Company Registration No. SC361249 (Scotland)

M-BRACE ORTHODONTICS LTD

UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 MARCH 2017

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M-BRACE ORTHODONTICS LTD

COMPANY INFORMATION

Director	Mr Raja Mahesh
Secretary	Mrs Sahana Mahesh
Company number	SC361249
Registered office	38 Westerhill Greenbank EDINBURGH EH10 5XG
Accountants	Johnston Carmichael LLP 15 Academy Street Forfar DD8 2HA
Business address	38 Westerhill Greenbank EDINBURGH EH10 5XG

M-BRACE ORTHODONTICS LTD

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M-BRACE ORTHODONTICS LTD

BALANCE SHEET

AS AT 30 MARCH 2017

	Notes	2017		2016 as restated	
		£	£	£	£
Fixed assets					
Goodwill	3		518,000		592,000
Tangible assets	4		573,496		622,719
			1,091,496		1,214,719
Current assets					
Stocks		11,869		15,511	
Debtors	5	13,951		-	
Cash at bank and in hand		19,410		12,245	
		45,230		27,756	
Creditors: amounts falling due within one year	6	(232,826)		(525,558)	
Net current liabilities			(187,596)		(497,802)
Total assets less current liabilities			903,900		716,917
Deferred taxation liability			(53,296)		(9,298)
Net assets			850,604		707,619
Capital and reserves					
Called up share capital	7		100		100
Profit and loss reserves			850,504		707,519
Total equity			850,604		707,619

M-BRACE ORTHODONTICS LTD

BALANCE SHEET (CONTINUED)

AS AT 30 MARCH 2017

The director of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial period ended 30 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476.

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

The financial statements were approved and signed by the director and authorised for issue on 21 March 2018

Mr Raja Mahesh
Director

Company Registration No. SC361249

1 Accounting policies

Company information

M-Brace Orthodontics Ltd is a private company limited by shares incorporated in Scotland. The registered office is 38 Westerhill, Greenbank, EDINBURGH, EH10 5XG.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. 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 financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the period ended 30 March 2017 are the first financial statements of M-Brace Orthodontics Ltd prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Prior period error

The retained earnings in the financial statements for the year to 31 March 2015 and 31 March 2016 have been restated by £25,847 and £31,832 respectively to reflect accumulated depreciation incurred on leasehold improvements from the date of acquisition.

1.3 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Turnover

Turnover represents amounts receivable for dentistry services net of VAT and trade discounts. Revenue is recognised when the company has entitlement to the income in exchange for the provision of dental services.

1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

1 Accounting policies **(Continued)**

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	- 5%-10% straight line
Fixtures, fittings & equipment	- 10% straight line
Computer equipment	- 33% straight line

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 credited or charged to profit or loss.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks.

1.10 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which includes cash and bank balances, are measured at transaction price including transaction costs.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, are recognised at transaction price.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

1 Accounting policies **(Continued)**

1.11 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.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.14 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.

2 Employees

The average monthly number of persons (including directors) employed by the company during the period was 21 (2016 - 21).

3 Intangible fixed assets

	Goodwill £
Cost	
At 1 April 2016 and 30 March 2017	740,000
Amortisation and impairment	
At 1 April 2016	148,000
Amortisation charged for the period	74,000
At 30 March 2017	222,000
Carrying amount	
At 30 March 2017	518,000
At 31 March 2016	592,000

4 Tangible fixed assets

	Leasehold improvements £	Plant and machinery etc £	Total £
Cost			
At 1 April 2016	483,620	246,930	730,550
Additions	-	7,373	7,373
At 30 March 2017	483,620	254,303	737,923
Depreciation and impairment			
At 1 April 2016	57,679	50,152	107,831
Depreciation charged in the period	31,832	24,764	56,596
At 30 March 2017	89,511	74,916	164,427
Carrying amount			
At 30 March 2017	394,109	179,387	573,496
At 31 March 2016	425,941	196,778	622,719

5 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Corporation tax recoverable	13,951	-

6 Creditors: amounts falling due within one year

	2017	2016
	£	£
Corporation tax	59,726	58,565
Other creditors	173,100	466,993
	232,826	525,558

7 Called up share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
85 Ordinary "A" shares of £1 each	85	85
3 Ordinary "B" shares of £1 each	3	3
1 Ordinary "C" shares of £1 each	1	1
1 Ordinary D shares of £1 each	1	1
10 Ordinary shares of £1 each	10	10
	100	100

8 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2017	2016
	£	£
	230,250	257,250