opportunities to reduce operating costs, increase margins and increase the longevity of our client relationships.

Market overview

Traditional print markets continue to evolve and the widespread adoption of online print solutions is increasing the expectations of speed to market and are productising some market sectors, increasing the need for improving efficiency and innovation. Even within the bespoke print markets that the company operates in improving operating efficiency is a key requirement.

The group therefore continues to invest to ensure that the group's technology and production capability is amongst the best available, providing differentiated products and value enhancing services. With the development of new IT workflow solutions to help customers and the continued investment in digital production, the group continues to secure growth in its target markets.

Market overview (continued)

2019 has seen significant new contract wins with an enhanced full service offering to national corporate marketing teams proving particularly successful.

Financial instruments

Objectives and policies

The group does not actively use financial instruments as part of its financial risk management. It is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit insurance of its trade debtors and credit control procedures.

Principal risks and uncertainties

The group may be affected by a number of risks and uncertainties, some of which are beyond its control. The following table sets out the principal risks and uncertainties which could have a material adverse effect on the group.

Risk	Mitigation
Competition in the print industry arising from a declining market	Continual improvement to reduce the unit cost of production by changing production methods or investing in new more efficient machinery. Marketing activities are continuing to ensure any lost business is replaced by new customers and new business.
New technology reducing the demand for print	The Group monitors technological developments and as a result offers new services arising from such technologies alongside the traditional print offering, for example using its digital presses to offer personalised books.
Challenging economic conditions inhibit growth and create uncertainty	Continue to diversify the Group's business to be able to provide a wide range of marketing services to customers. Continually review the Group's cost base. Regularly review the performance of all businesses against their budgets and implement remedial action, where needed.
A loss of facility due to catastrophic event	Regularly review the business continuity plan and maintain a full catastrophic event insurance programme including business interruption cover.
The Group's ability to trade is compromised by a lack of cash funds	The monthly financial information submitted to the Board includes a month cash flow forecast with sensitivities to facilitate the monitoring of performance against a lack of cash funds.
A material unrecoverable debt arises from the Group's practice of trading with the majority of its clients on credit	The Group's policy is that all customers are granted credit subject to credit verification procedures. A rigorous system of credit control is applied and debtors are continually monitored. Imprint's debtors are insured.
Major information security breach or cyber attack	The risk of attack is continuous and we look to minimize the risks with firewalls, up to date anti-virus protection systems, and data protection policies through ISO27001 and Cyber Essentials Plus Accreditations. Group policies, staff training and data backup routines ensure high levels of protection.
Brexit	The group's Brexit team continues to assess the potential risks that maybe caused by the outcome of the trade negotiations both directly to itself and its clients and how to best manage these.

EAST SUSSEX PRESS LIMITED

Strategic Report for the Year Ended 31 December 2019

Since 31 December 2019, in common with many other companies, the outbreak of COVID-19 in the UK and the measures being taken to control its spread, have had an impact on the business. The group has determined that these events are non-adjusting post Balance Sheet events. Accordingly the financial position as at and results of operations for the year ended 31 December 2019 have not been adjusted to reflect the impact. To mitigate the impact the group has used the Coronavirus Job Retention Scheme to temporarily reduce its workforce. This has enabled the group to achieve better results in the 7 months ended 31 July on reduced sales; Sales £25.3m, 2019 £35.3m, operating profit £0.41m 2019 loss £0.11m. Underlying permanent cost efficiencies have also identified and realised in 2020 meaning that future periods are anticipated to deliver higher profit margins.

Approved by the Board on 9 November 2020 and signed on its behalf by:

....
A F Erickson
Director

EAST SUSSEX PRESS LIMITED

Directors' Report for the Year Ended 31 December 2019

The directors present their report and the for the year ended 31 December 2019.

Directors of the group

The directors who held office during the year were as follows:

I Brown (resigned 31 August 2020)

M G Bryant (resigned 26 August 2020)

D J Bullivant (appointed 25 February 2019)

N E Frogbrook (appointed 27 March 2019 and resigned 28 January 2020)

M W Handford

A J Nash

R Osborne

B M Tucker

The following directors were appointed after the year end:

A F Erickson (appointed 8 January 2020)

L Cockburn (appointed 26 August 2020)

Employment of disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the group continues and that the appropriate training is arranged. It is the policy of the Group that training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee involvement

The Group's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employee's interests.
Information on matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Group's performance.

Future developments

The external environment is expected to remain competitive going forward, however the directors remain confident that the company will improve on its current level of performance in the future.

Disclosure of information to the auditor

Each director has taken the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditors

Hazlewoods LLP have expressed their willingness to continue in office.

Approved by the Board on 9 November 2020 and signed on its behalf by:

....
A F Erickson
Director

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report, 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 and 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 group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's Report to the Members of East Sussex Press Limited

Opinion

We have audited the financial statements of East Sussex Press Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2019, which comprise the Consolidated Profit and Loss Account, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Changes in Equity, Statement of Changes in Equity, Consolidated Statement of Cash Flows, 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).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2019 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Independent Auditor's Report to the Members of East Sussex Press Limited

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 Statement of Directors' Responsibilities set out on page 6, 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

....

Martin Howard (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor
Windsor House
Bayshill Road
Cheltenham
GL50 3AT

9 November 2020

EAST SUSSEX PRESS LIMITED

Consolidated Profit and Loss Account for the Year Ended 31 December 2019

	Note	2019 £	(As restated) 2018 £
Turnover	3	60,429,594	58,128,770
Cost of sales		(39,485,910)	(39,213,677)
Gross profit		20,943,684	18,915,093
Distribution costs		(4,651,387)	(3,352,575)
Administrative expenses		(15,707,741)	(15,146,551)
Other operating income		-	-
Operating profit before exceptional items and goodwill		584,556	415,967
Exceptional items	5	(461,157)	-
Amortisation of goodwill		(416,468)	(355,539)
Operating (loss)/profit	4	(293,069)	60,428
Other interest receivable and similar income		35,158	-
Interest payable and similar charges	6	(762,493)	(717,980)
		(727,335)	(717,980)
(Loss)/Profit before tax		(1,020,404)	(657,552)
Taxation	10	123,862	38,934
Loss for the financial year		(896,542)	(618,618)
EBITDA		2,594,151	2,334,133
Profit/(loss) attributable to:			
Owners of the company		(938,002)	(620,008)
Minority interests		41,460	1,390
		(896,542)	(618,618)

The above results were derived from continuing operations.

The group has no other comprehensive income for the year.

The notes on pages 16 to 36 form an integral part of these financial statements.

EAST SUSSEX PRESS LIMITED

(Registration number: 02872719)
Consolidated Balance Sheet as at 31 December 2019

	Note	2019 £	(As restated) 2018 £
Fixed assets			
Intangible assets	11	1,331,526	1,458,208
Tangible assets	12	10,229,902	9,194,382
		11,561,428	10,652,590
Current assets			
Stocks	14	1,140,014	1,205,487
Debtors	15	13,109,145	13,830,572
Cash at bank and in hand		966,750	460,844
		15,215,909	15,496,903
Creditors: Amounts falling due within one year	17	(20,771,075)	(21,192,176)
Net current liabilities		(5,555,166)	(5,695,273)
Total assets less current liabilities		6,006,262	4,957,317
Creditors: Amounts falling due after more than one year	17	8,376,377	6,303,181
Provisions for liabilities	10	72,846	200,565
Capital and reserves			
Called up share capital	20	1,041	1,031
Profit and loss account		(2,669,344)	(1,731,342)
Equity attributable to owners of the company		(2,668,303)	(1,730,311)
Minority interests		225,342	183,882
Total equity		(2,442,961)	(1,546,429)
Total capital, reserves and long term liabilities		6,006,262	4,957,317

Approved and authorised by the Board on 9 November 2020 and signed on its behalf by:

....

A F Erickson
Director

The notes on pages 16 to 36 form an integral part of these financial statements.

EAST SUSSEX PRESS LIMITED

(Registration number: 02872719)
Balance Sheet as at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	11	1	1
Investments	13	1,838,704	1,838,704
		1,838,705	1,838,705
Current assets			
Debtors	15	375,119	516,040
Cash at bank and in hand		11,105	1,298
		386,224	517,338
Creditors: Amounts falling due within one year	17	(3,018,140)	(1,430,841)
Net current liabilities		(2,631,916)	(913,503)
Total assets less current liabilities		(793,211)	925,202
Creditors: Amounts falling due after more than one year	17	1,139,249	2,256,995
Capital and reserves			
Called up share capital	20	1,041	1,031
Profit and loss account		(1,933,501)	(1,332,824)
Total equity		(1,932,460)	(1,331,793)
Total capital, reserves and long term liabilities		(793,211)	925,202

The company made a loss after tax for the financial year of £600,677 (2018 - loss of £801,798).

Approved and authorised by the Board on 9 November 2020 and signed on its behalf by:

....

A F Erickson
Director

The notes on pages 16 to 36 form an integral part of these financial statements.

Consolidated Statement of Changes in Equity for the Year Ended 31 December 2019
Equity attributable to the parent company

	Share capital £	Profit and loss account £	Total £	Non- controlling interests £	Total equity £
At 1 January 2019	1,031	(1,731,342)	(1,730,311)	183,882	(1,546,429)
(Loss)/profit for the year	-	(938,002)	(938,002)	41,460	(896,542)
New share capital subscribed	10	-	10	-	10
At 31 December 2019	1,041	(2,669,344)	(2,668,303)	225,342	(2,442,961)

	Share capital £	Profit and loss account £	Total £	Non- controlling interests £	Total equity £
At 1 January 2018	1,031	(1,111,334)	(1,110,303)	182,492	(927,811)
Loss for the year	-	(620,008)	(620,008)	1,390	(618,618)
At 31 December 2018	1,031	(1,731,342)	(1,730,311)	183,882	(1,546,429)

The notes on pages 16 to 36 form an integral part of these financial statements.

EAST SUSSEX PRESS LIMITED

Statement of Changes in Equity for the Year Ended 31 December 2019

	Share capital £	Profit and loss account £	Total £
At 1 January 2019	1,031	(1,332,824)	(1,331,793)
Loss for the year	-	(600,677)	(600,677)
New share capital subscribed	10	-	10
At 31 December 2019	1,041	(1,933,501)	(1,932,460)

	Share capital £	Profit and loss account £	Total £
At 1 January 2018	1,031	(531,026)	(529,995)
Loss for the year	-	(801,798)	(801,798)
At 31 December 2018	1,031	(1,332,824)	(1,331,793)

The notes on pages 16 to 36 form an integral part of these financial statements.

EAST SUSSEX PRESS LIMITED

Consolidated Statement of Cash Flows for the Year Ended 31 December 2019

	Note	2019 £	(As restated) 2018 £
Cash flows from operating activities			
Loss for the year		(896,542)	(618,618)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	4	2,587,540	2,324,140
Profit on disposal of tangible assets		(161,475)	(50,435)
Finance income		(35,158)	-
Finance costs	6	762,493	717,980
Income tax expense	10	(123,862)	(38,934)
		2,132,996	2,334,133
Working capital adjustments			
Decrease/(increase) in stocks	14	65,473	(144,792)
Decrease in trade debtors	15	721,427	282,936
Decrease in trade creditors	17	(965,040)	(907,785)
Decrease in provisions		-	(51,762)
Cash generated from operations		1,954,856	1,512,730
Income taxes paid	10	-	(24,423)
Net cash flow from operating activities		1,954,856	1,488,307
Cash flows from investing activities			
Interest received		35,158	-
Acquisitions of tangible assets		(217,554)	(457,217)
Proceeds from sale of tangible assets		1,230,927	20,000
Acquisition of intangible assets	11	(289,786)	(284,894)
Proceeds from sale of investment properties		-	1,800,000
Net cash flows from investing activities		758,745	1,077,889
Cash flows from financing activities			
Interest paid		(426,243)	(617,160)
Proceeds from issue of ordinary shares, net of issue costs		10	-
Repayment of bank borrowing		-	(479,956)
Receipts from finance lease debtors		1,284,474	-
Payments to finance lease creditors		(2,203,097)	(1,739,114)
Net cash flows from financing activities		(1,344,856)	(2,836,230)
Net increase/(decrease) in cash and cash equivalents		1,368,745	(270,034)
Cash and cash equivalents at 1 January		(5,539,904)	(5,269,870)
Cash and cash equivalents at 31 December		(4,171,159)	(5,539,904)

Reconciliation to Cash and cash equivalents category (adjusted for overdrafts)

The notes on pages 16 to 36 form an integral part of these financial statements.

EAST SUSSEX PRESS LIMITED

Consolidated Statement of Cash Flows for the Year Ended 31 December 2019

	Note	2019 £	(As restated) 2018 £
Cash and short-term deposits		966,750	460,844
Bank overdrafts		(5,137,909)	(6,000,748)
		(4,171,159)	(5,539,904)

The notes on pages 16 to 36 form an integral part of these financial statements.

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:
Beacon House
Brambleside
Bellbrook Park
Uckfield
East Sussex
TN22 1PL

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 were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

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

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 December 2019.
No Profit and Loss Account is presented for the company as permitted by section 408 of the Companies Act 2006. The company made a loss after tax for the financial year of £600,677 (2018 - £801,798).

A subsidiary is an entity controlled by the company. Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.
The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.
The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

2 Accounting policies (continued)

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.
Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.
Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

Parent Company Guarantee
East Sussex Press Limited has provided a guarantee in accordance with section 479A of the companies act 2006 to the below named subsidiary to allow them to claim exemption from audit.
Headford Digital Limited (09952084)

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Prior period errors

In the prior year financial statements, both revenue and cost of sales were mistated by £2,156,039 due to an error on consolidation.

Significant judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.
These financial statements do not contain any significant judgements or estimation uncertainty..

Revenue recognition

Revenue is measured at the value of consideration received or recoverable and comprises amounts receivable for goods and services, net of trade discounts, and value added tax.
Revenue is recognised in the profit and loss account when significant risks and rewards of ownership are transferred to the customer, normally on shipment of goods.
Income from advance billings is deferred and released to revenue when conditions for recognition have been fulfilled.

Tax

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

2 Accounting policies (continued)

The current 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 group operates and generates taxable income.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements and on unused tax losses or tax credits in the group. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.
The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

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 over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Freehold buildings	Over 100 years
Leasehold land and buildings	Straight line over life of lease
Plant and machinery	10% to 50% straight line
Fixtures, fittings and equipment	10% to 50% straight line
Motor vehicles	25% straight line and 10% 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, representing the excess of consideration for an acquired undertaking, or acquired trade and assets, compared with the fair value of net assets acquired is capitalised and written off evenly over 10 years as in the opinion of the directors this represents the period over which the goodwill is expected to give rise to economic benefits. Goodwill is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Intangible assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.
Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

2 Accounting policies (continued)

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
Development costs	20% straight line
Customer contracts	20% straight line

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. 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.

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. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the debtors.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.
Stocks held for distribution at no or nominal consideration are measure at cost, adjusted where applicable for any loss of service potential.
At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

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 group 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 all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

2 Accounting policies (continued)

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 group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases are classified as finance leases whenever the terms of the lease transfers 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.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the group 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.

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

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

2 Accounting policies (continued)

Financial instruments (continued)
Impairment
Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.
A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.
The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ('CGUs') of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.
Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.
For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.
For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.
Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

3 Revenue

The analysis of the group's revenue for the year from continuing operations is as follows:

	2019 £	(As restated) 2018 £
Rendering of services	60,429,594	58,128,770

The analysis of the group's turnover for the year by geographical market is as follows:

	2019 £	(As restated) 2018 £
UK	54,169,566	51,111,775
Europe	2,481,108	2,926,744
USA	3,199,237	2,747,469
Rest of world	579,683	1,342,782
	60,429,594	58,128,770

The total turnover of the company has been derived from its principal activity wholly undertaken in the United Kingdom.

4 Operating profit

Arrived at after charging/(crediting)

	2019 £	2018 £
Depreciation expense	2,171,072	1,968,601
Amortisation expense	416,468	355,539
Operating lease charges	1,979,264	2,136,053
Profit on disposal of property, plant and equipment	(161,475)	(50,435)

5 Exceptional items

	2019 £	2018 £
Redundancy	369,604	-
Refinancing	72,830	-
Closure costs	18,723	-
	461,157	-

Exceptional items consist of redundancy, refinancing and office closure expenses which are all deemed as one-off expenses in the year.

6 Interest payable and similar expenses

	2019 £	2018 £
Interest on bank overdrafts and borrowings	150,738	96,938
Interest on obligations under finance leases and hire purchase contracts	336,400	290,723
Interest expense on other finance liabilities	275,355	330,319
	762,493	717,980

7 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2019 £	2018 £
Wages and salaries	15,941,587	15,946,065
Social security costs	1,462,857	1,458,982
Pension costs, defined contribution scheme	331,581	247,522
	17,736,025	17,652,569

The average number of persons employed by the group (including directors) during the year, analysed by category was as follows:

	2019 No.	2018 No.
Production	263	264
Administration and support	151	157
	414	421

8 Directors' remuneration

The directors' remuneration for the year was as follows:

	2019 £	2018 £
Remuneration	799,775	576,746
Contributions paid to money purchase schemes	81,096	77,008
	880,871	653,754

During the year the number of directors who were receiving benefits was as follows:

	2019 No.	2018 No.
Accruing benefits under money purchase pension scheme	6	4

In respect of the highest paid director:

	2019 £	2018 £
Remuneration	232,700	232,700
Company contributions to money purchase pension schemes	19,598	19,113

9 Auditors' remuneration

	2019 £	2018 £
Audit of these financial statements	26,850	25,100
Other fees to auditors		
All other non-audit services	16,050	14,700

Non-audit fees paid to the auditors comprise taxation services of £5,660 (2018 - £5,250) and other services of £10,390 (2018 - £9,450).

10 Taxation

Tax charged/(credited) in the profit and loss account

	2019 £	2018 £
Current taxation		
UK corporation tax	3,857	-
Corporation tax interest	-	232
UK corporation tax adjustment to prior periods	-	(1,046)
	3,857	(814)
Deferred taxation		
Arising from origination and reversal of timing differences	(38,116)	(38,120)
Arising from changes in tax rates and laws	(89,603)	-
Total deferred taxation	(127,719)	(38,120)
Tax receipt in the income statement	(123,862)	(38,934)

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2018 - higher than the standard rate of corporation tax in the UK) of 19% (2018 - 19%).
The differences are reconciled below:

	2019 £	2018 £
Loss before tax	(1,020,404)	(657,552)
Corporation tax at standard rate	(193,877)	(124,935)
Effect of expense not deductible in determining taxable profit (tax loss)	47,245	37,628
Deferred tax (credit)/expense from unrecognised tax loss or credit	(54,298)	29,410
Tax increase from effect of capital allowances and depreciation	77,068	18,963
Total tax credit	(123,862)	(38,934)

10 Taxation (continued)

Deferred tax

Group

Deferred tax assets and liabilities

2019	Liability £
Accelerated capital allowances	177,707
Short term timing differences	(45,013)
Taxable losses	(59,848)
	72,846

2018	Liability £
Accelerated capital allowances	480,384
Short term timing differences	(1,030)
Taxable losses	(278,789)
	200,565

Company

Deferred tax assets and liabilities

2019	Asset £
Taxable losses	208,107

2018	Asset £
Taxable losses	121,802

11 Intangible assets

Group

	Goodwill £	Development costs £	Contractual customer relationships £	Total £
Cost				
At 1 January 2019	2,023,230	862,531	184,203	3,069,964
Additions acquired separately	-	289,786	-	289,786
At 31 December 2019	2,023,230	1,152,317	184,203	3,359,750
Amortisation				
At 1 January 2019	1,147,642	316,750	147,364	1,611,756
Amortisation charge	202,323	177,306	36,839	416,468
At 31 December 2019	1,349,965	494,056	184,203	2,028,224
Carrying amount				
At 31 December 2019	673,265	658,261	-	1,331,526
At 31 December 2018	875,588	545,781	36,839	1,458,208

Company

	Goodwill £
Cost and carrying amount	
At 1 January 2019 and at 31 December 2019	1

12 Tangible assets

Group

	Land and buildings leasehold £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost				
At 1 January 2019	1,090,463	14,768,032	126,831	15,985,326
Additions	21,297	4,254,747	-	4,276,044
Disposals	(38,766)	(1,999,467)	(136,242)	(2,174,475)
At 31 December 2019	1,072,994	17,023,312	(9,411)	18,086,895
Depreciation				
At 1 January 2019	431,330	6,256,645	102,969	6,790,944
Charge for the year	107,057	2,064,015	-	2,171,072
Eliminated on disposal	(2,864)	(989,779)	(112,380)	(1,105,023)
At 31 December 2019	535,523	7,330,881	(9,411)	7,856,993
Carrying amount				
At 31 December 2019	537,471	9,692,431	-	10,229,902
At 31 December 2018	659,133	8,511,387	23,862	9,194,382

The company has no tangible fixed assets at 31 December 2019 or 31 December 2018.

12 Tangible assets (continued)

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2019 £	2018 £
Fixtures, fittings and equipment	9,024,010	7,009,342

13 Investments

Company

	2019 £	2018 £
Investments in subsidiaries	1,838,704	1,838,704

Subsidiaries	£
Cost and carrying amount	
At 1 January 2019 and at 31 December 2019	1,838,704

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held 2019	2018
Subsidiary undertakings				
Pureprint Group Limited	England	Ordinary	100%	100%
Pureprint Abstract Limited	England	Ordinary	100%	100%
Imprint Creative Print Solutions Limited	England	Ordinary	90%	90%
Perfect Screen Print Limited	England	Ordinary	90%	90%
Headford Digital Limited	England	Ordinary	51%	51%

The principal activity of Pureprint Group Limited is printing, marketing and fulfilment services.

The principal activity of Pureprint Abstract Limited is is that of a dormant company.

The principal activity of Imprint Creative Print Solutions Limited is the design, production and distribution of point of sale material.

The principal activity of Perfect Screen Print Limited is is that of a dormant company.

The principal activity of Headford Digital Limited is online printing for high quality brochures, magazines, booklets, leaflets and posters.

14 Stocks

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Raw materials and consumables	466,409	419,072	-	-
Work in progress	591,870	693,693	-	-
Finished goods and goods for resale	81,735	92,722	-	-
	1,140,014	1,205,487	-	-

Group

The cost of stocks recognised as an expense in the year amounted to £18,136,364 (2018 - £13,273,562).

15 Debtors

		Group		Company	
		2019	2018	2019	2018
	Note	£	£	£	£
Trade debtors		11,435,582	12,351,592	-	-
Amounts owed by related parties	23	-	-	148,396	366,227
Other debtors		1,225,586	1,039,887	-	4,742
Prepayments		447,977	439,093	18,616	23,269
Deferred tax assets	10	-	-	208,107	121,802
		13,109,145	13,830,572	375,119	516,040

16 Cash and cash equivalents

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Cash on hand	166	2	-	-
Cash at bank	966,584	460,842	11,105	1,298
	966,750	460,844	11,105	1,298
Bank overdrafts	(5,137,909)	(6,000,748)	-	-
Cash and cash equivalents in statement of cash flows	(4,171,159)	(5,539,904)	11,105	1,298

17 Creditors

	Note	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Due within one year					
Loans and borrowings	18	6,901,691	7,479,206	-	-
Trade creditors		9,145,415	10,599,666	23,083	18,977
Amounts due to group undertakings	23	-	-	1,750,757	1,316,722
Social security and other taxes		788,428	680,680	23,582	-
Other creditors		302,114	324,849	11,338	35,782
Accrued expenses		2,479,570	2,107,775	59,380	59,360
Corporation tax liability	10	3,857	-	-	-
Amounts due to related parties		1,150,000	-	1,150,000	-
		20,771,075	21,192,176	3,018,140	1,430,841
Due after one year					
Loans and borrowings	18	7,237,128	4,046,186	-	-
Amounts due to related parties		1,139,249	2,256,995	1,139,249	2,256,995
		8,376,377	6,303,181	1,139,249	2,256,995

The related party loan of £2,289,249 (2018 - £2,256,995) comprises unsecured fixed rate loan notes and attracts interest at a fixed rate of 8% per annum, payable quarterly.

18 Loans and borrowings

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Current loans and borrowings				
Bank overdrafts	5,137,909	6,000,748	-	-
Finance lease liabilities	1,763,782	1,478,458	-	-
	6,901,691	7,479,206	-	-

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Non-current loans and borrowings				
Finance lease liabilities	7,237,128	4,046,186	-	-

The related party loan comprises unsecured fixed rate loan notes.
Interest has been charged on the bank loan at a variable rate of LIBOR plus 3% in the current and comparative periods, payable quarterly. The related party loan attracts interest at a fixed rate of 8% per annum, payable quarterly.
Finance lease payments represent rentals payable by the company or the group 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. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.
Included within bank overdrafts is £5,137,909 (2018 - £6,000,748) due to the bank in respect of invoice finance discounting. This amount is secured by a fixed and floating charge over the assets of the company in favour of Barclays Bank PLC.

19 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £331,580 (2018 - £247,521).
Contributions totalling £59,149 (2018 - £41,229) were payable to the scheme at the end of the year and are included in creditors.

20 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary shares of £0.001 each	610,000	610.00	610,000	610.00
Ordinary A shares of £0.001 each	390,000	390.00	390,000	390.00
Ordinary B shares of £0.001 each	40,928	40.93	30,928	30.93
	1,040,928	1,041	1,030,928	1,031

New shares allotted

During the year, 10,000 Ordinary B shares having an aggregate nominal value of £0.001 were allotted for an aggregate consideration of £10.

Rights, preferences and restrictions

The company's ordinary shares and 'A' ordinary shares, which carry no right to fixed income, each carry the right to one vote at the general meetings of the company.
The company's 'B' shares do not carry any voting rights.

21 Obligations under leases and hire purchase contracts

Group

Finance leases

The total of future minimum lease payments is as follows:

	2019 £	2018 £
Not later than one year	2,205,338	1,671,466
Later than one year and not later than five years	7,950,389	4,367,091
Later than five years	242,281	-
Less: future finance costs	(1,373,371)	(518,233)
	9,024,637	5,520,324

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 place on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Operating leases

The total of future minimum lease payments is as follows:

	2019 £	2018 £
Not later than one year	998,855	1,751,356
Later than one year and not later than five years	2,074,618	2,531,784
Later than five years	2,740,798	3,092,549
	5,814,271	7,375,689

The amount of non-cancellable operating lease payments recognised as an expense during the year was £1,979,264 (2018 - £ 1,356,363).

22 Contingent liabilities

Company

The company has a cross guarantee, secured by a fixed and floating charge, against debts owed by Pureprint Group Limited to Barclays Bank PLC. The contingent liability at 31 December 2019 was £2,793,031 (2018 - £5,040,017).

23 Related party transactions

Group

Summary of transactions with key management

Key management personnel are considered to be the directors of the company and key management personnel compensation is disclosed in note 8 to the financial statements.

During the year the group paid rent of £31,000 (2018 - £31,000) to the parents of one of the directors.

Transactions with subsidiaries

Imprint Creative Print Solutions Limited

(subsidiary company which is not wholly owned)

During the year management charges of £141,321 (2018 - £181,288) were charged to Imprint Creative Print Solutions Limited by East Sussex Press Limited.

Company

Transactions with entities with significant influence over the group

BGF Investments LP

(entity with significant influence over the group and the company)

During the year interest of £184,000 (2018 - £184,000) were payable by East Sussex Press Limited to the BGF Investments LP. At the year end £2,300,000 (2018 - £2,300,000) was due to the BGF Investments LP in the form of fixed rate loan notes. The related party loan attracts interest at a fixed rate of 8% per annum, payable quarterly.

Transactions with entities under common directorship

Nash Bevan Associates Limited

(entity controlled by a director)

During the year non executive directorship fees of £41,965 (2018 - £46,990) were payable to Nash Bevan Associates Limited. At the year end £nil (2018 - £nil) was due to Nash Bevan Associates Limited.

Fielden Properties Limited

(entity controlled by a director)

During the year, Pureprint Group Limited, a wholly owned subsidiary of the group, incurred costs of £150,000 (2018 - £128,166) in relation to the lease of Beacon House from Fielden Properties Limited. At the balance sheet date, the company owed £nil (2018 - £nil) to Fielden Properties Limited.

24 Parent and ultimate parent undertaking

The directors consider the ultimate controlling party to be Mr M Handford by virtue of his controlling shareholding in East Sussex Press Limited.