

Company Registration No. SC223411 (Scotland)

CONTACT ADVANTAGE LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018



CONTACT ADVANTAGE LIMITED

COMPANY INFORMATION

Directors	N T Barras R T Brockman R D Burnett R J Lewis R M Nalley
Secretary	M C Moss
Company number	SC223411
Registered office	Pavillion 2 363 Helen Street Glasgow G51 3AD
Auditors	RSM UK Audit LLP Chartered Accountants St Philips Point Temple Row Birmingham B2 5AF
Bankers	The Royal Bank of Scotland Plc 5 th Floor Bath Street Glasgow G2 4RS

CONTACT ADVANTAGE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their annual report and financial statements for the year ended 31 December 2018.

Principal activities

The principal activity of the company continued to be that of a bespoke software house for the development and provision of showroom customer relationship solutions to the motor industry.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

D S Agan (resigned 14 September 2018)
N T Barras
R T Brockman
R D Burnett
W A Hiers (resigned 9 January 2019)
T W Jones (resigned 29 March 2019)
R J Lewis
R M Nalley

Results and dividends

The results for the year are set out on page 6.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Auditor

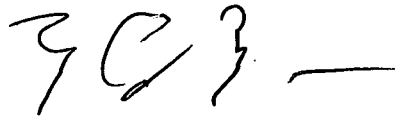
RSM UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Statement of disclosure to auditor

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

By order of the board



M C Moss
Secretary

Date:

7/8/19

CONTACT ADVANTAGE LIMITED
DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONTACT ADVANTAGE LIMITED

Opinion

We have audited the financial statements of Contact Advantage Limited (the 'company') for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, the Statement of Financial Position 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

Opinions on other matters 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONTACT ADVANTAGE LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the directors' report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Richard Eccles FCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
St Philips Point
Temple Row
Birmingham
West Midlands, B2 5AF

Date:

7/8/19

CONTACT ADVANTAGE LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	2017 £
Turnover		1,201,841	1,553,068
Cost of sales		(86,112)	(156,648)
Gross profit		1,115,729	1,396,420
Administrative expenses		(1,271,283)	(1,258,799)
Other income		6,406	4,830
Operating (loss)/profit	2	(149,148)	142,451
Interest receivable and similar income		395	848
(Loss)/Profit on ordinary activities before taxation		(148,753)	143,299
Tax on (loss)/profit on ordinary activities		(275)	(3,847)
(Loss)/Profit for the financial year		(149,028)	139,452

CONTACT ADVANTAGE LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2018**

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Tangible assets	4		21,073		14,996
Current assets					
Stocks	5	13,185		6,626	
Debtors	6	211,545		233,148	
Cash at bank and in hand		456,186		982,331	
		680,916		1,222,105	
Creditors: amounts falling due within one year	7				
		(323,039)		(709,123)	
Net current assets			357,877		512,982
Net assets			378,950		527,978
Capital and reserves					
Called up share capital	8		96		96
Profit and loss reserve	9		378,854		527,882
Total equity			378,950		527,978

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

The financial statements on pages 6 to 14 were approved by the board of directors and authorised for issue on

7/8/19 and are signed on its behalf by:



R D Burnett
Director

CONTACT ADVANTAGE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies

Company information

Contact Advantage Limited ("the Company") is a private company limited by shares incorporated in Scotland. The registered office is Pavillion 2, 363 Helen Street, Glasgow G51 3AD.

The company's principal activities are disclosed in the Directors' Report.

Basis of accounting

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime, and under the historical cost convention. 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 principal accounting policies adopted are set out below.

Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Revenue recognition

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty.

Revenue from third party product sales is recognised on shipment. Revenue from software licences is recognised following delivery to customers. Revenue from contracts for maintenance and support is recognised on a straight-line basis over the contract period. Revenue from installation, consultancy and other services is recognised when the service has been provided.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all property, plant and equipment, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Leasehold improvements	over the period of the lease
Plant and machinery	3 to 4 years

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 recognised in profit and loss.

CONTACT ADVANTAGE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies (continued)

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost consists of all costs incurred in bringing each product to its present location and condition and each project to its present stage of completion, including cost of direct materials and labour plus attributable overheads based on a normal level of activity. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

Financial assets

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

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets, which include trade and other receivables 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.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit and loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when the financial asset and substantially all the risks and rewards of ownership are transferred to another entity.

Financial liabilities

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled or expire.

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.

CONTACT ADVANTAGE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies (continued)

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is charged or credited to the profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

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.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

CONTACT ADVANTAGE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. Operating (loss)/profit	2018	2017
	£	£
Operating (loss)/profit for the year is stated after charging:		
Depreciation of owned tangible fixed assets	10,693	6,759
Operating lease charges		
- land and buildings	39,080	35,754
Auditor's remuneration	8,000	8,000
	<u> </u>	<u> </u>
 3. Staff costs		
The average number of persons employed by the company was:		
	2018	2017
	Number	Number
Technical, support and management	19	23
	<u> </u>	<u> </u>
	2018	2017
Directors' remuneration:	£	£
Aggregate remuneration in respect of qualifying services	103,800	103,668
Directors' fees	548	597
	<u> </u>	<u> </u>
	<u>104,348</u>	<u>104,265</u>
 Number of directors accruing benefits under a company pension scheme	 <u>1</u>	 <u>1</u>

CONTACT ADVANTAGE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

4. Tangible fixed assets

	Leasehold improvements	Plant and machinery	Total
	£	£	£
Cost			
At 1 January 2018	15,535	71,298	86,833
Additions	-	16,770	16,770
Disposals	-	(30,547)	(30,547)
At 31 December 2018	<u>15,535</u>	<u>57,521</u>	<u>73,056</u>
Depreciation and impairment			
At 1 January 2018	11,652	60,185	71,837
Charge for the year	3,107	7,586	10,693
Disposals	-	(30,547)	(30,547)
At 31 December 2018	<u>14,759</u>	<u>37,224</u>	<u>51,983</u>
Net book value			
At 31 December 2018	<u>776</u>	<u>20,297</u>	<u>21,073</u>
At 31 December 2017	<u>3,883</u>	<u>11,113</u>	<u>14,996</u>

5. Stocks

	2018	2017
	£	£
Work in progress	<u>13,185</u>	<u>6,626</u>

6. Debtors

	2018	2017
	£	£
Trade debtors	191,840	208,508
Other debtors	18,552	20,776
Corporation tax recoverable	1,153	3,864
	<u>211,545</u>	<u>233,148</u>

CONTACT ADVANTAGE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

7. Creditors falling due within one year

	2018	2017
	£	£
Trade creditors	10,645	9,249
Amounts due to group undertakings	137,003	491,463
Other taxation and social security	42,684	107,686
Accruals and deferred income	129,366	90,216
Other creditors	3,341	10,509
	<u>323,039</u>	<u>709,123</u>

8. Share capital

	2018	2017
	£	£
Ordinary share capital issued and fully paid		
96 Ordinary shares of £1 each	<u>96</u>	<u>96</u>

9. Reserves

	2018	2017
	£	£
At beginning of the year	527,882	388,430
(Loss)/Profit for the year	<u>(149,028)</u>	<u>139,452</u>
At end of year	<u>378,854</u>	<u>527,882</u>

10. Operating lease commitments

At the year end the company had outstanding commitments for future minimum lease payments under non cancellable operating leases which fall due as follows:

	2018	2017
	£	£
Within one year	24,001	48,001
Between two and five years	-	24,001
	<u>24,001</u>	<u>72,002</u>

CONTACT ADVANTAGE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

11. Related parties

During the prior year the company engaged in transactions with a company in which R J Lewis is a director. The company charged for commission income due on telemarketing sales. Details are laid out below:

	2018	2017
	£	£
Transactions		
Commission income	-	33,248
Balances		
Trade debtors	-	3,541

12. Controlling party

The immediate parent company is Contact Advantage Group Limited, a company incorporated in Scotland.

The ultimate parent company is Universal Computer Systems Holding, Inc., a company incorporated in the USA.

The largest group undertaking in which the results are consolidated is that headed by Universal Computer Systems Holding, Inc., a company incorporated in the USA.

The smallest group undertaking in which the results are consolidated is that headed by UCS Systems Limited. The consolidated accounts of UCS Systems Limited are available to the public and may be obtained from 1200 Bristol Road South, Northfield, Birmingham, B31 2RW.