

Registered number: 07669721

D SQUARED HOLDINGS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MAY 2017

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COMPANIES HOUSE

D SQUARED HOLDINGS LIMITED
REGISTERED NUMBER:07669721

BALANCE SHEET
AS AT 31 MAY 2017

	Note	2017 £	2016 £
Fixed assets			
Investments	4	2	2
Investment property	5	470,163	470,163
Current assets			
Debtors	6	2,300	2,100
Cash at bank		26,514	15,652
		<u>28,814</u>	<u>17,752</u>
Creditors: amounts falling due within one year	7	(253,654)	(251,035)
Net current liabilities		<u>(224,840)</u>	<u>(233,283)</u>
Total assets less current liabilities		<u>245,325</u>	<u>236,882</u>
Creditors: amounts falling due after more than one year	8	(195,064)	(205,965)
Provisions for liabilities			
Deferred tax		(3,829)	(4,168)
Net assets		<u>46,432</u>	<u>26,749</u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		46,430	26,747
		<u>46,432</u>	<u>26,749</u>

D SQUARED HOLDINGS LIMITED
REGISTERED NUMBER:07669721

BALANCE SHEET (CONTINUED)
AS AT 31 MAY 2017

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.

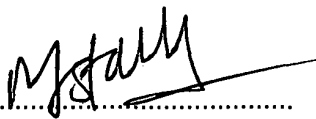
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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:


.....
Mr R J Stagg
Director


.....
Mr R A Taylor
Director

Date: **19/2/2018**

The notes on pages 3 to 9 form part of these financial statements.

D SQUARED HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2017

1. General information

D Squared Holdings Limited ("the Company") is a limited company incorporated in England and Wales under the Companies Act.

The registered number and address of the registered office are given in the company information.

The functional and presentational currency of the Company is pounds sterling (£) and rounded to the nearest whole pound.

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.

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 Investment property

Investment property is carried at fair value determined annually by the directors and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of comprehensive income.

2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

D SQUARED HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2017

2. Accounting policies (continued)

2.5 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.

2.6 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.

2.7 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, loans to related parties and investments in non-puttable ordinary shares.

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 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.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

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 balance sheet date.

D SQUARED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017**

2. Accounting policies (continued)**2.7 Financial instruments (continued)**

Financial assets and liabilities are offset and the net amount reported in the Balance sheet 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.

2.8 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.

2.9 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 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 at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.11 Borrowing costs

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

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 Balance sheet 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 Balance sheet.

D SQUARED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017**

2. Accounting policies (continued)**2.13 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 balance sheet 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 Balance sheet 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 balance sheet date.

3. Employees

The average monthly number of employees, including directors, during the year was 2 (2016 - 2).

D SQUARED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017**

4. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 June 2016	2
At 31 May 2017	<u>2</u>
Net book value	
At 31 May 2017	<u>2</u>
At 31 May 2016	<u>2</u>

D Squared Limited is a wholly owned subsidiary of D Squared Holdings Limited.

5. Investment property

	Freehold investment property £
Valuation	
At 1 June 2016	470,163
At 31 May 2017	<u>470,163</u>

The 2017 valuations were made by the directors, on an open market value for existing use basis.

D SQUARED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017**

6. Debtors

	2017 £	2016 £
Trade debtors	2,300	2,100
	<u>2,300</u>	<u>2,100</u>

7. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank loans	10,386	9,966
Trade creditors	379	287
Amounts owed to group undertakings	230,871	222,445
Corporation tax	4,745	2,884
Other taxation and social security	1,561	1,088
Accruals and deferred income	5,712	14,365
	<u>253,654</u>	<u>251,035</u>

The bank loans of £10,386 (2016: £9,966) falling due within one year are secured by the company.

8. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Bank loans	195,064	205,965
	<u>195,064</u>	<u>205,965</u>

The bank loans of £195,064 (2016: £205,965) falling due after more than one year are secured by the company.

D SQUARED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017**

9. First time adoption of FRS 102

The Company transitioned to FRS 102 from previously extant UK GAAP as at 1 June 2015. The impact of the transition to FRS 102 is as follows:

Reconciliation of equity at 1 June 2015

	Note	£
Equity at 1 June 2015 under previous UK GAAP		2,806
Depreciation on freehold property now held as investment property	1	9,974
Equity shareholders funds at 1 June 2015 under FRS 102		12,780

Reconciliation of equity at 31 May 2016

	Note	£
Equity at 31 May 2016 under previous UK GAAP		6,799
Depreciation on freehold property now held as investment property to 31 May 2015	1	9,974
Depreciation on freehold property now held as investment property to 31 May 2016	1	9,974
Equity shareholders funds at 31 May 2016 under FRS 102		26,747

Reconciliation of profit and loss account for the year ended 31 May 2016

		£
Profit for the year under previous UK GAAP		160,557
Depreciation on freehold property now held as investment property to 31 May 2016	1	9,974
Profit for the year ended 31 May 2016 under FRS 102		170,531

The following were changes in accounting policies arising from the transition to FRS 102:

- 1 Classification of property changed from fixed assets to investment property as required under FRS 102. Equity and profit and loss account changes represent a reversal of the depreciation charges incurred.