

Company Registration No. 04384324 (England and Wales)

DOC CLEANING LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2014

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DOC CLEANING LIMITED

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DOC CLEANING LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2014

Review of the business

The services are carried out on a contract basis throughout predominantly the London and South East region of England although there has recently been the addition of several contracts further afield and therefore affording the company further exposure on a nationwide basis. The results for the period and the financial position at the year end show a turnover of £12,470,436 which is an increase of £3,567,434 from the previous year. The company also showed a gross profit of £1,822,269 which shows an increase of £343,549 from the previous year and a subsequent post tax net profit of £713,281, an increase of £167,391 from the previous year.

The company has no major debts and enjoys a good cash flow and bank balance.

The Directors, after due consideration has been given to the current difficult financial and economic situation, are extremely satisfied with the performance of the company which demonstrates its strength and market position within a very competitive and cost-driven industry.

The company's principal risk is in its ability to maintain client relationships and to secure both existing contracts and to source new opportunities in order to maintain its customer base and develop this wherever possible.

The risks in maintaining employment relationships with a large and diverse work force needs to be considered at all times both ethically and in accordance with all legislation and with equal opportunities being promoted constantly and consistently throughout the organisation.

The company are of the opinion that it is well positioned both operationally and financially to exploit any further opportunities that may arise and to seek out new clients whilst aiming to retain its historic customers into the future. There are no current plans for diversification.

The KPIs used to manage the business and their values based on the accounts of the company are:

Gross Profit Margin - 14.6% (2013 - 16.6%)

Net Profit Margin - 7.5% (2013 - 8.1%)

Balance sheet net asset value - 28.6% (2013 - 37.1%)



L Andrews

Director

1 October 2014

DOC CLEANING LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2014

The directors present their report and financial statements for the year ended 31 March 2014.

Principal activities and review of the business

The principal activity of the DOC Cleaning Limited ("the company") continued to be that of the provision of cleaning services at commercial and public sector properties and establishments.

Results and dividends

The results for the year are set out on page 5.

An interim ordinary dividend was paid amounting to £500,000. The directors do not recommend payment of a final dividend.

Future developments

The company will continue to develop its nationwide presence and endeavour to both maintain and build upon its already enviable client list and good reputation within the industry.

The Company intends to continue to invest in its management and support structure by building upon its existing operational team and introducing additional expertise in all compliance and sustainability requirements; this will assist in both maintaining and developing its already enviable client list and excellent reputation within the industry.

In addition, it is also the aim of the directors to further enhance upon the company's Corporate and Social Responsibility policy and to develop the aims already set with regards to the social, environmental and economic objectives relevant to its activities.

Directors

The following directors have held office since 1 April 2013:

L Andrews

D Andrews

Employee involvement

The company's policy is to consult and discuss with employees, at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

Disabled persons

The company's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

Auditors

In accordance with the company's articles, a resolution proposing that Taylor Viney & Marlowbe reappointed as auditors of the company will be put at a General Meeting.

DOC CLEANING LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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.

Statement of disclosure to auditors

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.

On behalf of the board



L Andrews

Director

1 October 2014

DOC CLEANING LIMITED

INDEPENDENT AUDITORS' REPORT TO DOC CLEANING LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 5 to 19, together with the financial statements of DOC Cleaning Limited for the year ended 31 March 2014 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Chapter 10 of Part 15 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



David J. Stevens (Senior Statutory Auditor)
for and on behalf of Taylor Viney & Marlow

1 October 2014

Chartered Accountants
Statutory Auditor

46-54 High Street
Ingatestone
Essex
CM4 9DW

DOC CLEANING LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2014

		2014	2013
	Notes	£	as restated £
Turnover		12,470,436	8,903,002
Other operating income less cost of sales		(10,647,500)	(7,423,615)
Administrative expenses		(888,982)	(762,252)
Operating profit	2	<u>933,954</u>	<u>717,135</u>
Other interest receivable and similar income		2,552	6,485
Interest payable and similar charges	4	<u>(2,766)</u>	<u>(3,133)</u>
Profit on ordinary activities before taxation		933,740	720,487
Tax on profit on ordinary activities	5	<u>(220,459)</u>	<u>(174,597)</u>
Profit for the year	15	<u><u>713,281</u></u>	<u><u>545,890</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

DOC CLEANING LIMITED

ABBREVIATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 MARCH 2014

		2014	2013
	Notes	£	as restated £
Profit for the financial year		713,281	545,890
Prior year adjustment	15	49,662	-
Total gains and losses recognised since last financial statements		<u>762,943</u>	<u>545,890</u>

DOC CLEANING LIMITED

ABBREVIATED BALANCE SHEET

AS AT 31 MARCH 2014

		2014		2013 as restated	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	7		163,333		183,333
Tangible assets	8		300,933		292,535
			<u>464,266</u>		<u>475,868</u>
Current assets					
Debtors	9	2,066,758		1,677,888	
Cash at bank and in hand		855,766		895,642	
		<u>2,922,524</u>		<u>2,573,530</u>	
Creditors: amounts falling due within one year	10	(1,513,076)		(1,442,044)	
Net current assets			<u>1,409,448</u>		<u>1,131,486</u>
Total assets less current liabilities			<u>1,873,714</u>		<u>1,607,354</u>
Creditors: amounts falling due after more than one year	11		(4,440)		-
Provisions for liabilities	12		(56,822)		(57,895)
			<u>1,812,452</u>		<u>1,549,459</u>
Capital and reserves					
Called up share capital	14		100		50
Other reserves	15		50		50
Profit and loss account	15		1,812,302		1,549,359
Shareholders' funds	16		<u>1,812,452</u>		<u>1,549,459</u>

These abbreviated accounts have been prepared in accordance with the special provisions in section 445(3) of the Companies Act 2006 relating to medium-sized companies.

Approved by the Board and authorised for issue on 1 October 2014



L Andrews
Director

Company Registration No. 04384324

DOC CLEANING LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2014

	£	2014 £	£	2013 £
Net cash inflow from operating activities		655,752		523,842
Returns on investments and servicing of finance				
Interest received	2,552		6,485	
Interest paid	(2,766)		(3,133)	
Net cash (outflow)/inflow for returns on investments and servicing of finance		(214)		3,352
Taxation		(154,801)		(204,566)
Capital expenditure				
Payments to acquire tangible assets	(89,264)		(185,149)	
Receipts from sales of tangible assets	2,500		11,229	
Net cash outflow for capital expenditure		(86,764)		(173,920)
Equity dividends paid		(500,000)		(313,600)
Net cash outflow before management of liquid resources and financing		(86,027)		(164,892)
Financing				
Issue of ordinary share capital	50		-	
Purchase of own shares	49,662		(150,000)	
Issue and purchase of shares	49,712		(150,000)	
Capital element of hire purchase contracts	(3,561)		(4,666)	
Net cash outflow from financing		46,151		(154,666)
Decrease in cash in the year		(39,876)		(319,558)

DOC CLEANING LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

1 Reconciliation of operating profit to net cash outflow from operating activities		2014	2013
		£	£
Operating profit		933,954	717,135
Depreciation of tangible assets		89,434	67,155
Amortisation of intangible assets		20,000	20,000
Loss on disposal of tangible assets		350	703
Increase in debtors		(388,870)	(636,595)
Increase in creditors within one year		884	355,444
Net cash inflow from operating activities		655,752	523,842

2 Analysis of net funds	1 April 2013	Cash flow	Other non-cash changes	31 March 2014
	£	£	£	£
Net cash:				
Cash at bank and in hand	895,642	(39,876)	-	855,766
Bank deposits	-	-	-	-
Debt:				
Finance leases	(389)	(7,857)	-	(8,246)
Net funds	895,253	(47,733)	-	847,520

3 Reconciliation of net cash flow to movement in net funds		2014	2013
		£	£
Decrease in cash in the year		(39,876)	(319,558)
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing		(7,857)	4,666
Movement in net funds in the year		(47,733)	(314,892)
Opening net funds		895,253	1,210,145
Closing net funds		847,520	895,253

DOC CLEANING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2014

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

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

1.4 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life which the directors consider to be 20 years.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets 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:

Plant and machinery	25% on written down value
Fixtures, fittings & equipment	25% on written down value & 10% / 20% straight line
Motor vehicles	25% on written down value

1.6 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.

1.7 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.

1.8 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

DOC CLEANING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

2	Operating profit	2014	2013
		£	£
	Operating profit is stated after charging:		
	Amortisation of intangible assets	20,000	20,000
	Depreciation of tangible assets	89,434	67,155
	Loss on disposal of tangible assets	350	703
	Operating lease rentals	38,288	37,963
	Auditors' remuneration (including expenses and benefits in kind)	2,000	2,000
		<u> </u>	<u> </u>
3	Investment income	2014	2013
		£	£
	Bank interest	2,552	6,485
		<u> </u>	<u> </u>
		2,552	6,485
		<u> </u>	<u> </u>
4	Interest payable	2014	2013
		£	£
	Hire purchase interest	2,766	3,133
		<u> </u>	<u> </u>

DOC CLEANING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

5	Taxation	2014 £	2013 £
	Domestic current year tax		
	U.K. corporation tax	221,678	154,946
	Adjustment for prior years	(146)	-
	Total current tax	<u>221,532</u>	<u>154,946</u>
	Deferred tax		
	Deferred tax current year charge	(1,073)	19,651
		<u>220,459</u>	<u>174,597</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>933,740</u>	<u>720,487</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.00% (2013 - 24.00%)	<u>214,760</u>	<u>172,917</u>
	Effects of:		
	Non deductible expenses	10,632	9,297
	Depreciation add back	25,170	20,917
	Capital allowances	(24,990)	(39,983)
	Adjustments to previous periods	(146)	-
	Other tax adjustments	(3,894)	(8,202)
		<u>6,772</u>	<u>(17,971)</u>
	Current tax charge for the year	<u>221,532</u>	<u>154,946</u>
6	Dividends	2014 £	2013 £
	Ordinary interim paid	<u>500,000</u>	<u>313,600</u>

DOC CLEANING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

7 Intangible fixed assets

	Goodwill £
Cost	
At 1 April 2013 & at 31 March 2014	400,000
Amortisation	
At 1 April 2013	216,667
Charge for the year	20,000
At 31 March 2014	236,667
Net book value	
At 31 March 2014	163,333
At 31 March 2013	183,333

8 Tangible fixed assets

	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2013	211,910	117,396	201,333	530,639
Additions	23,621	28,212	48,849	100,682
Disposals	-	(1,149)	(13,666)	(14,815)
At 31 March 2014	235,531	144,459	236,516	616,506
Depreciation				
At 1 April 2013	103,762	47,064	87,278	238,104
On disposals	-	(1,149)	(10,816)	(11,965)
Charge for the year	32,129	20,273	37,032	89,434
At 31 March 2014	135,891	66,188	113,494	315,573
Net book value				
At 31 March 2014	99,640	78,271	123,022	300,933
At 31 March 2013	108,148	70,332	114,055	292,535

DOC CLEANING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

8 Tangible fixed assets

(Continued)

Included above are assets held under finance leases or hire purchase contracts as follows:

	Motor vehicles £
Net book values	
At 31 March 2014	10,316
At 31 March 2013	6,890
Depreciation charge for the year	
At 31 March 2014	3,440
At 31 March 2013	2,296

9 Debtors

	2014 £	2013 £
Trade debtors	1,652,703	1,430,188
Other debtors	265,884	168,900
Prepayments and accrued income	148,171	78,800
	2,066,758	1,677,888

DOC CLEANING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

10 Creditors: amounts falling due within one year	2014 £	2013 £
Net obligations under hire purchase contracts	3,806	389
Trade creditors	224,342	492,955
Corporation tax	221,678	154,947
Other taxes and social security costs	747,419	555,513
Other creditors	-	49,662
Accruals and deferred income	315,831	188,578
	<u>1,513,076</u>	<u>1,442,044</u>

The company has an overdraft facility with its bank. All amounts owing to the bank are secured by a fixed and floating debenture over all of the company's assets, and by personal guarantees made by the directors, L. Andrews and D. Andrews.

Net obligations under hire purchase contracts are secured over the assets to which they relate.

11 Creditors: amounts falling due after more than one year	2014 £	2013 £
Net obligations under hire purchase contracts	<u>4,440</u>	<u>-</u>
Net obligations under hire purchase contracts are secured over the assets to which they relate.		
Net obligations under hire purchase contracts		
Repayable within one year	3,806	389
Repayable between one and five years	4,440	-
	<u>8,246</u>	<u>389</u>
Included in liabilities falling due within one year	(3,806)	(389)
	<u>4,440</u>	<u>-</u>

DOC CLEANING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

12 Provisions for liabilities

	Deferred tax liability £
Balance at 1 April 2013	57,895
Profit and loss account	(1,073)
Balance at 31 March 2014	<u>56,822</u>

The deferred tax liability is made up as follows:

	2014 £	2013 £
Accelerated capital allowances	<u>56,822</u>	<u>57,895</u>

13 Pension and other post-retirement benefit commitments Defined contribution

The company operates a defined contribution 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.

	2014 £	2013 £
Contributions payable by the company for the year	<u>16,000</u>	<u>44,000</u>

14 Share capital

	2014 £	2013 £
Allotted, called up and fully paid		
40 Ordinary 'A' shares of £1 each	40	48
15 Ordinary 'B' shares of £1 each	15	2
0 of p each	35	-
	<u>100</u>	<u>50</u>

During the year the company issued a further 50 ordinary shares at par for cash before re-classifying as shown above.

DOC CLEANING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

15 Statement of movements on reserves

	Other reserves (see below) £	Profit and loss account £
Balance at 1 April 2013 as previously reported	50	1,549,359
Prior year adjustment	-	49,662
Balance at 1 April 2013 as restated	50	1,599,021
Profit for the year	-	713,281
Dividends paid	-	(500,000)
Balance at 31 March 2014	50	1,812,302
Other reserves		
Capital redemption reserve		
Balance at 1 April 2013 & at 31 March 2014	50	

16 Reconciliation of movements in shareholders' funds

	2014 £	2013 £
Profit for the financial year	713,281	545,890
Dividends	(500,000)	(313,600)
	213,281	232,290
Proceeds from issue of shares	48	-
Purchase of own shares	(8)	(150,000)
Net addition to shareholders' funds	213,321	82,290
Opening shareholders' funds	1,549,459	1,467,169
Closing shareholders' funds	1,812,452	1,549,459

Opening shareholders' funds were originally £1,549,459 before adding prior year adjustments of £49,662.

The prior year adjustment shown above relates to a purchase of own shares in the prior year. The total consideration paid was £100,338 as opposed to the £150,000 as originally reported.

DOC CLEANING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

17 Financial commitments

At 31 March 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2015:

	Land and buildings	
	2014	2013
	£	£
Operating leases which expire:		
Between two and five years	27,200	27,200

18 Directors' remuneration

	2014	2013
	£	£
Remuneration for qualifying services	20,398	18,482
Company pension contributions to defined contribution schemes	16,000	44,000
	<u>36,398</u>	<u>62,482</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2013 - 2).

19 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2014	2013
	Number	Number
Administrative staff	13	12
Management	17	12
Cleaning staff	691	506
	<u>721</u>	<u>530</u>

Employment costs

	2014	2013
	£	£
Wages and salaries	8,446,209	5,526,929
Other pension costs	16,000	44,000
	<u>8,462,209</u>	<u>5,570,929</u>

DOC CLEANING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

20 Related party relationships and transactions

Loans to directors

Transactions in relation to loans with directors during the year are outlined in the table below:

Description	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
D Andrews - Directors' loan account	-	42,225	172,550	-	(125,000)	89,775
L Andrews - Directors' loan account	-	42,225	161,047	-	(125,000)	78,272
		<u>84,450</u>	<u>333,597</u>	<u>-</u>	<u>(250,000)</u>	<u>168,047</u>

Dividends to Directors

The following directors, and close members of their family, were paid dividends during the year as outlined in the table below:

	2014 £	2013 £
L Andrews	250,000	153,600
D Andrews	250,000	160,000
	<u>500,000</u>	<u>313,600</u>