

Company Registration No. 06043884 (England and Wales)

PRINTSPACE STUDIOS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
PAGES FOR FILING WITH REGISTRAR

PRINTSPACE STUDIOS LIMITED

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PRINTSPACE STUDIOS LIMITED

BALANCE SHEET

AS AT 30 JUNE 2021

		2021		2020 as restated	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	3		1,775,189		1,370,086
Tangible assets	4		141,181		169,721
Investments	5		554,130		544,729
			<u>2,470,500</u>		<u>2,084,536</u>
Current assets					
Stocks		60,161		47,769	
Debtors	7	386,307		322,610	
Cash at bank and in hand		471,372		757,433	
		<u>917,840</u>		<u>1,127,812</u>	
Creditors: amounts falling due within one year	8	<u>(1,161,031)</u>		<u>(921,715)</u>	
Net current (liabilities)/assets			<u>(243,191)</u>		<u>206,097</u>
Total assets less current liabilities			<u>2,227,309</u>		<u>2,290,633</u>
Creditors: amounts falling due after more than one year	9		(408,808)		(659,683)
Provisions for liabilities	10		(366,020)		(208,075)
Net assets			<u>1,452,481</u>		<u>1,422,875</u>
Capital and reserves					
Called up share capital	12		333		331
Share premium account			2,174,083		2,117,631
Profit and loss reserves			(721,935)		(695,087)
Total equity			<u>1,452,481</u>		<u>1,422,875</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 22 March 2022 and are signed on its behalf by:

S Waplington
Director

Company Registration No. 06043884

PRINTSPACE STUDIOS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

Company information

Printspace Studios Limited is a private company limited by shares incorporated in England and Wales. The registered office is 74 Kingsland Road, London, E2 8DL.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

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

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Going concern

The company continues to grow its revenue and EBITDA, as the investment in its cloud software system, creativehub, continues to pay off.

The directors have reviewed the company's cash flow forecast for the next 18 months and have a reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future. This is based on the company continuing to benefit from the bank facilities, which are guaranteed by a director and significant shareholder, and the company managing to achieve the forecast turnover and results as prepared by the directors for the next 18 months. If the forecast turnover is not achieved the directors will reduce discretionary expenditure accordingly. Thus the directors consider it appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Turnover is recognised when the printing and framing is complete and goods have been dispatched.

When goods have been completed and not dispatched they are included in deferred income.

1.4 Research and development expenditure

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.

The Creative Hub expenditure meets the definition of development expenditure and therefore a policy of capitalising the expenditure has been adopted.

Amortisation begins when the intangible asset is available for use, i.e when it is in the location and condition necessary for it to be usable in the manner intended by management.

1.5 Intangible fixed assets other than goodwill

Intangible assets are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

PRINTSPACE STUDIOS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Patents	5 years
Creative Hub	5 years

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Land and buildings improvements	10% Straight Line
Fixtures, fittings and equipment	20% Reducing Balance
Motor vehicles	20% Reducing Balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.7 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

Interests in subsidiary relates to shares in the subsidiary and loans made to the subsidiary.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Stock comprises the cost of printing and framing materials.

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.

PRINTSPACE STUDIOS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

1.10 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.12 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the accounts. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

PRINTSPACE STUDIOS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

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

1.15 Leases

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

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.16 Government grants

Government grants, which include amounts received under the Coronavirus Job Retention Scheme, are recognised at the fair value of the grant received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. The income is recognised in other income on a systematic basis over the periods in which the associated costs are incurred, using the accrual model.

Government grants, which include the amounts received from the Coronavirus Business Interruption Loan Scheme that cover interest and fees payable to the lender, are recognised at the fair value of the grant received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. The income is recognised in other income on a systematic basis over the periods in which the associated costs are incurred, using the accrual model.

1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Employees

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

	2021 Number	2020 Number
Total	28	35

PRINTSPACE STUDIOS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

3	Intangible fixed assets			
		Patents	Creative Hub	Total
		£	£	£
	Cost			
	At 1 July 2020	3,000	1,817,457	1,820,457
	Additions	-	866,172	866,172
	At 30 June 2021	3,000	2,683,629	2,686,629
	Amortisation and impairment			
	At 1 July 2020	1,200	449,171	450,371
	Amortisation	600	460,469	461,069
	At 30 June 2021	1,800	909,640	911,440
	Carrying amount			
	At 30 June 2021	1,200	1,773,989	1,775,189
	At 30 June 2020	1,800	1,368,286	1,370,086

4	Tangible fixed assets				
		Land and buildings improvements	Fixtures, fittings and equipment	Motor vehicles	Total
		£	£	£	£
	Cost				
	At 1 July 2020	48,126	700,169	4,995	753,290
	Additions	11,923	18,561	-	30,484
	Disposals	(17,567)	(62,348)	-	(79,915)
	At 30 June 2021	42,482	656,382	4,995	703,859
	Depreciation and impairment				
	At 1 July 2020	29,380	550,285	3,904	583,569
	Depreciation charged in the year	5,693	31,349	218	37,260
	Eliminated in respect of disposals	(5,713)	(52,438)	-	(58,151)
	At 30 June 2021	29,360	529,196	4,122	562,678
	Carrying amount				
	At 30 June 2021	13,122	127,186	873	141,181
	At 30 June 2020	18,746	149,884	1,091	169,721

PRINTSPACE STUDIOS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

5 Fixed asset investments

	2021 £	2020 £
Investments in subsidiaries	10,113	10,113
Loans	544,017	534,616
	<u>554,130</u>	<u>544,729</u>

Movements in fixed asset investments

	Shares in group undertakings £	Loans to group undertakings £	Total £
Cost			
At 1 July 2020	10,113	590,114	600,227
Additions	-	56,421	56,421
Foreign exchange loss	-	(47,020)	(47,020)
	<u>10,113</u>	<u>599,515</u>	<u>609,628</u>
At 30 June 2021	10,113	599,515	609,628
Impairment			
At 1 July 2020 & 30 June 2021	-	55,498	55,498
	<u>-</u>	<u>55,498</u>	<u>55,498</u>
Carrying amount			
At 30 June 2021	10,113	544,017	554,130
	<u>10,113</u>	<u>544,017</u>	<u>554,130</u>
At 30 June 2020	10,113	534,616	544,729
	<u>10,113</u>	<u>534,616</u>	<u>544,729</u>

6 Subsidiaries

Details of the company's subsidiaries at 30 June 2021 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
ThePrintspace GmbH	Jahnstraße 18, Düsseldorf, 40215, Germany	Ordinary	100.00

The Printspace Inc was incorporated on 29th October 2021, Printspace Studios Limited own 100% of the share capital of the newly incorporated US subsidiary.

PRINTSPACE STUDIOS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

7	Debtors		
		2021	2020
		£	£
	Amounts falling due within one year:		
	Trade debtors	91,505	15,725
	Corporation tax recoverable	200,925	194,730
	Other debtors	2,340	13,621
	Prepayments and accrued income	59,037	66,034
		<u>353,807</u>	<u>290,110</u>
		2021	2020
		£	£
	Amounts falling due after more than one year:		
	Other debtors	32,500	32,500
		<u>32,500</u>	<u>32,500</u>
	Total debtors	<u>386,307</u>	<u>322,610</u>
8	Creditors: amounts falling due within one year		
		2021	2020
		£	£
	Bank loans	139,954	83,333
	Obligations under finance leases	149,782	146,592
	Trade creditors	275,513	311,646
	Other taxation and social security	198,821	238,671
	Other creditors	274,729	62,505
	Accruals and deferred income	122,232	78,968
		<u>1,161,031</u>	<u>921,715</u>

The RBS business term bank loan included within current and non current liabilities totalling £177,760 (2020: £250,000) is secured by way of a debenture on all assets of the company and a limited guarantee by a director and a shareholder. The Coronavirus Business Interruption Loan scheme (CBIL) included within current and non current liabilities totalling £241,667 (2020: £250,000) is also secured by way of a debenture on all assets of the company and guaranteed by a director and a shareholder.

£192,384 included within other creditors were converted to shares after year end.

PRINTSPACE STUDIOS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

9 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Bank loans	279,473	416,667
Obligations under finance leases	129,335	243,016
	<u>408,808</u>	<u>659,683</u>

The obligations under finance lease, split between current and non-current liabilities, totalling £279,117 (2020: 389,608) are secured by way of security of the assets under the lease agreements. There is an RBS CBILS loan that was drawdown in the prior year. The final repayment will be 72 months after drawdown. The amount repayable after 5 years is £nil (2020: £41,667).

10 Provisions for liabilities

	2021	2020
	£	as restated £
Deferred tax liabilities	366,020	208,075

Deferred tax liabilities primarily relate to timing differences on the intangible fixed assets.

11 Share-based payment transactions

There is an EMI and an unapproved option scheme in place for certain employees of the company. The directors have assessed the fair value of the option schemes and, in accordance with FRS 102, at the end of the year no liability or expense has been recognised in respect of these schemes.

12 Called up share capital

	2021	2020
	£	£
Ordinary share capital		
Issued and fully paid		
33,308 (2020: 33,119) Ordinary shares of 1p each	333	331
	<u>333</u>	<u>331</u>

On 3 July 2020, the company issued 38 Ordinary shares at £317.32 per share. In addition, a further 127 Ordinary shares were issued at £317.32 per share on 7 September 2020. Another 24 shares were issued at £317.32 at 20 October 2020.

PRINTSPACE STUDIOS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

13 Operating lease commitments

Lessee

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

	2021 £	2020 £
Within one year	98,875	139,750
Between two and five years	21,500	120,375
	<u>120,375</u>	<u>260,125</u>

14 Events after the reporting date

On 31 August 2021, the company issued a further 1,197 Ordinary shares of 1p each at a price of £501 per share.

The company issued a further 75 Ordinary shares on 29 October 2021 and 172 Ordinary shares on 2 February 2022 following the exercise of share options.

15 Related party transactions

The company also acquired accountancy and payroll services from a director of the company amounting to £59,700 (2020: £52,298). At the year end an amount of £5,200 (2020: £4,750) was owed by the company in respect of these services.

16 Prior period adjustment

Changes to the balance sheet

	As previously reported £	Adjustment at 1 Jul 2019 £	Adjustment at 30 Jun 2020 £	As restated at 30 Jun 2020 £
Provisions for liabilities				
Deferred tax	-	(91,392)	(116,683)	(208,075)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Capital and reserves				
Profit and loss	(487,012)	(91,392)	(116,683)	(695,087)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

A prior period adjustment has been made as a result of material deferred tax liabilities that had been omitted from the financial statements. The deferred tax liability arises on timing differences on the intangible fixed assets as a result of research and development tax credit claims made by the company.

PRINTSPACE STUDIOS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

17 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Gilles Siow.

The auditor was HW Fisher LLP.

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.