

**Company Registration No. 04484629 (England and Wales)**

**Bytemark Limited**

**Directors' Report And Unaudited Financial Statements**

**For The Year Ended 31 July 2016**

# **BYTEMARK LIMITED**

## **COMPANY INFORMATION**

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**Directors**

Mr P R Taphouse  
Mr M E Bloch  
Mr P J Cherry  
Mr G B Davies

**Secretary**

Mr M E Bloch

**Company number**

04484629

**Registered office**

Unit 2 Novus Business Park  
Opus Avenue  
York  
YO26 6BL

**Accountants**

Garbutt & Elliott LLP  
Arabesque House  
Monks Cross Drive  
York  
YO32 9GW

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# BYTEMARK LIMITED

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# BYTEMARK LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2016

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The directors present their report and financial statements for the year ended 31 July 2016.

### Principal activities

The principal activity of the company continued to be that of an internet service provider.

### Directors

The following directors have held office since 1 August 2015:

Mr P R Taphouse

Mr M E Bloch

Mr P J Cherry

Mr G B Davies

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board



Mr P R Taphouse

Director

27/4/17

# BYTEMARK LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2016

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	Notes	2016 £	2015 £
Turnover		3,172,267	2,938,289
Cost of sales		(682,255)	(728,590)
<b>Gross profit</b>		<u>2,490,012</u>	<u>2,209,699</u>
Administrative expenses		(2,239,976)	(2,185,423)
<b>Operating profit</b>	<b>2</b>	<u>250,036</u>	<u>24,276</u>
Write off of investment in subsidiary		-	(21,175)
Write off of loan to subsidiary		-	(11,146)
<b>Profit/(loss) on ordinary activities before interest</b>		<u>250,036</u>	<u>(8,045)</u>
Other interest receivable and similar income	<b>3</b>	7	1
Interest payable and similar charges		(24,696)	(20,456)
<b>Profit/(loss) on ordinary activities before taxation</b>		<u>225,347</u>	<u>(28,500)</u>
Tax on profit/(loss) on ordinary activities	<b>4</b>	(4,028)	47,682
<b>Profit for the year</b>	<b>14</b>	<u><u>221,319</u></u>	<u><u>19,182</u></u>

# BYTEMARK LIMITED

## BALANCE SHEET AS AT 31 JULY 2016

	Notes	2016		2015	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	6		2,899		3,383
Tangible assets	7		1,149,403		1,079,778
			<u>1,152,302</u>		<u>1,083,161</u>
<b>Current assets</b>					
Debtors: amounts falling due within one year	8	197,042		135,521	
Debtors: amounts falling due after more than one year	8	-		678,617	
Cash at bank and in hand		245,390		101,969	
		<u>442,432</u>		<u>916,107</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(1,096,277)</u>		<u>(944,028)</u>	
<b>Net current liabilities</b>			<u>(653,845)</u>		<u>(27,921)</u>
<b>Total assets less current liabilities</b>			498,457		1,055,240
<b>Creditors: amounts falling due after more than one year</b>	10		<u>(61,121)</u>		<u>(162,746)</u>
			<u>437,336</u>		<u>892,494</u>
<b>Capital and reserves</b>					
Called up share capital	13		100		100
Profit and loss account	14		437,236		892,394
<b>Shareholders' funds</b>			<u>437,336</u>		<u>892,494</u>

# BYTEMARK LIMITED

## BALANCE SHEET (CONTINUED) AS AT 31 JULY 2016

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For the financial year ended 31 July 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective January 2015).

Approved by the Board for issue on 27/4/17



Mr P R Taphouse  
Director

Company Registration No. 04484629

# BYTEMARK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2016

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

#### 1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### 1.3 Trademarks

Trademarks are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives.

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Property improvements	15% reducing balance
Computer equipment	3 years straight line
Fixtures, fittings and equipment	15% reducing balance and 3 years straight line

#### 1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### 1.6 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

<b>2 Operating profit</b>	<b>2016</b>	<b>2015</b>
	£	£
Operating profit is stated after charging:		
Amortisation of intangible assets	484	484
Depreciation of tangible assets	566,381	666,171
Directors' remuneration	108,061	77,168
	<u>          </u>	<u>          </u>

The number of directors for whom retirement benefits are accruing under defined benefit schemes amounted to 3 (2015 - 1).



# BYTEMARK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2016

3	Investment income	2016 £	2015 £
	Bank interest	7	1
		<u>7</u>	<u>1</u>
		<u><u>7</u></u>	<u><u>1</u></u>
4	Taxation	2016 £	2015 £
	<b>Domestic current year tax</b>		
	U.K. corporation tax	-	(37,700)
	Adjustment for prior years	4,028	(17,559)
		<u>4,028</u>	<u>(17,559)</u>
	<b>Total current tax</b>	4,028	(55,259)
	<b>Deferred tax</b>		
	Deferred tax charge/ credit current yr	-	7,577
		<u>-</u>	<u>7,577</u>
		<u>4,028</u>	<u>(47,682)</u>
		<u><u>4,028</u></u>	<u><u>(47,682)</u></u>

The company has estimated losses of £ 122,000 (2015 - £ 67,000) available for carry forward against future trading profits.

5	Dividends	2016 £	2015 £
	Ordinary interim paid	676,477	-
		<u>676,477</u>	<u>-</u>

6	Intangible fixed assets	Trademarks £
	<b>Cost</b>	
	At 1 August 2015 & at 31 July 2016	4,835
		<u>4,835</u>
	<b>Amortisation</b>	
	At 1 August 2015	1,452
	Charge for the year	484
		<u>1,936</u>
	At 31 July 2016	1,936
		<u>1,936</u>
	<b>Net book value</b>	
	At 31 July 2016	2,899
		<u>2,899</u>
	At 31 July 2015	3,383
		<u><u>3,383</u></u>

# BYTEMARK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2016

### 7 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost</b>			
At 1 August 2015	248,477	3,671,185	3,919,662
Additions	22,797	613,209	636,006
At 31 July 2016	271,274	4,284,394	4,555,668
<b>Depreciation</b>			
At 1 August 2015	74,529	2,765,355	2,839,884
Charge for the year	27,619	538,762	566,381
At 31 July 2016	102,148	3,304,117	3,406,265
<b>Net book value</b>			
At 31 July 2016	169,126	980,277	1,149,403
At 31 July 2015	173,948	905,830	1,079,778

The net book value of other tangible fixed assets includes £122,835 (2015 - £170,090) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £97,641 (2015 - £131,867) for the year.

8 Debtors	2016 £	2015 £
Trade debtors	132,730	56,414
Amounts owed by group undertakings and undertakings in which the company has a participating interest	-	678,617
Other debtors	64,312	79,107
	197,042	814,138

Debtors include an amount of £0 (2015 - £678,617) which is due after more than one year.

# BYTEMARK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2016

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9	<b>Creditors: amounts falling due within one year</b>	<b>2016</b>	<b>2015</b>
		£	£
	Net obligations under hire purchase contracts	97,935	153,904
	Trade creditors	419,956	142,748
	Taxation and social security	83,029	96,620
	Other creditors	495,357	550,756
		<u>1,096,277</u>	<u>944,028</u>

Net obligations under hire purchase contracts are secured.

10	<b>Creditors: amounts falling due after more than one year</b>	<b>2016</b>	<b>2015</b>
		£	£
	Bank loans	-	38,927
	Net obligations under hire purchase contracts	61,121	123,819
		<u>61,121</u>	<u>162,746</u>

### **Analysis of loans**

Wholly repayable within five years	42,636	120,534
Included in current liabilities	(42,636)	(81,607)
	<u>-</u>	<u>38,927</u>

Bank loans and net obligations under hire purchase contracts are secured.

## 11 Pension costs

### **Defined contribution**

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

	<b>2016</b>	<b>2015</b>
	£	£
Contributions payable by the company for the year	<u>51,705</u>	<u>54,558</u>

# BYTEMARK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2016

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### 12 Financial commitments

At 31 July 2016 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 July 2017:

	2016	2015
	£	£
Operating leases which expire: Between two and five years	32,985	32,985
	<u>32,985</u>	<u>32,985</u>

### 13 Share capital

	2016	2015
	£	£
Allotted, called up and fully paid 100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

### 14 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 August 2015	892,394
Profit for the year	221,319
Dividends paid	(676,477)
Balance at 31 July 2016	<u>437,236</u>

### 15 Control

The company is a wholly owned subsidiary of Bytemark Holdings Limited, a company incorporated in England & Wales which is controlled by Mr P Taphouse and Mr M Bloch.

# BYTEMARK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2016

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### 16 Related party relationships and transactions

The directors, Mr P Taphouse and Mr M Bloch have given personal guarantees to Barclays Bank plc in respect of the company's bank loan.

At the year end, there is a balance owed from Bytemark Holdings Limited of £nil (2015 - £678,617) included within other debtors. Within trade creditors, £nil (2015 - £17,512) was owed to Bytemark Holdings Limited. Within trade debtors, £46,083 (2015 - £nil) was owed from Bytemark Holdings Limited. During the year, rent of £72,000 (2015 - £72,000) and management fees of £106,667 (2015 - £160,000) were paid to Bytemark Holdings Limited. During the year, £676,477 (2015 - £nil) of dividends were declared and paid to Bytemark Holdings Limited.