Registered number: 01373721

# DIAL HOUSE CARE LIMITED

**UNAUDITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 30 JUNE 2018**

THURSDAY
*A8272TXL*
A08 28/03/2019 #10
COMPANIES HOUSE

DIAL HOUSE CARE LIMITED
REGISTERED NUMBER: 01373721

## STATEMENT OF FINANCIAL POSITION
## AS AT 30 JUNE 2018

| | Note | | 2018 £ | | 2017 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 4 | | 2,306,756 | | 2,345,572 |
| | | | 2,306,756 | | 2,345,572 |
| **Current assets** | | | | | |
| Stocks | 5 | 2,300 | | 2,300 | |
| Debtors: amounts falling due within one year | 6 | 218,842 | | 195,448 | |
| Cash at bank and in hand | 7 | 248,394 | | 69,277 | |
| | | 469,536 | | 267,025 | |
| Creditors: amounts falling due within one year | 8 | (387,375) | | (286,870) | |
| **Net current assets/(liabilities)** | | | 82,161 | | (19,845) |
| **Total assets less current liabilities** | | | 2,388,917 | | 2,325,727 |
| Creditors: amounts falling due after more than one year | 9 | | (1,143,426) | | - |
| **Provisions for liabilities** | | | | | |
| Deferred tax | 11 | (4,120) | | (2,667) | |
| | | | (4,120) | | (2,667) |
| **Net assets** | | | 1,241,371 | | 2,323,060 |
| **Capital and reserves** | | | | | |
| Called up share capital | 12 | | 1,001 | | 2,001 |
| Capital redemption reserve | 13 | | 1,000 | | - |
| Revaluation reserve | 13 | | 363,637 | | 1,613,637 |
| Profit and loss account | 13 | | 875,733 | | 707,422 |
| | | | 1,241,371 | | 2,323,060 |

## STATEMENT OF FINANCIAL POSITION (CONTINUED)
## AS AT 30 JUNE 2018

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Vanessa Simic
Vanessa Simic (Mar 22, 2019)

**V Simic**
Director

Date: Mar 22, 2019

The notes on pages 3 to 11 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### 1. General information

Dial House Care Limited is a private company, limited by shares, incorporated in England and Wales. Company number 01373721. The principal place of business is 9 Dynevor Road, Bedford, MK40 2DB.

The principal activity of the company continued to be the provision of medical nursing services.

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

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

FRS 102 Section 1A allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including the notification of and no objection to, the use of exemptions by the company's shareholders. In preparing the financial statements, the Company has taken advantage of the following exemptions:
• from disclosing key management personnel compensation, as required by paragraph 7 of Section 33 Related Party Disclosures;
• from presenting a reconciliation of the number of shares outstanding at the beginning and end of the year, as required by paragraph 12 of Section 4 Statement of Financial Position; and
• from presenting a statement of cash flows, as required by Section 7 Statement of Cash Flows.

The following principal accounting policies have been applied:

#### 2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

#### 2.3 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

## 2. Accounting policies (continued)

### 2.4 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

### 2.5 Pensions

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

### 2.6 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income 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 Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

## 2. Accounting policies (continued)

### 2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Freehold property is held at valuation. At each reporting date the company asseses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using both the straight line and reducing balance methods.

Depreciation is provided on the following basis:

| | | | |
|---|---|---|---|
| Freehold property | - | 2% | straight line |
| Motor vehicles | - | 25% | reducing balance |
| Fixtures & fittings | - | 25% | reducing balance |
| Computer equipment | - | 25% | reducing balance |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

### 2.8 Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is based on the cost of purchase on a weighted average basis.

### 2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### 2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

## 2. Accounting policies (continued)

### 2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### 2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

### 2.13 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

## 2. Accounting policies (continued)

### 2.13 Financial instruments (continued)

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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.

### 2.14 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders.

## 3. Employees

The average monthly number of employees, including directors, during the year was 108 (2017 - 113).

## 4. Tangible fixed assets

| | Freehold property £ | Motor vehicles £ | Fixtures & fittings £ | Computer equipment £ | Total £ |
|---|---|---|---|---|---|
| **Cost or valuation** | | | | | |
| At 1 July 2017 | 2,900,000 | 1,502 | 165,186 | 19,237 | 3,085,925 |
| Additions | - | - | 19,435 | - | 19,435 |
| At 30 June 2018 | 2,900,000 | 1,502 | 184,621 | 19,237 | 3,105,360 |
| **Depreciation** | | | | | |
| At 1 July 2017 | 576,000 | 1,468 | 150,495 | 12,390 | 740,353 |
| Charge for the year on owned assets | 48,000 | 8 | 8,531 | 1,712 | 58,251 |
| At 30 June 2018 | 624,000 | 1,476 | 159,026 | 14,102 | 798,604 |
| **Net book value** | | | | | |
| At 30 June 2018 | 2,276,000 | 26 | 25,595 | 5,135 | 2,306,756 |
| At 30 June 2017 | 2,324,000 | 34 | 14,691 | 6,847 | 2,345,572 |

## 5. Stocks

| | 2018 £ | 2017 £ |
|---|---|---|
| Food stock | 2,300 | 2,300 |
| | 2,300 | 2,300 |

## 6. Debtors

| | 2018 £ | 2017 £ |
|---|---|---|
| Trade debtors | 153,711 | 141,656 |
| Other debtors | 15,980 | 13,039 |
| Prepayments and accrued income | 49,151 | 40,753 |
| | 218,842 | 195,448 |

## 7. Cash and cash equivalents

| | 2018 £ | 2017 £ |
|---|---|---|
| Cash at bank and in hand | 248,394 | 69,277 |
| | 248,394 | 69,277 |

## 8. Creditors: Amounts falling due within one year

| | 2018 £ | 2017 £ |
|---|---|---|
| Bank loans | 45,321 | 3,993 |
| Trade creditors | 50,656 | 72,239 |
| Corporation tax | 80,831 | 41,897 |
| Other taxation and social security | 20,173 | 24,545 |
| Other creditors | 52,558 | 5,168 |
| Accruals and deferred income | 137,836 | 139,028 |
| | 387,375 | 286,870 |

## 9. Creditors: Amounts falling due after more than one year

| | 2018<br>£ | 2017<br>£ |
|---|---|---|
| Bank loans | 1,143,426 | - |
| | 1,143,426 | - |

The bank loans and overdrafts are secured by a first legal mortgage over the freehold property and a mortgage debenture incorporating a fixed and floating charge over all current and future assets of the company.

## 10. Loans

Analysis of the maturity of loans is given below:

| | 2018<br>£ | 2017<br>£ |
|---|---|---|
| **Amounts falling due within one year** | | |
| Bank loans | 45,321 | 3,993 |
| | 45,321 | 3,993 |
| **Amounts falling due 2-5 years** | | |
| Bank loans | 194,093 | - |
| | 194,093 | - |
| **Amounts falling due after more than 5 years** | | |
| Bank loans | 949,333 | - |
| | 949,333 | - |
| | 1,188,747 | 3,993 |

## 11. Deferred taxation

| | 2018<br>£ | 2017<br>£ |
|---|---|---|
| At beginning of year | (2,667) | (3,219) |
| Charged to profit or loss | (1,453) | 552 |
| **At end of year** | (4,120) | (2,667) |

## 11. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

| | 2018<br>£ | 2017<br>£ |
|---|---|---|
| Accelerated capital allowances | (4,587) | (2,885) |
| Tax losses carried forward | 467 | 218 |
| | (4,120) | (2,667) |

## 12. Share capital

| | 2018<br>£ | 2017<br>£ |
|---|---|---|
| **Allotted, called up and fully paid** | | |
| 1,000 (2017 - 2,000) Ordinary A shares of £1.00 each | 1,000 | 2,000 |
| 1 (2017 - 1) Ordinary B share of £1.00 | 1 | 1 |
| | 1,001 | 2,001 |

On 19 March 2018 1,000 Ordinary A shares were purchased by the company for £1,250,000 by applying a capital reorganisation via the revaluation reserve.

The ordinary A shares have full voting rights whilst ordinary B shares have no voting rights attached to them.

Upon winding up, ordinary A shares take preference over the ordinary B shares.

Dividends may be paid to each class of share at the same or different rates, or a dividend may be paid on one class of share to the exclusion of the other as determined by the board or the members.

## 13. Reserves

**Revaluation reserve**

The revaluation reserve represents cumulative upward revaluations of the property owned by the company less the amount transferred to profit and loss account arising from the capital reorganisation on 19 March 2018.

**Capital redemption reserve**

The capital redemption reserve represents the par value of shares purchased by the company.

**Profit & loss account**

The profit and loss account represents cumulative profits and losses of the company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

## 14. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £5,752 (2017 - £9,766). Contributions totalling £2,788 (2017 - £1,285) were payable to the fund at the reporting date and are included in other creditors.

## 15. Related party transactions

ESI Electrical and Security Installations, an entity run by the husband of V Simic (a director of the company) provides services on an arms length basis in the form of repairs and maintenance of the property and grounds of Dial House Care Limited. These amounted to £51,576 (2017: £55,752) in the year. A balance due to ESI Electrical and Security Installations of £1,060 (2017: £1,060) is included within creditors at the year end.

## 16. Controlling party

The Company is controlled by the director.