

Company Registration No. SC223411 (Scotland)

**CONTACT ADVANTAGE LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2020**

WEDNESDAY



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COMPANIES HOUSE

## **CONTACT ADVANTAGE LIMITED**

### **COMPANY INFORMATION**

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<b>Directors</b>	N T Barras R D Burnett J S Cherry W T Daughters II S A Robinson
<b>Secretary</b>	J S Cherry
<b>Company number</b>	SC223411
<b>Registered office</b>	Pavillion 2 363 Helen Street Glasgow G51 3AD
<b>Auditors</b>	RSM UK Audit LLP Chartered Accountants St Philips Point Temple Row Birmingham B2 5AF
<b>Bankers</b>	The Royal Bank of Scotland Plc 5 <sup>th</sup> Floor Bath Street Glasgow G2 4RS

**CONTACT ADVANTAGE LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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The directors present their annual report and financial statements for the year ended 31 December 2020.

**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:

N T Barras  
R T Brockman (resigned 20 November 2020)  
R D Burnett  
J S Cherry (appointed 22 December 2020)  
W T Daughters II (appointed 22 December 2020)  
R M Nalley (resigned 9 November 2020)  
S A Robinson (appointed 22 December 2020)

**Results and dividends**

The results for the year are set out on page 7.

A dividend of £nil (2019 £100,000) was paid during the year. 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.

**Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements. Following the uncertainty presented by COVID-19, management has reassessed the going concern assumption and confirms that it remains appropriate based on the very strong group cash and net asset position which enables it to sustain its business and meet its liabilities as they fall due.

**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



J S Cherry  
Secretary

28 September 2021

**CONTACT ADVANTAGE LIMITED**  
**DIRECTORS' RESPONSIBILITIES STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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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**

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### **Opinion**

We have audited the financial statements of Contact Advantage Limited (the 'company') for the year ended 31 December 2020 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 2020 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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **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 contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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**

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### **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.

### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the company operates in and how the company is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

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

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As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102 and the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to compliance with General Data Protection Regulation (GDPR). We performed audit procedures to inquire of management and those charged with governance whether the company is in compliance with these law and regulations.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, and reviewing significant accounting estimates and judgements used in the preparation of the 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.

*RSM UK Audit LLP*

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

29 September 2021  
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**CONTACT ADVANTAGE LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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	Notes	2020 £	2019 £
Turnover		939,927	1,120,329
Cost of sales		<u>(57,368)</u>	<u>(70,469)</u>
Gross profit		882,559	1,049,860
Administrative expenses		(921,173)	(1,084,505)
Other Income		8,093	789
Operating loss	2	<u>(30,521)</u>	<u>(33,856)</u>
Interest receivable and similar income		206	558
Loss before taxation		<u>(30,315)</u>	<u>(33,298)</u>
Tax on loss		8,100	(108)
Loss for the financial year		<u><u>(22,215)</u></u>	<u><u>(33,406)</u></u>

**CONTACT ADVANTAGE LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2020**

	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	4		7,790		19,078
<b>Current assets</b>					
Stocks	5	-		18,325	
Debtors	6	138,019		172,342	
Cash at bank and in hand		289,186		307,433	
		427,205		498,100	
<b>Creditors: amounts falling due within one year</b>	7	(211,666)		(271,634)	
<b>Net current assets</b>			215,539		226,466
<b>Net assets</b>			223,329		245,544
<b>Capital and reserves</b>					
Called up share capital			96		96
Profit and loss reserve	8		223,233		245,448
<b>Total equity</b>			223,329		245,544

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 7 to 15 were approved by the board of directors and authorised for issue on

28 September 2021 .....and are signed on its behalf by:



N T Barras  
Director

**CONTACT ADVANTAGE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**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**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future due to its strong net asset position and cash balances. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Due to the continued uncertainty presented by the global COVID-19 pandemic, management has reassessed the going concern assumption and confirms that it remains appropriate based on the very strong group cash and net asset position which enables it to sustain its business and meet its liabilities as they fall due.

**Revenue recognition**

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance and is measured at the fair value of consideration received or receivable for sale of goods and services, taking into account discounts allowed, to external customers in the ordinary nature of the business. Revenue is shown net of Value Added Tax.

Revenue on third party product sales is recognised on shipment. Revenue from software licences is recognised following delivery to customer. Revenue from contracts for maintenance and support is recognised by spreading the total expected revenue over the life of the contract on a straight-line basis over that period of the contract which is non-cancellable. 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 5 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 2020**

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**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 2020**

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**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 2020**

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<b>2. Operating loss</b>		
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Operating loss for the year is stated after charging:		
Depreciation of owned tangible fixed assets	11,288	13,201
Operating lease charges		
- land and buildings	71,221	129,050
	<u>71,221</u>	<u>129,050</u>
<b>3. Staff costs</b>		
The average number of persons employed by the company was:		
	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
Technical, support and management	8	16
	<u>8</u>	<u>16</u>
Directors' remuneration:	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Aggregate remuneration in respect of qualifying services	-	88,960
Directors' fees	375	387
	<u>375</u>	<u>89,347</u>

**CONTACT ADVANTAGE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**4. Tangible fixed assets**

	Short leasehold improvements	Plant and machinery	Total
	£	£	£
<b>Cost</b>			
At 1 January 2020	15,535	68,727	84,262
Additions	-	-	-
	<u>15,535</u>	<u>68,727</u>	<u>84,262</u>
At 31 December 2020	15,535	68,727	84,262
<b>Depreciation and impairment</b>			
At 1 January 2020	15,535	49,649	65,184
Charge for the year	-	11,288	11,288
	<u>15,535</u>	<u>60,937</u>	<u>76,472</u>
At 31 December 2020	15,535	60,937	76,472
<b>Net book value</b>			
At 31 December 2020	-	7,790	7,790
At 31 December 2019	-	19,078	19,078

**5. Stocks**

	2020	2019
	£	£
Work in progress	-	18,325
	<u>-</u>	<u>18,325</u>

**6. Debtors**

	2020	2019
	£	£
Trade debtors	108,510	91,108
Amounts due from group undertakings	-	61,915
Other debtors	25,674	18,859
Corporation tax recoverable	3,835	460
	<u>138,019</u>	<u>172,342</u>

**CONTACT ADVANTAGE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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<b>7. Creditors falling due within one year</b>	<b>2020</b>	<b>2019</b>
	£	£
Trade creditors	4,737	6,556
Amounts due to group undertakings	42,351	-
Other taxation and social security	9,317	87,603
Accruals and deferred income	155,261	174,134
Other creditors	-	3,341
	<u>211,666</u>	<u>271,634</u>

<b>8. Reserves</b>	<b>2020</b>	<b>2019</b>
	£	£
At beginning of the year	245,448	378,854
Loss for the year	(22,215)	(33,406)
Dividends paid	-	(100,000)
At end of year	<u>223,233</u>	<u>245,448</u>

**9. 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:

	<b>2020</b>	<b>2019</b>
	£	£
Within one year	48,001	24,592
Between two and five years	168,595	-
	<u>216,596</u>	<u>24,592</u>

**CONTACT ADVANTAGE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**10. Controlling party**

The immediate parent company is UCS European Holdings Limited, a company incorporated in England and Wales.

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.